



MINISTRY OF AGRICULTURE AND FOOD INDUSTRY

IFAD CONSOLIDATED PROGRAMME IMPLEMENTATION UNIT



Talent Retention for Rural Transformation Project

Annual Report 2021

Republic of Moldova

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ABREVIATIONS & ACRONYMS

ABD	Agribusiness development
AIPA	Agency of Interventions and Payments for Agriculture
AF	Adaptation Fund
AWP&B	Annual Work Plan & Budget
ASAP	Adaptation for Smallholder Agriculture Programme
BOEC	Bids Opening and Evaluation Commission
BP	Business Plan
CB	Commercial Bank
CA	Conservation Agriculture
CC	Climate Change
CFD	Contract Farming Development
CPIU IFAD	IFAD Consolidated Programme Implementation Unit
CW	Civil Works
EF	Entrepreneurship Finance
GoM	Government of Republic of Moldova
IFAD	International Fund for Agricultural Development
IPSC	IFAD Programme Steering Committee
LLC	Limited Liability Company
MAFI	Ministry of Agriculture and Food Industry
MoF	Ministry of Finance
MSMEs	Micro, small and Medium Enterprises
NBCO	Non-Banking Credit Organisation
NBM	National Bank of Moldova
NCFM	National Commission for Financial Market
NFSGB	National Federation of Sheep and Goat Breeders for Meat and Milk
OA	Organic Agriculture
OEAPM	Office for External Assistance Program Management
PB	Programme Beneficiaries
PCB	Partner Commercial Bank
PFI	Participating Financial Institutions
PIM	Programme implementation manual
PG	Producers group
CCRIVC	Climate Change Resilience and Inclusive Value Chains
PY	Programme year
RC	Recurrent Costs
RM	Republic of Moldova
RRP	Rural Resilience Project
SCAs	Savings and Credit Associations
SMEs	Small and Medium Enterprises
SPs	Service providers
TRTP	Talent Retention for Rural Transformation
VCPGs	Value Chain for Producers Groups
YWE	Youth and Women Entrepreneurs

PROGRAMME OVERVIEW

Title:	Talent Retention for Rural Transformation Project – IFAD VIII
Financing Agreement Number:	IFAD Loan No: 2000003414; AF Grant No: 2000003413;
Goal and Objective:	The overall goal of TRTP: reduction in poverty and outmigration from rural areas through the enhancement of smallholder resilience to climate change; Development Objective: to enable the rural poor (especially youth, women and smallholders) to increase their productive capacity, resilience to economic, environmental and climate-related risks and their access to markets.
Components:	Component 1: Resilient Economic Transformation This component is aimed at enhancing resilient economic transformation in the rural areas and will provide the entry point for addressing constraints related to infrastructure, agribusiness and marketing. Particular attention will be devoted to the promotion of climate-resilient technologies and building the capacity of government institutions for enhancing awareness and technical knowledge about conservation agriculture and strengthening government capacity for economic and market analysis regarding the agribusiness sector for smallholder farmers. This component will have two sub-components; 1.1: Enhancing Climate Resilience and 1.2 Agribusiness Development. <u><i>Sub-component 1.1: Enhancing Climate Resilience</i></u> <u><i>A. Climate Resilient Infrastructure (CRI):</i></u> The subcomponent is designed to support investments in productive rural infrastructure enhancing resilient rural economic transformation by removing infrastructure bottlenecks <u><i>B. On-farm Climate Adaptive Water Management:</i></u> The subcomponent is designed to build smallholder farmer's resilience to climate change by fostering the adoption of climate smart, water saving technologies and building smallholder awareness and capacity in climate adaptive agricultural practices. <u><i>Sub-Component 1.2 Agribusiness Development</i></u> <u><i>A. Strengthening Value Chains for Producer Groups:</i></u> This sub-component will be focused on enhancing the potential for agri-processing and agribusiness in rural areas aimed at individual farmers willing to undertake agro-processing and agribusiness development through producer groups, farmer associations or cooperatives. <u><i>B. Strengthening MARDE Technical Capacity:</i></u> The project will strengthen the capacity of MARDE by providing it technical specialists for economic and market analysis. These specialists will be kept informed of the experience of the project in undertaking some of the innovative arrangements in organizing the market facilitation meetings, partnership with private sector entities and the experience of PGs in the equity partnerships. Component 2: Entrepreneurship Finance This component will consist of two complementary subcomponents: 2.1. Affordable credit for youth and women; and 2.2. Rural finance sector development. <u><i>Sub-component 2.1. Affordable credit for youth and women:</i></u> Will be focused on addressing the two main bottlenecks affecting access to credit for the rural youth and women – the cost of capital and lack of collateral to access loans. <u><i>Sub-component 2.2. Rural finance sector development:</i></u> This sub-component is designed to build capacity and strengthen some of the initiatives of the previous IFAD projects and will further strengthen the SCA sector and the regulatory and supervisory capacity of the National Commission for Financial Markets (NCFM).
Duration:	Entry in force 13.01.2021; Completion date 30.03.2027; Financing closing 30.09.2027.
Project Year:	1
Planning period:	January 2021- December 2021
Initial Allocation:	IFAD Loan 18 939 000 EUR, AF Grant 5 537 415 USD.

