Investing in rural people

Pakistan

Economic Transformation Initiative - Gilgit Baltistan

Supervision Report

Mission Dates:	14 September - 30 October 2020
Document Date:	27/11/2020
Project No.	2000000836
Report No.	5569-PK

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

4Ps	Producer, public, private partnerships
AKRSP	Agha Khan Rural Support Programme
AWPB	Annual Workplan and Budget
BISP	Benazir Income Support Programme
CPM	Country Portfolio Manager
EAD	Economic Affairs Division
EOI	Expression of Interest
ETI	Economic Transformation Initiative
FOs	Farmer Organizations
G-B	Gilgit-Baltistan Province
hhs	Households
IFAD	International Fund for Agriculture Development
JICA	Japan International Cooperation Agency
Km	Kilometer
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
NADEP	National Agribusiness Development Programme, Sri Lanka
NOC	No Objection Certificate
O&M	Operation and management
P&D	Planning & Development Department
PC-I	Planning Commission Proforma-I for project aproval
PCU	Programme Coordination Unit
PDR	Programme Design Report
PIM	Programme Implementation Manual
PP	Procurement Plan
PSC	Programme Steering Committee
PWD	Public Works Department
RCU	Regional Coordination Unit
RFP	Request for proposal
RIMS	Results and Impact Management System
SMP	Social Mobilization Partner
SMT	Scheme Management Team
TOR	Terms of Reference
VAC	Village Agriculture Cooperatives
USAID	United States Agency for International Development
VCF	Value Chain Fund
VCTAT	Value Chain Technical Assistance Team
VPG	Village Producer Group
WMD	Water Management Directorate

A. Project Overview

Region:	Asia and the Pacific Division	Project at Risk Status:	Not at risk
Country:	Pakistan	Environmental and Social Category:	B
Project Name:	Economic Transformation Initiative - Gilgit Baltistan	Climate Risk Classification:	3
Project ID:	2000000836	Executing Institution:	Planning and Development Department
Project Type:	Irrigation	Implementing Institutions:	not available yet
CPM:	Hubert Boirard		
Project Director:	Ahsan Mir		
Project Area:	Gilgit Baltistan		

Approval Date:	22/04/2015	Last audit receipt:	04/01/2020
Signing Date:	26/10/2015	Date of Last SIS Mission:	30/10/2020
Entry into Force Date:	16/09/2015	Number of SIS Missions:	12
Available for Disbursement Date:	06/04/2016	Number of extensions:	0
First Disbursement Date:	11/04/2016	Effectiveness lag:	5 months
MTR Date:	14/10/2019		
Original Completion Date:	30/09/2022		
Current Completion Date:	30/09/2022		
Financial Closure:	not available yet		

Project total financing

IFAD Financing breakdown	IFAD	$67,000,000
Domestic Financing breakdown	Beneficiaries	$6,540,000
	National Government	$23,630,000
Co-financing breakdown,	To be determined	$22,980,000
Project total financing:		$120,150,000

Current Mission

Mission Dates:	14 September - 30 October 2020
Days in the field:	18
Mission composition:	Hubert Boirard, Country Director/Mission Leader, Fida Muhammad, CPO/Co-Mission Leader/Value Chain and 4-Ps, Rab Nawaz, Institutional Specialist, Abdul Hakeem Khan, Infrastructure and Climate Change Specialist, Arsalan Haneef, Financial Management Specialist, Sumaira Aly, KM Communication, Gender and Nutrition, Waseem Shahzad, Procurement Specialist. (Remote/Virtual presence): Ilaria Firmian, M&E, KM and Communication, Elizabeth Ssendiwala, Targeting and Mainstreaming Themes (Gender, Youth, Nutrition) and FOs, Alaa Abdel Karim, Finance Officer
Field sites visited:	ILD, FMR, Bridges, 4-Ps, vertical farming and Cooperatives visited in: Diamer District (Babusar, Kino Das, Sut Das, Luruk, Goharabad) Gilgit District (Pari Bangla, Danyore, Oskikin Das) Ghizer District (Gulapur, Sher Qillah, Gulmuti, Goharabad, Hasis, Gigish, Shamsabad, Khalti), Astore District (Doyan, Patti pura, Bunji), Skardu District (Gole, Hussainabad, Qomrah, Dashkor Shiger), Ghanche District (Khrafaq, Surmo Ghowari, Mehdiabad, Ghasing, Thalay Baroq, Saling, Kandey, Hushey)

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating
Likelihood of Achieving the Development Objective		4.19

Key SIS Indicator #2	Ø	Rating
Assessment of the Overall Implementation Performance		4.0

Effectiveness and Developmental Focus	**4**
Effectiveness	3
Targeting and Outreach	4
Gender equality & women's participation	5
Agricultural Productivity	4
Nutrition	4
Adaptation to Climate Change	5

Project Management	**4**
Quality of Project Management	3
Knowledge Management	4
Value for Money	4
Coherence between AWPB and Implementation	4
Performance of M&E System	5
Social, Environment, and Climate Standards requirements	5

Sustainability and Scaling-up	**4**
Institutions and Policy Engagement	4
Partnership-building	4
Human and Social Capital and Empowerment	4
Quality of Project Target Group Engagement and Feedback	4
Responsiveness of Service Providers	4
Environment and Natural Resource Management	5
Exit Strategy	4
Potential for Scaling-up	5

Financial Management and Execution	**4**
Acceptable Disbursement Rate	3
Quality of Financial Management	4
Quality and Timeliness of Audit	4
Counterparts Funds	4
Compliance with Loan Covenants	4
Procurement	4

Relevance	**5**

C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

Economic Transformation Initiative in Gilgit-Baltistan (ETI-GB) is an USD 120 million programme, approved by IFAD's Executive Board in April 2015 with a SDR 48.55 million highly concessional loan. It entered into force on 16th September 2015 and will be completed by 30th September 2022. The project has a financing gap of USD 23 million. An Italian Co-financing was discussed during the design and is yet to become effective. An autonomous Project Coordination Unit under the Planning and Development Department of the Provincial Government of Gilgit-Baltistan is responsible for project implementation.

ETI-GB's development objective is to increase agricultural incomes and employment for at least 100,000 rural households in the Gilgit-Baltistan region, where over 90 per cent of the population is engaged in agriculture.

The project focuses on: (i) increasing agricultural production by organizing farmers, developing value chains for high-value cash crops and linking farmers to local markets and private sector; (ii) developing support infrastructure including new irrigated land and rural roads; and (ii) developing support systems for small-holder farmers including land titling systems and improving access to financing. The project components are: (i) Economic infrastructure (comprising of two sub-components; irrigation and land development and farm-to-market roads); (ii) Support Services/PPPP for Value Chain Development; and (iii) project management and policy support.

The ETI-GB Supervision Mission took place from 14 September to 30 October 2020, with the objectives to: (i) assess the implementation progress since MTR and emerging impacts; (ii) review the status of implementation of recommendations of the MTR mission; (iii) review progress against the 2019 - 2020 AWPB and procurement plan and review implementation readiness and coherence of AWP/B 2020-21; (iv) assess progress with regards to geographical expansion of project activities; (v) identify actual and potential/emerging operational problems; and, (vi) propose solutions, corrective measures or improvements required.

The Mission held meetings in Islamabad and Gilgit with various stakeholders including EAD, Chief Secretary, Secretary Agriculture, ETI-GB Service Providers (VCTAT and SMP), cooperatives, private sector and PCU. In addition, the mission visited field activities in all three regions and met community organizations and beneficiaries. A debriefing was held with the PCU on the 23rd September 2020 and a pre-wrap up meeting was held with Chief Secretary, GB on 25th September 2020 in Gilgit, followed by pre wrap up meeting at EAD on 28th September 2020. The supervision mission visited the ETI-GB PCU and partners in Gilgit on the 26 and 27 October in order to address the final pending issues. The final wrap up was held in Islamabad with EAD on 30th October 2020.

The IFAD Mission expresses its gratitude to EAD, Government of Gilgit-Baltistan, the ETI-GB Project Coordination Unit, the project beneficiaries met, and all the other project partners for their cooperation and support during this mission. This report reflects the main mission findings and recommendations duly endorsed in the wrap-up meeting.

Key Mission Agreements and Conclusions

ETI's overall implementation progress is rated as 'Moderately unsatisfactory (3). The project made significant progress in almost all areas but final steps on land irrigation scheme, land titling, and cultivation of the irrigation schemes need to be completed before extension of these activities to other districts. The mission recognized the impressive qualitative and quantitative improvement made on the Value Chain component during the last 12 months as well as notes the importance to enter into an agreement with the Provincial Cooperative Department. The Project Management Unit must be fully operational and the mission noted that the recruitment expected has not been effective during the last one year. The mission appreciated that during the COVID 19, ETI-GB PCU developed all possible strategies under the GoGB's SOPs in order to limit as much as possible, the negative impact of this situation on the implementation pace of the project.