INTRODUCTION

The present report has been developed by the Consolidated Unit for the Implementation of IFAD Programmes in Republic of Moldova in accordance with the Financing Agreement (Loan No: 2000003414, AF Grant No: 2000003413), PIM, Revised Project Costabs, Final Project Design Report, and recommendations of the TRTP inception mission that took place in March 2021. It reflects the activities implemented during the period January-December 2021.

Talent Retention for Rural Transformation Project – IFAD VIII, the eighth IFAD Project in Moldova, was designed to be implemented during a six-year period, entered in force on 13th of January 2021 and completed on 30th March 2027. For the implementation of overall Project's activities, IFAD has allocated EUR 18.9 million and USD 5.53 million from Adaptation Fund.

1. INITIAL PROJECT ALLOCATION

1. Initial allocation. The total Cost of the Project activities to be implemented during the lifetime of the Project is estimated at EUR 44.2 million. This includes a 43% share IFAD contribution of EUR 18.9 million as Loan and 11% share Adaptation Fund contribution of EUR 5.05 million¹. The donor financing is expected to generate an in-country contribution from: The Government - EUR 1.99 million (5%) to cover the exemption of VAT and other taxes; Beneficiaries - EUR 2.8 million (6%); PFIs - EUR 13.8 million (31%) and AIPA – EUR 1.52 million (3%) (*Details in table 1.1*)

Table 1.1: Initial Allocation, by financier (EUR '000)

	IFAD Loan	AF Grant	Total Project Funds	GoM	Beneficiaries	PFIs	AIPA*	Total
Appraisal	18 939.6	5 054.6	23 994.2	1 995.1	2 817.4	13 886.6	1 524.1	44 217.35
Share (%)	43%	11%	54%	5%	6%	31%	3%	100%

*Based on IFAD SM, AIPA was withdrawn from Project

2. As per Project design documents, EUR 17.4 million is to be spent under Component 1 “Resilient Economic Transformation”; EUR 24.2 million under “Entrepreneurship Finance” component, EUR 1.0 million under “Project Management” and EUR 1.8 million “Unallocated”. (*Details in table 1.2*)

Table 1. 2: Initial allocation, by Component (EUR '000)

Component	Appraisal							
	IFAD Loan	AF Grant	Total project funds	GoM	Beneficiaries	PFIs	AIPA	Total
Component 1: Resilient Economic Transformation	9 224.9	4 840.58	14 065.5	1 835.4	1 136.0	-	-	17 479.2
Component 2: Entrepreneurship Finance	7 121.4	-	7 121.4	-	1 681.4	13 886.6	1 524.1	24 213.5
Programme Management	705.25	214.06	919.3	159.7	-	-	-	1 048.8
Unallocated	1 888.0	-	1 888.0	-	-	-	-	1 888.0
Total	18 939.56	5 054.64	23 994.2	1 995.1	2 817.4	13 886.6	1 524.1	44 217.4

3. According to the financing agreement, the total financing has been divided into 6 categories of expenditures. The largest part of the funds (USD 30.1 million), have been allocated under the category Credit, Grant, followed by category Works –USD 8.4 million. (*Details in table 1.3*)

¹ The AF budget was expressed in USD at the time of design and at the time of financing agreement. Conversion rate used: EUR 1 = USD 1.095

Table 1. 3: Allocations at Financing Agreement, by Categories

(EUR '000)

Categories	Appraisal							
	IFAD Loan	AF Grant	Total project funds	GoM	Benefi- ciaries	PFI	AIPA	Total
Consultancies	874.9	1 217.9	2 092.8	-	-	-	-	2 092.8
Credit, Grant	11 076.5	2 019.9	13 096.4	-	1 681.4	13 886.6	1 524.1	30 188.5
Equipment, Material, Goods and Services	681.1	-	681.1	170.3	-	-	-	851.4
Works	3 975.1	1 621.1	5 596.1	1 682.8	1 136.0	-	-	8 414.9
Operating Cost	444.0	195.7	639.7	142.1				781.8
Unallocated	1 888.0	-	1 888.0	-	-	-	-	1 888.0
Total	18 939.56	5 054.64	23 994.2	1 995.1	2 817.4	13 886.6	1 524.1	44 217.4

2. IMPLEMENTATION PROGRESS

4. During the period from the date entry into force of the Financing Agreement, 13 January 2021, till 31 December 2021 the project has achieved the following progress:

- On 26 March 2021 the project was officially launched with participation of the IFAD mission, representative of GoM, potential partners and stakeholders.
- The 18-month AWPB and Procurement Plan (disaggregated for 9 months 2021 and 9 months 2022) were developed and approved by IFAD and IPSC.
- The draft of Project Implementation Manual has been developed, consulted with the MAFI and MoF, approved by the IPSC and IFAD.

5. The **total cost** of activities planned for the 2021 amounts to **EUR 163.53 thousand**: from IFAD Loan it was planned to disburse EUR 84.07 thousand and EUR 44.01 thousand from AF Grant, bringing to a total project funds of USD 128.07 thousand. The GoM was expected to contribute EUR 35.46 thousand. (*Details in table 2.1*)

6. Due to the long process of launching the project, approval of Project Implementation Manuals, AWPB, procurement plan (on 17.06.2021 by *Steering Committee*) and opening of the operational accounts at the MoF the actual disbursement of funds was on low level, activities being postponed to be implemented for 2022. During 2021, the total cost was achieved at 7 %, by the end of the reporting period under the project's activities has been disbursed the amount of EUR 11.63 thousand. (*Details in Table 2.1*)

Table 2.1: Financial execution TRTP by financiers in 2021

(EUR '000)

TRTP	IFAD Loan	AF Grant	GoM	Total
Plan 2021	84.07	44.01	35.46	163.53
Executed 2021	4.70	3.06	3.88	11.63
%	6%	7%	11%	7%

2.1. Component 1: Resilient Economic Transformation

7. This component is aimed at enhancing resilient economic transformation in the rural areas and will provide the entry point for addressing constraints related to infrastructure, agribusiness and marketing. Particular attention will be devoted to the promotion of climate-resilient technologies and building the capacity of government institutions for enhancing awareness and technical knowledge about conservation agriculture and strengthening government capacity for economic and market analysis regarding the agribusiness sector for smallholder farmers. This component will have two sub-components; 1.1: Enhancing Climate Resilience and 1.2 Agribusiness Development.

Sub-comp 1.1. Enhancing Climate Resilience

A. Climate Resilient Infrastructure

8. The subcomponent is designed to support investments in productive rural infrastructure enhancing resilient rural economic transformation by removing infrastructure bottlenecks. According to logframe indicator for small-scale irrigation schemes it is foreseen to be constructed 20 schemes and the indicator for roads constructed- 30 km, but as PDR provides for feeder roads an amount of EUR 149 thousand, will be possible to construct only one feeder road.

9. On 12 February 2021 CPIU IFAD announced vacant position for recruitment of Irrigation engineer for infrastructure development; the announcement was disseminated in 12 media sources. By the deadline no candidate expressed their interest. In this regard, CPIU analyzed the list of engineers who participated in the last 3 years for similar positions at the CPIU IFAD tenders and pre-selected 11 candidates with relevant experience in irrigation development under the donor funded projects. Also, CPIU requested support of MCC Moldova and Agency Apele Moldovei to recommend competent and available candidates. MCC recommended one expert and Agency Apele Moldovei informed us that did not find available specialists. Therefore, CPIU sent personalized invitations to 11 engineers and made confirmatory calls. We invited all of them to participate at the contest. Thus, we received 5 CVs from the candidates. At the end a short list of three candidates was approved, but the top ranked candidate specified in his technical offer that he will be able to carry out the activity from the distance (online), the committee decided to reject the top ranked candidate offer, the other 2 candidates refused to submit their offer.