Irrigation and Land Development (ILD). The completion of ongoing schemes has progressed well and the project is likely to achieve physical targets in terms of constructing main channels. Achieving the outcome targets in terms of economic benefits to households and land cultivation is only marginally achieved as (i) all secondary and tertiary irrigation channels are planned to be finalized in 2021 and (ii) all cultivable surfaces will be available for cultivation in 2021 to generate the expected crop production and thus be able to generate additional incomes. Land distribution, which is an extremely important step, has been completed on 39 schemes so far. In terms of legal status of Scheme Management Team (SMT), many of them are now being converted into formally registered VAC (Village Agriculture Cooperatives) with SMT to fulfil their new role in terms of local and economic development.

Farm to Market Roads (FMR). A total of37 FMR have been completed (198 km). Additional 26 FMR (156 km) are ongoing and 26 FMR (122 km) are ready for implementation. Of the 11 wooden bridges, 4 have been completed and 2 are 65% complete. While the quality and cost of the FMR and bridges are both much better than the comparable model in the province, most bridge and road schemes have experienced time overruns that can mainly be explained because of the COVID 19 situation.

Support Services/PPPP for Value Chain Development. Progress remains on track in terms of formation of cooperatives and support in business planning. Formation has been initiated in the case of 110 cooperatives out of the intended target of 220. Of these, 45 cooperatives have already been registered and business plans for 27 cooperatives have been finalised. In addition, 9,550 households have already benefited from various interventions including potato seed, apricot processing, apricot orchards, vertical vegetable farming, fruit nursery and dairy processing.

Project Management and Policy Support. Since the last supervision mission in October 2019 and the agreed revised organigram, many key positions in the PCU and all Regional Coordinator positions have remained vacant. There is urgency to initiate the recruitment process for ETI-GB to be fully staffed by 1st January 2021. The progress on land reform, water management policy and road master plan has to be accelerated with clear delivery for 2021. The mission acknowledge the fact that (i) with the COVID 19 situation and (ii) the GB parliament election in November 2020, the period was not favourable for these specific deliveries. On the administrative and fiduciary aspects, some improvement needs to be done, especially in terms of internal controls.

In view of the foregoing, following key agreements have been reached with the Government and PCU:

- On the 73 on-going irrigation schemes, a first batch of 55 irrigation schemes should be completed by 1st March 2021 (ready for cultivation) and the remaining 18 irrigation schemes should be completed by 1st September 2021. The scheme completion will entails that all operational elements will be developed / achieved, including tertiary channels, land cultivation, VAC formation and operationalization, as well as implementation of the payback mechanism.
- A cost and design analysis of completed/near completion irrigation schemes and FMRs will be carried out in order to establish design and costing benchmarks and design/specification guidelines for the remaining ILD and FMR schemes. These elements will be submitted for review and approval of IFAD.
- A Result based MOU with the GB Cooperative department will be submitted for IFAD NOC by 31 October 2020 with the specific objective that all the 220 cooperatives already identified will be formally registered by 1st March 2021.
- On the component 2 and in the continuity of the VCTA approach, 50 new Business Plans for cooperatives and 38 Business plan for the VAC to be submitted for IFAD NOC by 1st March 2021
- The ETI-GB 13 positions to be recruited should be finalized by end of December 2020.
- PCU to provide concept note / budget for plantation approach under VAC by end of November 2020.

D. Overview and Project Progress

Component-1: Economic Infrastructure (US$ 61.45 million/61% of base cost):

The component progress is rated as *moderately unsatisfactory (3)*. The component has witnessed overall physical progress on irrigation schemes, FMRs and bridges since MTR. Activities under land distribution, development, cultivation and payback have started, in spite of COVID 19. A critical review of the component with detailed recommendations is at Appendix 4.

Sub-Component 1.1 Irrigation and Land Development. Progress is rated as *moderately unsatisfactory (3)*. Progress on completion of ongoing schemes progressed well and new schemes have been identified and designed in the original 04 districts and additional districts. Against the target of 50,000 acres of new land: (i) 40 irrigation (23 at MTR) channels have been completed with a total command area of 16,848 acres benefiting 13,903 households, (ii) 33 irrigation channels are under implementation having a command area of 24,472 acres that will benefit 14,468 households (iii) additional 21 schemes have been designed and are ready for implementation, potentially covering 7,831 acres and benefitting 9,376 households. Land distribution has also been undertaken on 42 schemes so far. The distribution has been completed down to household level in 32 schemes while on the rest the distribution has been completed up to clan level. It is likely that the physical and financial target will be achieved during the remaining period of the project. As for other aspects: 38 SMTs are being converted into formal cooperatives and 25 have been registered so far. Land development is going on in more than 20 schemes while payback has also been started in 7 command areas. Land cultivation has taken place fully or partially on only four schemes. Payback has started in four schemes in Baltistan while four schemes in Ghizer have committed to start payback in this cropping season. The four out of five-pilot solar powered lift schemes in Astore, Skardu, Ghanche, Gilgit and Ghizer districts continue to perform well. O&M arrangement of functional schemes have been established and land already distributed.

The mission observed that most of the issues raised during the MTR Mission persist with SOME compounding effects on quality and pace of implementation. Guidelines provided by previous missions for adoption of a more strategic and holistic approach was given towards the development of each ILD scheme covering all five elements i.e. (i) construction of main channel and secondary and tertiary channels; (ii) land allocation/distribution and titling; (iii) land development and cultivation; and, (iv) formation of cooperatives; and, (v) payback and maintenance planning. The mission recommend that the ILD work follows the above approach and guidelines. The mission notes that the completion cost of 27 schemes has exceeded the sanctioned cost by about PKR 47.98 million, while 11 schemes have even exceeded the sanctioned plus contingency cost by PKR 29.61 million. The cost revisions need to be analysed and lessons in terms of future design and review process need to be integrated in 2021 AWPB. Most of the completed schemes need to finalize their secondary and tertiary channels and budget their land development plans. The land titling remains a challenge due to absence of an appropriate legal and institutional framework for which the project is currently working on.

Sub-Component 1.2 Farm to Market Roads. The overall progress on FMRs is rated as *moderately unsatisfactory (3)*. Financial progress against annual workplan and budget was 69%. Against the target of 400 km of farm to market roads, 37 roads have been completed (198 km/49 percent of the total target). Another 29 FMR are ongoing (169 km) while design and technical sanction for 9 schemes (47 km) is ready for implementation. In addition, 26 schemes/122 km have also been identified in new districts. Compared to similar roads built by other agencies in the province, the quality of ETI funded roads has been found to be consistently much better.

Out of seven RCC bridges, none has been completed, 4 are above 90 percent complete, 2 are 80 and 85 percent complete while 1 is 60 per cent constructed. Of the 11 wooden bridges, 4 have been completed and 2 are 65% complete. The remaining 5 wooden bridges have also been designed and are ready for implementation.

The agreed transfer of O&M responsibility for the roads and bridges to PWD need to be formally initiated in 2021 for all the infrastructures already completed. The development of provincial roads master plan will have to be initiated once the new GB Government will be in place, in 2021.

Component 2: Support Services/PPPP for Value Chain Development (US$ 31.25 million/31% of base cost)

This component is rated as *moderately satisfactory (4)*. The component consists of five sub-components. The component initially focused on apricot and potato, plus a pilot in dairy processing but has been opened to other promising regional products since MTR.

The component has been implemented through a combination of service providers and in-house human resources.

Sub- Component 2.1: Value Chain Support Fund and Technical Assistance (USD 20.29m-20% of base cost) Performance is rated as *moderately satisfactory (4)*. Financial progress against annual work plan is at 47%. A total of 100 partnerships between private sector and farmers are envisaged along with the establishment of 220 organized village producer groups (formal cooperatives after MTR) covering 60,000 smallholder farmers.

The Project is implementing the revised strategy for the sub-component as agreed during the MTR with a clear division of work between VCTAT, SMP and PCU/RCUs (social mobilization staff based in RCU in Diamer Region). Formation of 110 cooperatives is currently underway (28,102 members) out of the intended target of 220. Of these, 81 cooperatives have already been registered (VCTAT 45, SMP 25 and Diamer region 11). Business plans for 27 cooperatives have been finalised by VCTAT with a total investment outlay of US$3.97 million. While business plan from other two implementing entities are still awaited. At full realization of target, the cooperatives will be covering 90 per cent of the GB's Union Councils.