10. In consequence the Tender was cancel due to the lack of available bidders to perform the activity in the usual work regime corresponding to the requirements within the Terms of Reference.

11. Trying to find an internship in order to support infrastructure component, CPIU undertook a visit at the Faculty of Cadaster and Law of the State Agrarian University of Moldova (UASM) on August 2021. On 6 September was organized public information seminar with the students from UASM. The results of the information session, the conditions for application to the Internship in the field of Hydro-Amelioration at CPIU IFAD, the evaluation grid and the date on which the interviews were planned were published on September 10, 2021 with a deadline of expression of interest on September 15, 2021. In terms of the deadline 3 candidates express their interest. Were organized 2 interviews, and was selected one student for internship but in the end the selected candidate refused to submit his offer.

12. CPIU IFAD relaunched the tender in order to contract the Irrigation Engineer for Infrastructure Development, thus we received 2 CVs unfortunately the financial proposal of top-ranking candidate was rejected, due to the unavailability of the candidate to accept the negotiated CPIU remuneration rate. In the end the second candidate accepted to sign the contract, the contract is estimated to be signed at the beginning of January 2022.

13. The Programme Implementation Manual for TRTP, namely sub-component 1.1. ENHANCING CLIMATE RESILIENCE, Climate-Resilient Infrastructure was submitted and approved by Steering Committee on 17 June 2021.

14. Considering the mission recommendations from November 2021, were operated the necessary modifications in PIM. The committee is planned for January 2022, where the amendments should be approved.

15. The 1st Call for the reception of applications for funding the infrastructure projects for 2022 under the Talent Retention and Rural Transformation Project (TRTP) was launched on 12 November 2021 with the deadline set by 31 January 2022.

B. On-Farm Climate Adaptive Water Management

16. The subcomponent is designed to build smallholder farmer's resilience to climate change by fostering the adoption of climate smart, water saving technologies and building smallholder awareness and capacity in climate adaptive agricultural practices. According to the updated logical framework, up to 440 farmers,

including 160 women and 200 youth, should implement water saving technologies and adopt practices which are climate resilient. About 5000 farmers should be trained in water and soil conservation agriculture.

17. The activities planned for implementation in the reference period included preparatory works for sub-component implementation. However, due to resignation of the Adaptation Fund Climate Senior Specialist, the implementation of sub-component activities are delayed to the year 2022.

18. Adaptation Fund Climate Senior Specialist has been employed on 7 May 2021 for a probation period of 3 months and resigned on his own initiative on 9 August 2021.

19. The Terms of reference for a CPIU staff member responsible for the overall guidance, management and implementation of the Adaptation Fund grant-related activities were revised and a new procurement process started in December 2021.

20. By the end of the reporting period, the CPIU staff in charge of climate change resilience, infrastructure, communication and procurement continued the consultations on the concept of mobilization and awareness campaign for the information of potential beneficiaries under the TRTP Climate-Resilient Infrastructure and On-Farm Climate Adaptive Water Management. It was agreed that a national information campaign on TRTP project shall be undertaken by a service provider for which Terms of reference will be developed by the Communication and Knowledge Management Specialist, while another service provider shall be responsible for the organization of annual awareness raising campaigns to identify and mobilize the off-farm/ on-farm and demo plot water management beneficiaries, for which the Terms of reference shall be develop by the Adaptation Fund Specialist.

21. The Climate Resilience Senior Specialist was involved in the editing of aspects relevant to Adaptation Fund grant-related activities of the draft TRTP Targeting & Gender Strategy developed with IFAD support.

22. The Climate Resilience Senior Specialist revised and updated the draft AWPB 2022 based on comments made by IFAD and support mission undertaken in November 2021.

23. In consultation with IFAD, Climate Resilience Senior Specialist prepared amendments to the TRTP Implementation Manual (IFAD VIII) for Activity 1.1.2 On-farm Climate Adaptive Water Management to be presented and endorsed in the IPSC meeting in January 2022.