In addition, 10,000 households have benefited from various interventions including potato seed, apricot processing, apricot orchards, vertical vegetable farming, fruit nursery and dairy processing 4-P. 7 ongoing 4-Ps continue to show good results and expansion. Dairy 4-P membership has grown from 480 to 1,000 over last one year. EOI was published to develop 4-Ps but the response was not encouraging and VCTAT have started a process of brokering to identify and engage promising private sector entities. Replication and expansion has been noted in the cases of vertical farming, dairy and fruit plant nurseries. Up to now, 513 fruit orchards and 545 vertical vegetable farming demonstrations have been completed.

The mission observed that a speedy process has been adopted by the value chain assistance team on the formation of cooperatives, its registration and the development of business plans. However, capacity building of the cooperatives is at an early stage. With three different entities involved in the formation and business plan development of cooperatives and some stiff targets for remaining life of the project, it is important that there is a standardized and structured process across the project to ensure quality. VCTAT should lead the process of the development of a Handbook/Guide that contains key steps in the process and key messages at each step.

Some recommendations of the mission include; (i) a communication toolkit for explaining the Market study and Business plan to each cooperative member as well as the future functioning of the cooperative is needed and will ensure better ownership and future governance of this institutions; (ii) the criteria of selection of the Board of Directors (BoDs) needs to be publicized in order to follow a transparent and effective selection process; (iii) the target of proportion of women and youth members in cooperatives formed needs to be clearly explained and communicated to the community in order to be better accepted and implemented; (iv) the recruitment of the staff of cooperatives need to follow a formal procedure and candidates must be professional with minimum experience and not be from the communities.

Sub-Component 2.2 – Social Mobilization: This sub-component is rated as moderately satisfactory (4). Financial progress against annual budget of Rs. 151.13 million was 45%.

Social Mobilization support is being provided by AKRSP in Gilgit and Baltistan regions while an in-house team provides this support in the Diamer Region. Post MTR, the roles and responsibilities of SMP were further clarified under a revised agreement. SMP and in-house social mobilization staff are now exclusively responsible for achievement of land development, land titling, payback mechanism, cooperative formation and business planning on all ILD schemes. Progress thus far on both cooperative mobilization/formation/registration as well as business planning for the VAC cooperative should be accelerated in order to be fully operational by 1st January 2021.

Sub-Component 2.3 – Agriculture Extension. This sub-component is rated as moderately satisfactory (4). Financial utilization against an annual budget of Rs. 60.14 million was 55 percent.

Agriculture Extension continues to provide extension support services including land use and land development planning for the newly irrigated lands, soil testing services for existing and new lands, farmer training and field days and management of potato seed multiplication activity including revolving fund. Seven seed potato stores of 50 metric ton capacity each have been completed and put under use. Dedicated staff has been notified in all districts resulting in improved staff engagement and availability.

A total of 25 Plastic Tunnels have been completed by the department to promote the production of off-season vegetables through vertical farming. These are in addition to vertical farming tunnels established through VCTAT. So far, 25 fruit nurseries have been established with private sector engaging young entrepreneurs. Some of them have developed quickly with excellent quality of stock and sales while others are still struggling to come up to the mark. The project needs to link the struggling ones with the successful ones to get ideas and inspiration for improvements. These nurseries should become a good reliable source for quality certified plants for the cooperatives and SMTs in a win-win relationship. Agriculture Extension is now also handling the potato seed multiplication activity after removal of Agriculture Research from project framework. For the crash plantation programme on newly developed lands, PCU should work with Agriculture Extension to get dedicated 2 field assistants for each site.

Sub-Component 2.4 – Agriculture Research. No further work is being carried out *under* this sub-component *after* MTR decision to drop the implementing agency for unsatisfactory performance.

Sub-Component 2.5 – Land Titling and Record System (US$ 2.13 million/2% of base cost). This sub-component is rated as moderately unsatisfactory (3).Financial progress during the year was mere 10% of the approved Rs. 13.15 million budget. The Draft Land Law is yet to be placed before the cabinet for promulgation. This is in the perspective of a much broader provincial land reforms agenda. That being the case, it is important to delink ETI's land titling from the wider land reforms and land law agenda and pursue a more project specific arrangement. This could be either through an ordinance or a notification involving District Land Revenue staff and involving clear mapping of plots and individual shares, certified by Deputy Commissioners.

Available project resources also offer an opportunity to build provincial BOR and District Offices capacity in development of provincial land cadastral data for future land development planning as well as land records as a necessary foundation for as operationalizing the new law when it comes into force.

Component 3: Programme Management and Policy Support: performance is assessed as Moderately unsatisfactory (3). Financial utilization remained 67% of the annual budget of Rs. 258.7 million.

The component has delivered quite well in terms of outputs and interventions despite very challenging geography and institutional environment. Despite initial start-up delays and subsequent issues posed by floods and COVID-19 pandemic, the project continued to progress in the field, thanks to community led implementation of ILD/FMR. Some very innovative and effective models for infrastructure and value chain have been developed which are being scaled up. However, on the flip side, the project management continues to struggle in shifting focus from outputs to outcome and results. Implementation of mission recommendations and systematic follow-up on required actions has remained weak. Effective deployment of key management tools has been weak.

Process for recruitment of key staff at regional and PCU level against vacant positions started in January 2020 and is still not completed. Resultantly, the three RCUs remain without Regional Coordinators and some key positions in PCU remain vacant. Contracts of existing staff have been renewed for varying periods without any proper performance evaluation and accountability for results.

Although regular data collection continues, the M&E and KM section in terms of analytical work and knowledge products has yet to start functioning. Annual outcome surveys and thematic studies have not been carried out so far. A Knowledge management strategy has been drafted that needs to be submitted to IFAD for final review.

The mission observed that; (i) significant improvement is required in project management with respect to; (a) assuming effective leadership role by PCU; (b) improving internal controls and management of project assets/inventory; (c) timely development and approval of work plan and budget; (d) fast tracking recruitment to fill vacant positions, (e) regular update of MIS enabling analytical work; (f) reinforcing follow up on road master plan and roads O&M arrangements, provincial water policy and land titling; and, (g) improvement in community driven procurement and accounting, especially related to wage records, and beneficiary record as well as establishing payment controls.

Agreed Action	***Responsibility***	***Agreed Date***
SMP Role in Irrigation and Cooperatives Business Planning Needs to be Augmented Carefully review SMP performance, identify current issues in field level effectiveness, and address the issues through a monthly review.	PCU	11/2020
Expansion to New Districts shall Commence Once Related Policy Reforms are Completed Geographical expansion is conditional to clear policy decision and timeline agreed by PSC land titling, provincial road-master plan (including roads O&M strategy) and provincial water policy.	PCU, PSC	12/2020
Policy Reforms Aspects Submit the ToRs for Roads Master Plan and Water Governance Policy by end of December 2021 for approval by steering committee and IFAD NOC.	PCU, PSC	12/2020
Undertaken Review and Revision of ILD Schemes Review and Revise (if required) all ongoing and new schemes to include specific progress milestones and level of effort to ensure effective progress monitoring.	PCU	12/2020
Develop Scheme Specific Cultivation Plan Prepare scheme specific plantation plan for all completed schemes for upcoming planting season including secondary and tertiary channels.	PCU	12/2020
Development of Standard Communication Tool Kit Develop a standardized communication tool kit elaborating objective, process and steps in VAC/Cooperative formation and operation.	PCU, VCTAT	12/2020