Sub-comp 1.2: Agribusiness Development

24. At the negotiation stage the content of this activity was changed to introduce a high proportion of loan finding and a significant reduction of grant funding for producer groups, which was not originally designed. Therefore, based on the findings of the IFAD mission to Moldova in March 2021, it was decided that in order to develop PIM for this activity, it is necessary to explore the feasibility of this new approach.

25. In this context, CPIU in November 2021 contracted a Service Provider to conduct a demand and supply Study, in order to: (i) identify eligible PFIs for the implementation of this activity; (ii) identify eligible beneficiaries – recipients of financing package; (iii) assess the interest of both producer groups in accessing such financing packages, as well as PFIs' interest in and capacity to provide loan funding for producer groups. The Study will include research on the experience of any similar projects in Moldova to understand best practice approaches and lessons learned. The report on the study is expected to be delivered by March 2022.

26. Based on the findings of the study, CPIU IFAD will develop a set of the financing packages' parameters that match the interests of potential beneficiaries and will incorporate these parameters into a design report, which will be submitted to IFAD for approval and, based on which the respective section of the PIM should be developed.

27. **Strengthening MAFI Technical Capacity:** At the design stage it was foreseen the assistance to strengthen the capacity of MAFI for economic and market analysis. Based on identified area of assistance agreed with MAFI, CPIU launched in December 2021 ToR for contracting 3 experts who will work close with MAFI and provide the requested assistance.

2.2 Component 2: Entrepreneurship Finance

28. The component consists of two complementary subcomponents: 2.1. Affordable credit for youth and women; and 2.2. Rural finance sector development. The total budget of EUR 4.4 thousand (EUR 3.7 thousand from IFAD loan and EUR 0.7 thousand GoM contribution) planned for SME information and mobilization activities has not been spent, as the launch of the component's activities started late (details below).

29. **Sub-component 2.1. Affordable credit for youth and women.** During the reporting period, in addition to the planned activities to launch the sub-component were included other actions arising from the recommendations of implementation support IFAD mission, as following:

- in view of AIPA withdrawal and cancellation of SCA Deposit Insurance Fund activity respective adjustments to the PIM were made: CPIU has developed a new financing product "loans for micro and small entrepreneurs (legal entities)" on terms and conditions similar to the financing of young entrepreneurs under the RRP (*loans up to equivalent of EUR 100.000; up to 30% of the total loan portion amount can be used for working capital linked to investment; up to 8 years, including grace period of up to 4 years; beneficiary contribution min. of 10 % of the total investment project cost*). The amount to be used under this new product is estimated at EUR 2.230.000 (*EUR 774.000 allocated for SCA Deposit Insurance Fund and EUR 1456.000 allocated under matching grants for equipment IFAD*). The proposal was sent to IFAD for N.O. on 17 December 2021.
- respective adjustments to the PIM were made based on recommendation of aligning parameters of the microlending window to RRP project: i.e., include NBCO and banks as providers of loans to microentrepreneurs.
- in line with action agreed within the mission, in order to facilitate access of NBCO and SCAs to the project credit facility, NCFM was asked to provide their expert opinion as the non-banking sector regulator on debt-to-equity ratio. Due to internal changes, the NCFM estimated to provide their opinion in January 2022.

30. The above-mentioned activities led to a shift in implementation of planned activities, namely:

- information and mobilization activities, development of materials for information and awareness campaign and approval of the partner commercial banks have been postponed for 2022, taking into account the proposed changes and completions to the PIM: i) new financing product; ii) including of NBCO and banks as providers of loans to microentrepreneurs. Once the conditions are approved, the financial institutions can submit to OEAPM the request to participate in the implementation of the sub-component 2.1, based on which OEAPM will assess eligibility and sign the On-Lending Agreement.

31. **Sub-component 2.2. Rural finance sector development** is designed to build capacity and strengthen some of the initiatives of the previous IFAD projects and will further strengthen the SCA sector and the regulatory and supervisory capacity of the National Commission for Financial Markets (NCFM).

32. For implementation of sub-component activities was planned to use in Q4, 2021 an amount of EUR 3.7 thousand for MSE information and mobilization. This activity was postponed for 2022 due to PIM adjustments on terms and conditions of financing activities (detailed above), AIPA's withdrawal from the project.