Develop Roadmap for Regional Cooperative Network Develop a clear roadmap and plan for the establishment of a regional network of Cooperatives/farmer organizations	VCTAT, PCU	12/2020
Ensure Better Representation of Women, Poor and Youth Devise strategy and guidelines for inclusion of women, poor and youth in the cooperatives.	VCTAT, SMP, PCU	12/2020
VAC Driven Plantation Approach on New Lands Provide a concept note and budget for IFAD No Objection	PCU, VCTAT, SMP	12/2020
Develop Competitive Approach to Development of Innovative Technology (Orchards/ Vertical Farming etc.) Provide a concept note (competitive approach to project support) and budget for IFAD No Objection	PCU, VCTAT, SMP	12/2020
Finalize Concept for Access to Finance and Develop EoI/RFP for Engaging with Financing Institutions (2 at minimum) Provide a concept note, scope of work and EoI/RFP for credit guarantee and credit line for IFAD No Objection.	PCU, VCTAT, SMP	12/2020
Provide Assistance to SMBR for Provincial Land Cadastral Use available resources to develop a provincial land cadastral data base through engagement of a competent service provider in association with SMBR – Develop scope of work/EoI and RFP for getting NO from IFAD.	PCU, PSC	12/2020
Delink the Titling of Land Developed under ETIGB Develop together with GoGB an approach to formalise secure land titling for land developed under ETIGB.	PCU	12/2020
SMD Role in Irrigation and Cooperatives and Business Planneing Needs to be Augmented Carefully review SMD performance, identify current issues in field level effectiveness, and explore the possibility of engaging SMP for Diamer Region if necessary.	PCU	12/2020
Secure Land Titling for Completed Schemes by June 2021 Detach ETI land titling from wider provincial land reforms and develop a project specific land titling regime	PCU, PSC	06/2021
Carry out Land Development Potential Assessment Develop ToRs and engage a consulting firm to assess development potential of remaining lands in GB for prioritization of project investment.	PCU	06/2021
Establish Irrigation Scheme Appraisal Committee Establish a competent scheme appraisal committee in PCU for quality assurance of designs, viability assessment and costs analysis as key step for prioritization of project investments	PCU	

Develop Guidelines for Management of Payback under ILD Schemes PCU to formulate detailed guidelines for the management of Payback, roles/responsibilities of Payback Committee and proper accounting and management of payback funds including monitoring and oversight functions.	PCU	
Ensure Elected BODs for Cooperatives All cooperatives to have elected BODs from the inception phase.	PCU, VCTAT, SMP	

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness	Rating: 3	Previous rating: 4

Justification of rating

ETI's development effectiveness is rated as moderately unsatisfactory (3). As of today, ETI-GB has been able to effectively deliver significant results in both components in the difficult mountainous context. The innovative approaches have been successfully tested/implemented with lead role and ownership by the communities. Despite the COVID 19 situation, disruption remained limited in scale owing to delegation of the implementation activities to communities. To improve project's effectiveness and development focus, the project need to shift focus from output to outcomes, especially under the ILD component. Timely attention is of immediate significance to progress on three key policy issues related to titling of lands developed under the project, roads O&M policy and provincial Water policy.

Log-Frame Analysis & Main Issues of Effectiveness

The project log frame remains valid in terms of the relevance of indicators, data sources as well all key assumption withstand.

Development Focus

Targeting and Outreach	Rating: 4	Previous rating: 4

Justification of rating

2. ETI follow a geographical as well as household level targeting approach. In terms of outreach, the project projections for component 1 are 50,000 beneficiary households whereas for component 2 the target is 60,000 hhs. The Project's current outreach is around 50 per cent of the appraisal target. Current outreach is 35,000 and 11,400 hhs for activities under component 1 and 2 respectively. The number will exponentially increase with the establishment of 220 Village Agriculture Cooperatives. A Youth Engagement Strategy targets at least 30% youth participation. Current participation rate is: Component 1 - 40 %; component 2 - 34 % and nutrition 30%. 228 youth (against a target of 400 youth) have been trained in construction operations and 57 per cent of those youth have found regular employment.

Main issues

The project has undertaken poverty assessments using a 2 step approach namely, wealth ranking followed by poverty score-card. The Ultra poor/poorest households are identified in four categories include Women Headed HHs, Poorest headed HHs, Vulnerable headed HHs, and Landless headed HHs around ILDs in core districts of ETI-GB. Data from ETI-GB progress report shows that in 52 villages with a total of 18,697 household, 1,575 HHs were identified as poorest with distribution as follows: 352 poor WHHHs; 863 poorest headed HH; 172 poor vulnerable HHs; 188 poor landless households. The exercise needs to be completed in all target villages followed by finalization of poverty graduation strategy for these households and a comprehensive set of interventions to assist such households escape poverty on sustainable basis. Membership of such households in cooperatives should be pursued as a priority ensuring that no poor household is left out of cooperative. Project may consider payment of membership fee for such households from the project funds or community payback.

Agreed Action	*Responsibility*	*Agreed Date*
Integrated Poor Households as Members in VACs Ensure all poor households living in the catchment area of a VAC are made members of the VAC and their membership fee may be either paid from community payback fund	PCU, Gender Manager	

Gender equality & women's	Rating: 5	Previous rating: 5

participation		

Justification of rating

The mission commends the development of key guiding documents including: Gender Equality Policy; Gender and Poverty Checklist; Youth Strategy; Gender and Poverty Action Plan. However, implementation (based on activities and indicators set under these documents), tracking and monitoring as well as reporting of progress and achievements on these cross-cutting themes under all components need to improve. The implementing arrangement for these themes are well in place given that ETI-GB has a gender and poverty section at PMU and the fact that at post-MTR, the terms of reference for VCTAT and SMP were revised to include responsibilities and accountability for gender, poverty target/graduation and youth focus.

Main issues

Quotas for women participation for various activities have been set. Within Post MTR period, focus of the VCTAT interventions shifted from graduation of clusters as village producer groups (VPGs) to legally-registered farmer cooperatives as village agriculture cooperatives (VACS). Under the VPGs, women representation in leadership position was at 25% as Presidents; 37% as general secretaries and 33% as Finance secretary. At the moment, within the more formal VACs, women representation in leadership positions is just at 1.71% under SMP and 0.32% under VCTAT. The reason for women's low membership in the ILD VACs is that, at the household level, it is mainly the man who get registered, being the owner of the land. It is important for the project to explore ways of including women in the ILD VACS, for example, through co-registration of land ownership between husband and wife. Under the value chain VACS, there are at least 2 women specific VACs, with 90 to 100% women representation.

While ETI-GB implementing staff are envisioned to reach at least 30%, the mission notes that women make up only 15.1% with PMU/RCU having 9.8% women participation and WMD at 0% (with all 40 staff being men). Gender sensitization has been carried out for 1,101 participants (533 men, 568 women). It is important that such sensitization and training needs be an on-going activity among the staff, implementing partners, local leaders and the beneficiaries. In this cultural context, relatively less traditional with respect to other province, it is particularly important to work with local leaders / notables who are usually the custodians of cultural practices, to have their support.

Agricultural Productivity	Rating: 4	Previous rating: 3

Justification of rating

ETI's is designed to contribute to agriculture production and productivity. Significant improvement in productive, loss of wastages and improvement in quality have been realised through the innovative pilots such as vertical farming (yield increased 5 fold), controlled dehydration of apricot, potato seed production support under 4Ps and engagement with agriculture department. Land use planning is a key element in the new land being developed with significant importance placed on commercial crops/fruit orchards. New orchards have been established in organised pattern having potentially high yield compared to traditional approaches. Due to delays in land development, productivity enhancement has yet to be assessed for the newly developed land. However, challenges remain requiring concerted effort to improve the progress and impacts.

Main issues

There is need for an integrated approach to canal construction and land development so that land can be brought under plough immediately upon completion of the main channel. Land development/cultivation on 40 completed schemes needs to be expedited. The upcoming plating season (Nov & Feb) needs to be made full use of. Expansion of value chains to other promising crops is a welcome change. Successful operations of over 500 vertical vegetable production greenhouses are replicated and is also being promoted under the cooperative business plan as one of the main activities. The encouraging growth in the number of women supplying milk to Momo dairy should be linked to improvements in feed and extension service availability, including the introduction of silage making skills for the winter months using maize stover.

An encouraging start has been made with the VAC formation and business plan development. To meet the challenge of scaling up, there is need for a standardized approach covering key steps, messages, outputs and quality assurance indicators. Currently, most VACs are in the inception and have capacity gaps being a new business approach and having a clearer growth strategy.

Access to finance remains a major challenge for all value chain players including farmers. The proposed agriculture support fund under the project needs to be brought to fruition quickly with the selection of a suitable financial institutions as partner so that this major need of farmers and other value chain actors can be addressed sustainably.

Agreed Action	*Responsibility*	*Agreed Date*
Introduce Innovative Animal Feed Production Techniques	PCU, VCTAT, Momo Dairy	

Nutrition	Rating: 4	Previous rating: 4

Justification of rating

While ETI-GB is not flagged as a nutrition sensitive project as per IFAD's criteria, the project is undertaking targeted support to households to improve their nutrition. Key among such support is nutrition knowledge and skills training. The mission learnt that 226 nutrition sessions have been carried out in all 10 districts with 6,111 participants (4,960 women & 1151 men) having been trained. A training of trainers (ToT) model has been adopted for nutrition training in collaboration with health workers. Within this model, a TOT training was carried out followed by 2nd cadre nutrition knowledge and skills training as well as a 3rd cadre rollout session conducted at VPG level in all 10 districts of Gilgit Baltistan. These trainings could be enriched at beneficiary level by including cooking demonstration.

Adaptation to Climate Change	Rating: 5	Previous rating: 5

Justification of rating

The main climate change related threats in the project area include extreme weather events resulting in flash-floods, unseasonal snowfall and temperature spikes resulting in flash-floods, fluctuating water flows, soil erosion and loss due to heavy rains and winds etc. ETI has developed a check-list for its infrastructure schemes to ensure that the construction designs incorporate climate resilience features, including the protection against flash floods, soil erosion, slide protection etc. Project has introduced greenhouses in project area to enable the farmers to control production cycles and use the same for weather-safe processing and drying of products. Intakes of bigger irrigation channels are being provided with gates as well as escape gates at regular intervals to control inundation and excessive flows during high flows and flash floods.

Main issues

Beneficiaries of newly developed lands are being assisted in developing detailed land use plans to ensure that various types of land parcels (slopes, sandy, loose, stony etc.) are allocated to suitable crops and trees to ensure that land is protected against adverse climatic conditions and its productivity and integrity remains protected. Farmers are also being trained and sensitized in the adoption of alternate crops in the event of a prolonged dry or wet season or water stress. The project needs to ensure that the agreed land use plans are adhered to by the communities once the land comes under plough. The geographical advantages of GB lie in its elevation and in a climate that is most suitable and known for organic production which needs to be built on in order not to rely on chemical fertilizers and genetically modified seeds.

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 4	Previous rating: 3

Justification of rating

All ETI-GB activities have a clear exit strategy. The irrigation schemes are directly implemented by the communities which are organized later on as VAC in order to ensure the maintenance of the schemes, the valorisation of the investment and the social and economic development of the community (through the pay back mechanism). All FMR are implemented by the community, supervised by the CWD and an agreement has been reached with the GoGB for these roads and bridges to be maintained by the GBCWD and under its annual budget. All cooperatives are professionally managed with a market study, business plan, exit strategy and clear financial break event point which will ensure the sustainability of the investments made. Based on the effectiveness and success of the approach, the GoGB has already requested IFAD to scale up the intervention and some partners are currently interested to co-invest in this programme.

Main issues

The policy engagement for Land Titling, Provincial Roads Master Plan, Provincial Water Policy need to progress in 2021.

Partnership-building	Rating: 4	Previous rating: 4

Justification of rating

Project approach and interventions revolve around partnership building at multiple levels with existing and new institutions. At beneficiary level, these partnerships initially covered SMTs for irrigation and VPGs for value chain activities. Both of these institutions are now being transitioned into formal cooperatives with their own legally recognized status with long-term viable business plans. Another type of value chain partnerships are with private sector under 4-Ps. At the implementation level, the project has partnerships with the existing government departments including Water Management Directorate, Agriculture Extension, Board of Revenue, Planning & Development Department, a Value Chain Technical Assistance Team and a Social Mobilization Partner. Partners are responsive and are effectively contributing to project implementation except Agriculture Research.

Main issues

Most of ETI's partnerships have continued to evolve and to improve. The partnership with the Board of Revenue is somehow affected by frequent transfers of Senior Members which needs to be addressed. The partnership with the Agriculture Extension needs to be further strengthened in terms of land cultivation, and specific field level staff should be requisitioned from the department for each completed scheme to assist and oversee cultivation activities. The partnership with the Provincial Cooperative Department has been solved and a Resulted Based MOU is under finalization in order to ensure the formal registration of the 220 cooperatives as planned in the programme.

Human and Social Capital and Empowerment	Rating: 4	Previous rating: 4

Justification of rating

ETI's implementation approach is community centric and empowering whereby beneficiary communities and households that are put in the driving seat in all aspects of project implementation. Community elected Scheme Management Teams lead scheme design and take part in cost estimation, manage funds and procurement, engage and supervise all labour and are accountable to the community. Women headed households, landless and ultra-poor are provided equal share in the newly developed land. Youth are specifically targeted and provided with skills trainings. Through full payment of the scheme costs, an amount of over PKR 600 million has so far been disbursed as wages. Establishment of legally recognized Village Agriculture Cooperatives is another step towards empowerment and social capital building.

Main issues

The Project implementation approach is based on a mutually responsible relationship between the communities and the project. This relationship is articulated in a MOU specifying roles and responsibilities on both sides. In a number of irrigation schemes, some delays have been observed, but the COVID 19 situation may explain most of them.

Agreed Action	***Responsibility***	***Agreed Date***
Ensure adherence to MOUs with Communities	PCU, SMP	

Quality of Project Target Group Engagement and Feedback	**Rating: 4**	

Justification of rating

The rating has been downgraded from 5 to 4 due to issues observed by the mission in terms of community engagement, responsiveness and awareness under both components. A number of completed irrigation schemes have moved to the stage of land development and cultivation at a slow pace, due to inadequate push and oversight from PCU and implementing partners. Beneficiary awareness in newly established Cooperatives regarding cooperatives purpose and objectives, cooperative business plan and next steps was found to be limited. PCU and partners need to revisit the current approach, steps and communication strategies to ensure that community at large has a very clear understanding of objectives and purposes of their organizations and their rights and obligations.

Main issues

Communication and beneficiary participation aspects require strengthening to ensure that each member of an infrastructure beneficiary group and a cooperative has a clear understanding of his/her rights and obligations, commitments with the project, timelines and financial aspects and their right to hold the SMT and Cooperative Management accountable.

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

Justification of rating

ETI is being implemented through a range of implementing partners and service providers. These include community organizations, public services, private sector, equipment suppliers, government agencies, vocational training institutions, social mobilization partner, VCTAT and suppliers of agriculture inputs. The component 1 (Economic infrastructure – 50 000 acres of new irrigation scheme and 400 km of roads rehabilitation) has been mainly implemented by the organized communities with the support of the project and under partial supervision of GoGB services. This implementing arrangement was initiated for the first time and at this scale in the GB province and has demonstrated its relevance and its high efficiency. Despite an initial slow start, SMT and VCTA services providers in charge of component 2 (Value chain development) have well understood their role and are becoming more and more proactive and efficient in the daily ETI-GB deliveries. Today, all ETI-GB partners or services providers are contracted on a result basis and are responsive.

Main issues

There is still room for better integration and coordination of activities at field/beneficiary level between VCTAT, SMP and Agriculture extension. Project supported private nurseries need to be linked to the planned plantations in coming season to give them a steady clientele in their initial period of business. RCUs have a crucial role in ensuring this integration through their monthly and quarterly planning and coordination meeting and field monitoring.

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

Justification of rating

The project is being implemented in hard mountainous areas where adequate measures have been taken to guard against landslides, erosion and floods. Noise and air pollution is not an issue as there is almost no use of heavy machinery. Proper structural measures have been adopted in the design and implementation at vulnerable points. Most of the schemes are using predetermined or existing alignment that does not cause any harm to nature, wildlife or fauna etc. Irrigation schemes will actually result in improved water management and water use efficiency. Channels have been covered with reinforced concrete cement slabs to avoid debris and sediment flow from landslides. All FMRs and bridges do not involve land acquisition and do not interfere in anyway with nature, waterways or settlements.

Main issues

Proper cross drainage facilities have been provided over or under the channels where small stream flows are expected during rains

Proper cross drainage facilities have been provided over or under the channels where small stream flows are expected during rains and from snowmelt. In some cases where channels have been constructed in hard rock areas, HDPE pipes have been laid and properly buried for protection against slides, mudflow and falling stones. Most of the irrigation channels are in upper mountainous areas where flood threat is not common; however, measures have been taken against flash floods or GLOF. Traditionally, dry stone masonry is a common practice in GB for constructing irrigation channels and protection walls but most of these project schemes are in stone masonry with proper plaster and concrete coping to protect them against usual natural hazards. Wherever needed, gates and escape structures have been provided to discharge excess flows during floods or for maintenance activities downstream. Additionally, none of the schemes involves land acquisition, resettlement or relocation of people. Since the size of channels is not big, repair and maintenance will not be an issue as it has been customary in all similar cases where the concerned communities have been operating and maintaining their systems for centuries.

All FMRs are unpaved and are using local material for construction. Protection walls have been provided against landslides and erosion while the natural terrain is such that drainage is not an issue. Proper facilities like culverts and pipes have been provided for cross drainage and conveying water for irrigation and other purposes across the road.

A contractor is constructing the big RCC bridges on turnkey basis. Geotechnical studies have been carried out for all sites and the reports were taken into consideration while designing them. The design is also considering seismic loading using the relevant codes of highway bridges and building code of Pakistan. A third party has vetted the design. Highest flow levels in the concerned rivers were used to protect against probable floods.