33. Under the **SCA sector strengthening**, the planned activity for 2021 was to liaise with NCFM to clarify the procedures and conditions of the SCA Stabilization Fund and the SCA Deposit Insurance Fund funding. After confirming with NCFM the cancellation of the SCA Deposit Insurance Fund activity, due to recent

legislative and regulatory changes, the relevant support was to be provided for preparation of SCA Stabilization Fund implementation, thorough the feasibility research of various policy approaches, the assessment of risks and the development of specific procedures for the functioning of the fund. CPIU has included in 2022 AWPB the procurement of services for feasibility research and risk assessment. The development of ToR was initiated by CPIU in cooperation with NCFM, so that in September 2022 present results of the research with recommendation on implementation modality of the fund or justify the cancellation in case.

34. Under **MSE mentoring support**, for 2021 have been planned an information and awareness campaign and elaboration and printing of promotional material to support information campaign. In view of PIM changes/completions with new financing services that have to be included in promotional materials, the activity has been postponed for 2022.

35. The provision of mentoring packages support planned to start in late 2021 was rescheduled for 2022, the ToR for contracting a Technical Assistance Agency for provision of mentoring support were revised including provisions of draft Project Targeting and Gender strategy related to target group of mentoring support.

2.3 Component 3: Project Management

36. The overall management of the Project lies within the responsibility of the CPIU IFAD, established by the Government Decree, entrusted with responsibility for implementation activities coordination, including financial management. Currently, the CPIU IFAD comprises 16 fulltime employees (including the CPIU director, 14 specialists in charge of the on-going programme' implementation, driver) and 4 consultants.

37. CPIU will continue to exercise its responsibilities in terms of:

- programme implementation in technical and financial terms, as well as supervision of the overall activities thereof;
- procurement under the Project's components;
- monitoring and evaluation of the Project's impact in compliance with the ORMS indicators and other additional indicators which will enable Project performance assessment;
- preparation of progress reports, with continuous improvement thereof.

38. Knowledge Management and Communication Activities. The aim of knowledge management activities under TRTP is fully committed to sharing information and knowledge related to promotion of good practices, scale up innovation and contributes to policies improvement where necessary. At the same time, KM is an important part of the Programme management, as it leverages know-how across Programme stakeholders to improve partnerships, decision making and overall organizational results.

39. From the other side, communication activities play a vital role, ensuring an efficient dissemination of knowledge, i.e. project implementation results, lessons learned, best practices, etc. Thus, the success of interaction among the Programme stakeholders depends to a large extends on the quantity, quality and timeliness of the information, which is flowing among them. Moreover, the information has to be packaged and disseminated to the respective stakeholders in the appropriate formats (e.g., brochures, studies, articles, newsletter, and internet).

40. A [start-up Conference](#) was organized in order to provide the opportunity to describe and discuss TRTP's objectives, aria of implementation and components to the public, partners and beneficiaries. The message was published in different online media:

- [CPIU website](#), [Instagram](#), [OK page](#)

➤ [Agrobiznes](#), [InfoMarket](#), [AgroTV](#) (YT page/ FB page), [RadioChisinau](#), [Moldpres](#), [TVRMoldova](#), [Ziuadeazi](#) etc.

41. CPIU opened a dedicated [window for TRTP](#), on the existing CPIU website.
42. An on-line repository for IFAD VIII working documents was created in order to cumulate: annual reports, PIM's, AWPB, each component working documents, and, for all lessons learned and other knowledge products, photos, videos, that can be easily retrieved, used and shared throughout the project lifetime CPIU staff has a folder in K&M section.
43. Outlined the TRTP key knowledge themes and developed a KM plan, whose activities will be adequately integrated in the AWPB and monitored by the M&E system.
44. Gender Focal point Specialist in collaboration with the CPIU team developed the ToRs in order to identify and hire a service provider which will promote using mass media and social media tools TRTP's activities, organize an informational campaign for the TRTP Project and will focus on promoting gender equality (i) women increased voice, (ii) economic empowerment and (iii) equitable workload of female beneficiaries under Entrepreneurship Finance throughout all activities.
45. **Monitoring and Evaluation.** Within TRTP, the M&E Unit has three main objectives: a) facilitate project implementation; b) support economic decision and policy-making process; c) share knowledge and upscale good practices. The M&E are responsible for data keeping and analysis of activities, outputs, and outcomes and for reviewing the performance of components and sub-components on the basis of information collected from the field.
46. In the reporting period M&E Unit developed a ToR for baseline survey. The ToR was sent to IFAD for coordination and later for approval. After the approval of AWPB by Steering Committee was launched the tender for baseline survey. At the end of reporting period, in December 2021 was signed contract with service provider that will undertake the Baseline Survey for TRTP.
47. Following the IFAD Mission recommendation, the outreach for roads, on-farm climate adaptive water management was adjusted.
48. In the reporting period was elaborated the M&E matrix that takes into account the data collection method, frequencies and people responsible for the material support for data collection and management for each indicator.
49. In order to facilitate planned activities for 2022, M&E Unit offered support to the finalization of the AWPB for TRTP. Afterwards it was sent to IFAD for approval.

Annex 1: Status of mission recommendations at 31.12.2021

	Actions	Responsibility	Deadline	Status at 31.12.2021	Comments
	Component 1				
1	Feasibility Studies The ToRs for the Feasibility Studies for pre-qualified investment proposals need to re-assess the preliminary cost estimate for infrastructure investments as submitted by the Applicants to mitigate the risks of unexpected cost increases after completion of a detailed design only	CPIU Infrastructure Unit, Service Providers	Immediately	In Progress	After the first call there were no application submitted and the contest was extended till the end of March. The ToR for selection of the company to develop the feasibility studies will be developed.
2	Amendment of outreach for roads The outreach from road projects in the output table will be amended to 290 total beneficiaries (145 men, 145 women and 116 young) – the logframe will also be amended accordingly	IFAD/CPIU M&E	Immediately	Done	The outreach for roads was amended according to IFAD mission recommendation. LF amended and sent to IFAD.
3	Reporting of outreach under infrastructure - Reporting of people reached by each type of infrastructure in the Logframe targets specific to infrastructure shall reflect, in line with PDR assumptions, the total HH members. - Moreover, for irrigation projects not only the applicants raising the contribution but also the other smallholders (if any) benefitting from the improved irrigation system shall be recorded. - For roads the count will consist of the sum of: i) people employed in the benefitting enterprises; and ii) HH members living along the road or using the road to access their agricultural plots. - For rainwater harvesting ponds while the whole village population may be reported as beneficiaries for the communal uses, the contribution to the specific targets in terms of HH members with improved access to irrigation water and area with improved irrigation (Ha) have to be reported separately.	CPIU M&E	Immediately	Done	All the amendments mentioned were made.
4	Follow up with infrastructure perspective applicants CPIU informs all perspective applicants about the clarifications provided by the mission for the development of investment proposal with enhanced focus on smallholders.	CPIU Infrastructure and KM&C specialist	Ongoing basis	In Progress	Ministry of Agriculture in collaboration with Ministry of Agriculture organized 3 seminars for each zone in the scope of information about the qualification criteria.
5	Fast-track recruitment of AF Specialist who will be in charge of overall implementation of TRTP-Adapt activities at CPIU	CPIU Director, Procurement Officer	February /2022	In Progress	Approval by IFAD of short-listing report from 04 March 2022 (single shortlisted consultant Alex Belschi)