Exit Strategy	**Rating: 4**	**Previous rating: 4**

Justification of rating

The Project design and approach contain all the elements which, if coherently and systematically deployed and implemented, provide a sound exit strategy framework. The Project’s infrastructure component follows a community driven approach with high degree of community ownership. The value chain activities involve legally established cooperatives with a business plan and institutional oversight and audit or a 4-P approach involving producers and registered private sector. Policy formulation and reform is envisaged to provide proper institutional and resource cover to project interventions in irrigation and land development, land titling, as well as FMR maintenance etc.

Main issues

For the future sustainability of project-supported institutions and investments, the promulgation of supportive policies and regulations for land titling, irrigation O&M and water policy and roads O&M are planned for during the current year's AWPB. Institutional capacity building of cooperatives, including good grounding of their members in their rights and obligations and the establishment of robust systems of transparency and accountability is a priority during the remaining project life. Access to financial and technical sources other than the project would be an important element for the cooperatives' continued functioning and success and needs to be built into their business plans.

Agreed Action	*Responsibility*	*Agreed Date*
Exist Strategy Explain clearly to all beneficiaries the exit strategy of each project intervention.	PCU/VCTAT	03/2021

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

Justification of rating

ETI has introduced many successful innovations in the project area: (i) community driven irrigation development with full payment of labour and scheme costs and payback of 50% of the scheme cost into a community managed fund; (ii) Community driven road construction with right of way provided free by the community; (iii) equitable share of land to each household living in the beneficiary community with poor households exempted from payback; (iv) 4-Ps, vertical farming and privately run nurseries as well as orchard development for marketable volumes; and (v) promotion of farmers cooperatives with professionally done business plans. All these models and approaches offer great promise for scaling up with the region and elsewhere.

Main issues

Key to scaling up any successful model and innovation is the documentation and dissemination which will need to be consolidate through the current knowledge management strategy.

Agreed Action	*Responsibility*	*Agreed Date*
Produce effective knowledge products and disseminate successful innovations for scaling up	PCU	03/2021

c. Project Management

Quality of Project Management	**Rating: 3**	**Previous rating: 4**

Justification of rating

The implementation of the agreed last supervision mission recommendations have been delayed. Following the revision of the organogram, the expected recruitment of 11 key positions, like the 3 regional coordinators, has still not been initiated, penalizing de facto, the pace of implementation of the ETI-GB programme. The timing for the implementation of the minutes of the steering committee needs to be improved. The relation between the PCU and the Project steering committee needs to be smoother as well as the decision related to the PCU mandate needs to be more effective.

Main issues

The Project Steering Committee's decision-making and timely issuance of minutes affect the pace of implementation. It needs to be recognized that the PSC is the oversight and strategic decision making fora, and it is important that it remains functional. The PCU is an autonomous institution answerable to the Steering Committee and thus needs the necessary empowerment. The decentralization to RCUs has had a very good impact on project progress. However, all three RCUs have been managed by the out-posted leads which has had some negative impact on project progress and delay in the resolution of field level issues. The PMU has a very good M&E system and progress dashboard for all key investments. Data is regularly updated. However, the use of this dashboard as a management tool for decision-making and trouble-shooting needs to be enhanced.

Agreed Action	*Responsibility*	*Agreed Date*
Advertise all vacant positions and complete recruitment without further delay P&D shall develop recruitment methodology for recruitment and undertake recruitment.	PCU/P&D	12/2020
Staff contracts Renewal and Salary Increase Staff contracts renewal and any salary increases must be linked to proper performance assessment.	PSC, PCU	

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

Justification of rating

Though the project's M&E system has considerably improved and produces some good quality information on outputs and impacts, the Knowledge Management needs to catch up to make good dissemination of that information. The progress under various project components over the last one year has generating a wealth of useful knowledge that must be shared within GB and beyond. The IFAD Country Office has recently engaged the services of a professional KM consultant to assist all projects, including ETI, in the development of proper KM plans and products and to organize knowledge sharing events.

Value for Money	**Rating: 4**	**Previous rating: 4**

Justification of rating

Despite cost overruns in a number of irrigation schemes, the project overall continues to demonstrate cost efficiencies in both components as compared to PDR estimates. Considerable savings have been made in terms of unit cost of irrigation, FMR and value chain investments. Despite those savings, the quality of the infrastructure and inputs under the value chains has been consistently high. The Provincial Government has consistently praised the high quality of the infrastructure built by the project and compared it favourably with the infrastructure built by their other departments. The project has yet to generate credible data for comparing input to outcome efficiency.

Main issues

The following is a brief overview of the major investments and its efficiency;

- **Irrigation and land development:** The cost of irrigation and land development of the completed schemes range from Rs. 50,000 to Rs. 105,000 per acre depending on the scheme. The cost is higher in the case of siphon piped irrigation compared to irrigation channel. The cost per acre in the case of left irrigation schemes is noted as Rs. 50,000 (average of five completed schemes). The return from the land development is estimated to be Rs. 38,000 per acre in year 2 increasing to Rs. 240,000 in year 5, having a payback of 2.6 years.
- **Farm to market road:** A total of 149 km of farm to market roads have been completed. For the total roads of 415 km under construction/design, the average per km cost is noted to be Rs. 3.55 million. Compared to this, the average cost of similar roads is Rs. 5 million per km under other provincial departments. The per km cost is also lower by around 15 per cent as compared to PDR estimates
- **Value chain development**: Investments in potato, apricot and vertical farming has resulted in a significantly higher net income. The return on investment is the highest which is more than 100% in the case of vertical farming while in all other cases the return on investment is 25% – 50%.
- Another key issue is the early completion of the annual outcome survey which shall provide the necessary data and evidence to undertake value for money analysis regarding project outcomes and impact.

Agreed Action	*Responsibility*	*Agreed Date*
Undertake the first annual outcome survey Develop the scope of work, hire a consultant and complete the annual outcome survey.	PCU/M&E Wing	09/2021

Coherence between AWPB and Implementation	**Rating: 4**	**Previous rating: 4**

Justification of rating

The PCU had initially submitted the AWP/Budget 2019-20 at Rs. 3.435 million. However, it was later downward revised to Rs. 2.797 billion following the MTR findings and recommendations. The Project could achieve only 57% financial progress against this reduced budget and almost all components fell short of their annual targets. This level of achievement has to be analysed in taking into account the Covid 19 situation.

AWPB Inputs and Outputs Review and Implementation Progress

Component-wise budget and utilization is reflected in the following table:

Components	Budget 19-20	IFAD	Gov	Total Expenditure	%age
Irrigation Development	1,081	517.1	56.3	573.4	53%
Farm to Market Roads	792.46	498.2	48.7	546.9	69%
Value Chain Support Fund and Technical Assistance	441.28	193.6	13.5	207.1	47%
Social Mobilization	151.13	43.3	25.2	68.6	45%
Agriculture Extension	60.14	26.1	7.1	33.2	55%
Agriculture Research	0	1.3	0.7	1.9	
Land Titling	13.15	0.8	0.4	1.3	10%
Program Coordination Unit	258.71	113.4	61.1	174.4	67%
Total	2,797.46	1,393.80	213	1,606.80	57.44%

	Description	Budget 2020-21			Actual Expense As of 31st August 2020			
		IFAD	Gov	Total	IFAD	Gov	Total	%age total
1.1	Irrigation Development	922	105	1,026.72	61.1	2.9	63.9	6%
1.2	Farm to Market Roads	510.17	61.70	571.87	51.8	0.5	52.3	9%
2.1	Value Chain Support Fund and Technical Assistance	473.78	37.33	511.10	18.1	10.9	28.9	6%
2.2	Social Mobilization	55.47	32.58	88.05	0.7	0.4	1.1	1%
2.3	Agriculture Extension	45.18	15.08	60.26	0.8	0.5	1.3	2%
2.4	Agriculture Research	0.00	0.00	-	-	-	-	
2.5	Land Titling System, Provincial Land Commissioner	10.16	1.84	12.00	-	-	-	0%
3	Programme Coordination Unit	157.16	75.06	232.23	14.7	5.7	20.4	9%
	Total	**2,174.04**	**328.20**	**2,502.23**	**147.1**	**20.85**	**167.9**	**6.71%**

AWPB Review

The 2020-21 AWPB is slightly more conservative as compared to the previous year's budget with all components having slightly lower allocations, except for VCTAT, which is understandable, given the focus on cooperatives development and their business plans. Roads has a lower budget as the project has already covered most of the road targets and the next year's focus would be mostly on the completion of the ongoing roads and budget schemes. The same applies to irrigation where focus should be more on the completion of ongoing schemes and on paying more attention to land development and necessary structures like secondary channels.

Seasonality is a critical factor in the project area where long winters preclude any construction activity and access in many areas gets restricted. Therefore, it is critical that each infrastructure scheme is underpinned by a careful execution plan specifying the level of effort needed in each phase of construction, its local availability and upfront agreed timelines and milestones with the communities. The project should review all ongoing and planned new infrastructure accordingly, if the current year's targets are to be achieved. As for the second major planned activity, covering the formation of Cooperatives, expeditious completion of business plans together with action plans for ETI related inputs would be critical in achieving the targets. Since most of the Cooperative Business plans are linked to crop production and marketing, where seasonality in terms of sowing and harvesting is again critical, a careful phasing of each action plan would be required so that the cropping season is not missed. One missed cropping season would mean to wait for one more year.

Performance of M&E System	**Rating: 5**	**Previous rating: 5**

Justification of rating

An M&E system exists with a state of the art MIS system. The M&E system stems from innovations i.e. the use of dashboards, geotagging and disaggregated analysis capabilities. The Project continues to be without an M&E Officer and the functions are currently being performed by the PCU with support of the M&E Assistant.

M&E System Review

All project interventions under the two components are now covered in the M&E system and regularly updated on the basis of progress reported from the field. Infrastructure schemes are color-coded in red amber and green, with red denoting issues and delays requiring remedial action, amber denoting small problems and green denoting smooth implementation. It is an effective tool, provided the project management monitors it on a regular basis for appropriate action. A case in reference is the problematic scheme Khalti ILD which remained uncompleted for a long time, identified by the M&E but not attracting the attention from the project management.

Each beneficiary is registered in the system on the basis of his/her national ID card number and for each beneficiary it is possible to track which activities he/she is benefitting from. The data uploading for the single beneficiary is slightly behind, due to the cross checking that is being carried out before uploading the data.

The MTR Mission had retrofitted some IFAD core indicators into the project log frame and the project is currently reporting on those indicators as well.

Agreed Action	*Responsibility*	*Agreed Date*
Increasingly Use Data from M&E as KM and Decision-making practice Develop formats and processes to translate M&E Data into knowledge management products and management decision-making tool	PCU/M&E Wing	

Social, Environment, and Climate Standards requirements	**Rating: 5**

Justification of rating

This project was designed prior to the current mandatory SECAP guidelines. However, the PDR did contain an ESRN note. A number of SECAP features and safeguards have been built in the criteria and selection process for the economic infrastructure schemes. Guidelines adequately address potential issues of conflict with regards to land distribution, access to water, use of local labour and materials and dispute resolution. Adequate measures have been taken to guard against landslides, erosion and floods and necessary protection measures have been incorporated in the irrigation and road designs. HDPE pipes have been laid and properly buried for protection against slides. In FMR, proper facilities like culverts and pipes have been provided for cross drainage.

SECAP Review

The economic infrastructure sub-component is a community led and executed activity starting from identification to planning to implementation to management and operation and maintenance of the scheme. ETI's approach in this project is to provide, on average, one acre of new land with entitlement to each household of the community for equitable distribution of benefits. Schemes are selected based on no-conflicts, no land acquisition, no resettlements, no deforestation, no protected areas and no threat to wildlife. According to this participatory approach, the concerned communities would choose a representative body called Scheme Management Team (SMT) to be responsible for all activities under the irrigation, small bridges or FMR scheme. Being all teams local minimizes conflicts and increases efficiency. Major activities include the construction of irrigation channels for bringing water to lands with potential for agriculture development. The source of water is usually a stream or river that would supply water to the concerned scheme without disrupting supplies or disturbing water rights of other schemes or communities. All the schemes will be drawing run of the river or stream water with no interventions in the watersheds. The channels are completed first and linked to the source at the end to minimize water pollution.

Mostly, the channels are small in size which does not involve huge excavations of soils. Design considerations also involve minimum cuts and fills to avoid expensive borrow material. Being the terrain mountainous, all the channels are constructed with locally available stone without involving borrow areas. Drainage facilities have been provided where required to control erosion and soil degradation. Most of the areas under this project are cultivated in spring and summer when enough water is available in the sources and when they are not affected by the current hydrological variabilities and climate changes unless in case of an unusual change in rain pattern and intensity. Traditionally, operation and maintenance of the schemes is the responsibility of the community without the involvement of the government at any level. The construction of properly designed channels with proper controls would improve water management and efficiency of water for increased productivity and income of the users.

Similar is the case with FMRs, which are selected in consultation with the concerned communities, taking into account potential social and environmental impacts. SMTs are responsible for monitoring the construction and implementation of the schemes, therefore ensuring that issues raised by the communities during implementation are taken into account. Being bridges big projects, seismicity and hydrology of the area have been taken into consideration during the design.

d. Financial Management & Execution

Acceptable Disbursement Rate	**Rating: 3.0**	**Previous rating: 3**

Justification of rating

Automated rating based on IFAD disbursement data. The program has disbursed SDR 23.16 million (47.69%) against the total allocation of SDR 48.55 million till the end of August 2020. In terms of USD, the project has spent USD 34 million (51%) of the IFAD Loan till the end of August 2020` inclusive of initial advance and the expenditure of USD 859,138.9 not yet released by IFAD against the WA # 31. An amount of USD 11.50 million is committed in terms of contractual liabilities. The current expenditure rate (USD 0.48 million per month) is about 60% of the rate projected (USD 0.80 million per month) at the design stage.

Main issues

The mission notes that following factors contributed to low disbursement rate:

- The Covid-19 pandemic negatively impacted project activities. The project could execute only 56% of the AWPB 2019-20. Though the lockdown has been eased, the uncertainty about the pandemic remains.
- Several key project positions—including the heads of RCUs remain vacant for more than six months. This decelerated

implementation. The Provincial Steering Committee (PSC) has decided on fresh appointment against all key positions in its last meeting. This needs to be done promptly to avert the risk of further slippage in disbursement.
- Lack of clarity about implementing the ILD component simultaneously with the development of channels. As a result, no ILD work has commenced on the 40% of the completed scheme till the end of the mission. A related—and equally critical matter is land titling which has been linked to land reforms in the province. This problem has played a material role in stalling progress under the ILD component.

Fiduciary aspects

Quality of Financial Management	**Rating: 4**	**Previous rating: 3**

Justification of rating

Overall, the quality of financial management has improved since the MTR. All positions of FM staff are filled in the PUC and RCUs. The project has slashed the amount of advances by about one-third from PKR 148 million at the time of MTR to PKR 94 million till the end of August 2020, interim financial reports are being sent to IFAD, an independent internal audit function is fully operational, and 19 out of 24 audit observations have been settled. Checklists and reporting templates have been introduced to strengthen internal controls and reporting by SMT/IP but gaps persist as highlighted below.

Main issues

- Staffing: The checklist included on the payment request form is not being properly filled out by the officials in PCU, and RCUs. The staff at SMTs lack proper understanding as to how to maintain financial record and use new reporting templates. Similar challenge will arise under newly created agriculture cooperatives unless the capacity of relevant staff is built for this purpose.
- Accounting and Financial Reporting: The project implementation manual (PIM) does not include guidance for SMTs and other partner community organizations for proper accounting, documentation and financial reporting. The MTR had recommended that the inputting of transactions data and data verification functions should be segregated in the accounting system. This has not been done. Further, the relevant staff at SMT/IPs/Agriculture Cooperatives lack capacity for financial management.
- Internal controls: Effort has been made to improve internal controls as recommended in the MTR but the verification of statements of expenditure (SOEs) reveals persistent gaps in internal controls as highlighted below:

    1. A significant fraction of funds provided to SMT is spent on labor cost. The payment sheets are signed off by the labor at the time of receiving payments but these sheets do not include CNIC numbers and Cell numbers of the recipients.
    2. Vehicles were hired on rent while the project vehicles were taken away by the government. In one case, the vehicles were rented out from the AKRSP which is also the project's Social Mobilization Partner. The quotation of AKRSP was on plain paper.
    3. Training imparted by VSTAT are not individually verified by a project official though reportedly a member of the project's value chain team visits the event.
    4. A payment of honorarium has been made to the Department of Agriculture though there is no provision for such payment in the AWPB.
    5. A consultant has been hired without prior approval from IFAD.
    6. Specific No Objection for each of the 132 engineers working under a general clearance from IFAD remains to be obtained.
    7. A Health Department Official was paid from the IFAD Loan without proper processing of his case.
    8. In several cases, the IPs claimed payment as per the MOU/AWPB but their claims were not supported by original documents. Instead, photocopies were attached with the claims.
    9. A monthly reporting system to effectively track progress, identify bottleneck, and take remedial actions is not established.