	Ensure that AF Specialist position is filled by February 2022 latest				
6	Clarify role and responsibility of SCCRS position vis-a-vis TRTP Define precisely the tasks and level of responsibility of the SCCRS vis-a-vis TRTP. If needed, revise the CPIU organigram to reflect the real chain of responsibilities under TRTP project. Amend existing and future contracts accordingly	CPIU Director	Immediate	In Progress	CPIU organigram is in process of revising by Minister of Agriculture
7	[Repeated] Call for proposal for selection of Research Institute in CA The CPIU will immediately launch a call for proposal based on the shortlist of potential Service Providers/Research Institutes -	CPIU Director, SCCRS	December /2021	Not Started	The activity will be initiated after a AF specialist will be contracted.
8	[Repeated] All AF changes and decisions carefully identified for easy reference Because all actions and changes need to be reported to the AF, these will need to be clearly detailed for ease of reference for the AF consultant	CPIU Director, SCCRS	Immediate and continuous	In Progress	No changes related to AF activities
9	Environmental and Social Management Plan Circulate the ESMP to the project implementation staffs and SPs and ensure to follow the social and environmental risk mitigating measures	CPIU Director, SCCRS	Immediate and continuous	Done	ESMP circulated to CPIU staff involved in TRTP implementation. No SPs are contracted under TRTP.
Component 2					
10	Adjust implementation modalities in view of AIPA withdrawal and cancellation of SCA Deposit Insurance Fund activity CPIU should adjust the PIM to reflect AIPA's withdrawal and the cancellation of the SCA Deposit Insurance Fund. All changes will be submitted to IFAD for No Objection	CPIU Director, FSRDM, IPSC	December/ 2021	Done	Developed new financing product "loans to micro and small entrepreneurs (legal entities)". Total EUR 2.230.000 (EUR 774.000 allocated for SCA Deposit Insurance Fund and EUR 1456.000 allocated under matching grants for equipment IFAD). The proposal was sent to IFAD for N.O. on 17 December 2021.
11	[Repeated] Eligibility criteria for NBCOs (i) NCFM to provide opinion on revision of NBCO debt-to-equity ratio	NCFM	December /21	Done	NCFM official opinion was sent to MoF on 01.02.2022
12	Aligning parameters of the microlending window to RRP project In the PIM, align product parameters of micro loans to those of the RRP project (i.e., include MFIs and banks as providers).	FSRDM, IPSC	December/ 2021	Done	PIM revised and approved by IFAD on 13.01.2022 and by IPSC on 19.01.2022
13	[Repeated] Proactively develop alternatives to improve current implementation modalities of Component 2 activities, and submit official requests for any proposed changes These include any proposed changes in budget allocation, activities, staffing, implementation modalities, etc. including the justification for such changes.	CPIU Director, FSRDM	December/ 2021	Done	AIPA was withdrawn from the Project, the activity of SCA Deposit Insurance Fund is canceled. Funds reallocated to a new financing facility: "loans to micro and small entrepreneurs (legal entities)". Added Financial Services and Rural Development specialist for coordination of micro entrepreneurs lending and SCAs development sector. Modifications approved by IFAD and IPSC.

	Programme Management				
14	Thorough internal review meeting with all CPIU staff on TRTP implementation modalities, budget and financing mechanisms As a result of the TRTP CPIU meeting, all concerned staff should be on the same line on how TRTP should be implemented, with roles and responsibilities clearly assigned.	CPIU Director	December/2021	Done	Meetings regarding TRTP implementation modalities were undertaken.
15	Finalization of AWPB 2022 The CPIU will revise and update the draft AWPB 2022 based on comments made by IFAD and this mission, ensuring that the activities are planned in the right sequence (as already defined in the inception report and in the TRTP PIM).	CPIU Director with inputs from all Component Heads as well as FM, Procurement Officer, M&E and KM&C Specialists	December/2021	Done	The AWPB was revised, adjusted and sent to IFAD. AWPB for 2022 was approved.
16	Improved CPIU structure Consider all options to ensure optimal use of CPIU staff and efficient leadership at component level in each project – amend CPIU organigram as deemed appropriate	MAFI, MoF	December/2021	In Progress	
17	AF reporting Organize the punctual recruitment of an International AF expert to accompany the CPIU in its reporting requirement to the Adaptation Fund	CPIU Director, Procurement Officer	Continuous	Not Started	CPIU needs additional support from IFAD on this topic.
18	M&E matrix Elaborate an M&E matrix which will take into account the data collection method, frequencies and people responsible for the material support for data collection and management for each indicator.	M&E Specialist	Immediate	Done	TRTP M&E matrix developed.
19	Baseline survey Share the COI guidelines with the selected company for conducting the baseline survey and negotiate with it to strengthen its methodology with the aim to produce a solid baseline report.	CPIU Director, M&E Specialist, Procurement Officer	Immediate	In Progress	Inception report is ready (1st deliverable), the activity will be completed by 30 April, according to the contract term
20	Finalize TRTP Gender and Targeting Strategy IFAD will ensure that the final gender and targeting strategy, meant to guide the overall implementation of TRTP, is released by its consultant by end of December 2021 latest	IFAD	December/2021	In Progress	Final version submitted to CPIU 07.02.2022. Estimated to be approved by IPSC in May 2022.