- AWPB: Actual expenditure against AWPB 2019-20 was 56%. For the current AWPB 2020-21, the utilization rate is only 7% for the first two months. The ratio of investment to recurrent costs remains 85:15. Weak execution is attributable to the factors highlighted earlier in this section.
- Treasury and funds flow: Accounting and reporting templates have been introduced at SMT level to trace funds down to end recipients. However, additional controls are required to identify and prevent financial impropriety especially in payments to labor. Further, agriculture cooperatives lack guidance and tools for managing funds effectively.
- Co-Financing: The co-financing of USD 22.98 million (Euro 20 million approx.) by the Italian Government has not been materialized. A formal decision on whether it is needed now may be made.
- Beneficiaries' contributions: The program is measuring beneficiaries' contribution and reporting this information in the project financial statements. However, details are only available to the extent of the value of land-contribution in case of FMR only.
- Internal Audit: Internal audit is not being involved in project review meetings. The mission is of the view that the involvement of internal audit in such meetings would not impair its organizational independence. Instead, it would enable the internal audit function to play its role more meaningfully.
- External Audit: Five audit observations amounting to PKR 110.13 million are still outstanding. The DAC has given clear direction on what needs to be done. The project needs to take prompt action to comply with the recommendations of audit and share the evidence of compliance with audit as soon as possible for the resolution of remaining audit observations. The project has not submitted its financial statements for the financial year 2019-20 to IFAD as required. The mission examined the draft financial statements and suggested minor changes therein. Overall, the financial statements were in compliance with IFAD requirements. The project needs to finalize the statements and share them with IFAD. Further, the project needs to coordinate with the office of the Director General Audit, GB for the timely completion of audit for the financial year 2019-20 and submission of report to IFAD

Agreed Action	*Responsibility*	*Agreed Date*
Quantification of beneficiaries' contribution Details of beneficiaries' contribution should be worked out to support the figures reported in the project financial statements	PC, FD	10/2020
Comprehensive internal audit report to be submitted to IFAD Internal audit report that cover all regions, SMPs, IPs, private sector and SMTs that includes all findings, recommendations and management replies to be submitted to IFAD after it is approved by audit committee. --- Reports completed but not shared with IFAD	Internal Auditor	10/2020
Strengthening of internal controls • Ensure project assets i.e. vehicles are not subject to misuse under any circumstances • No expenditure should be charged to the IFAD Loan unless it is eligible under the Financing Agreement • Include the requirement of CNIC nos. and Cell nos. on the payment sheets used to record payment to labors. • For all trainings under the VSTAT, a project official must sign off the attendance sheets • Segregate date entry and data verification function—obtain updated version of TOMPRO for this purpose • No payment should be made to any IPs/SMP/VSTAT unless the request for payment is backed with original supporting documentation. • Obtain No Objection from IFAD for all site engineers working for the project.	Finance Department	12/2020
Revision of PIM and training of finance officials in community organizations Include in PIM tools and guidance for community organizations and train officials in financial management	Finance Department	12/2020
Recovery of Ineligible expenditure The IFAD Loan used for ineligible expenditure as per following details should be recovered (IFAD Share (PKR)) 1- Honoraria to Agriculture Extension Staff 582,750 2- Rental on cars hired for field work 684507 3- Consultancy Fee to Mera Man Training &Consultancy 141,750 4- TA/DA to Muhammad Abbas (Awareness Session on Nutrition at field 22,680 5- Expenses incurred on project vehicle (GLT 468) while it was with P&DD 89,187 Total 1,520,874 The ineligible expenditure should be refunded to the IFAD account and charged to the government's share instead.	Finance Department	12/2020
Strengthening of internal controls Strengthen internal controls over funds channeled through different stakeholders (list given above)	Director Finance	
Revised AWPB AWPB to include all financiers (Co-financing and beneficiaries)	PCU	
Proper documentation All expenditures to include proper documentation as per the list above	Finance unit	

Quality and Timeliness of Audit **Rating: 4** **Previous rating: 4**

Justification of rating

Finanical statements are informative and inlcuded the main required statements. Although the report was submiited earlier than last year, still it did not meet the deadline.

Main issues

There is an improvement in the submission date, however report was received after 4 days of deadline. Finanical report adhere to IFAD requirements, only reconciliation of the designated account was not included. Moreover, the management letter did not inlcude management reply to audit findings.

Agreed Action	*Responsibility*	*Agreed Date*
Management letter to include management replies to audit finding	PMU-FM	12/2020
Inclusion of DA reconciliation in the report	PMU-FM	12/2020

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

Justification of rating

As per the Financing Agreement, the government shall provide counterpart financing for an amount of USD 24 million. Since inception and up to August 2020, the government has provided USD 5.57 million (24%) out of total budgeted counterpart financing. For the Financial year 2019-20, the project has utilized only 56% out of total planned activities in the AWPB from IFAD loan. For these expenditures, the government released 90% as contribution. While the released amount is relatively acceptable, the contribution was not received on time, which affected the implementation of the project activities.

Main issues

The provincial government depends on the federal transfers to provide counterpart funds to the project. The federal transfers are often made with some delays. For example, the project has not got any counterpart funds for the AWPB 2020-21 till the end of the mission.

In some cases i.e. payment of salaries, the project uses the proceeds of IFAD Loan to clear the liabilities under the counterpart funds as they arise. The money so paid is put back into the IFAD's Loan account as soon as the counterpart funds are received. The mission notes a shortfall of USD 250,236 in the provisioning of counterpart funds till the end of August 2020 of which USD 73,709 relates to the AWPB 2020-21 for which the government has not released any funds. The remaining amount (USD 176,527) relates to the liabilities incurred during the AWPB 2019-20 which are yet to be cleared.

Project should approach government for release of sufficient counterpart funds to clear all outstanding liabilities of previous year and meet the requirement under the AWPB 2020-21

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

Justification of rating

The program has complied with most of the loan covenants, but some deviations include (i) late submission and approval of AWPB 2020-21; (ii) PIM not including basic guidelines/toolkit for financial management through communities; (iii) contract register not being submitted to IFAD monthly; (iv) non-submission of internal audit report(s) to IFAD'. These deviations do not materially affect project implementation.

Appendix 3 provides an update on the program's compliance with loan covenants.

Procurement

Procurement	**Rating: 4**	**Previous rating: 4**

Justification of rating

The application of procurement procedures is generally found consistent and transparent. However, the project faced moderate difficulties in effective procurement planning and submission of procurement plans in time. There is need for more forward planning for the PP preparation and its execution. In some cases, the planned activities could not be completed in time. The Mission noted that no major procurement has been undertaken during the review period. However, there has been procurement for small items through NS as well as hiring of a service provider for value chain technical assistance through SSS. There is need to improve the procurement efficiency and complete the activities as per the plan.

Procurement Review

PP 2019-20 for a total cost of US$1,147,513.57 was in line with AWPB and updated with actual dates and the nature of activities, quantity of goods works and services in PP are consistent with activities referenced in the 2019-20 AWPB. Methods of procurement applied in the procurement plan and actual procurement are consistent with the provision of the Financing Agreement, Letter to the Recipient (LTR) and the Public Procurement Authority (PPRA). The procurement plan was upgraded twice and obtained IFAD The PP is however not easily accessible publicly.

Review of procurement processes at PCU carried out and revealed that there was compliance with PPRA and IFAD's Procurement Handbook and Guidelines. However, significant delays have been noted for procurement of goods, works and services under PP 2019-20 and PP 2020-21. The estimated procurement timelines were impacted due to initial delays by the PCU and then COVID-19 from March 2020. It was noted that none of the item from PP 2020-21 have been contracted so far. The project is advised to include all the new FMR/ILD schemes in the PP 2020-21 and resubmit for the No Objection through NOTUS.

During the field visit the community procurement for ILD/FMR documents were reviewed and noted that no procurement mechanism has been devised for the community procurement and record keeping is not up to the mark. The wage records were not maintained appropriately in terms of its verification. Since there is huge budget involved in ILDs/FMRs under community procurement mechanism, there is need for a standard procurement policy and procedure for the community driven procurement with certain thresholds. The PCU has shared the zero draft Standard Operating Procedures (SoPs) for the Village Agriculture Cooperative Societies (VACS) for community/cooperative driven procurement. IFAD has reviewed and provided comments on the document which needs to be updated accordingly and resubmitted for clearance.

The role of contract management is not fully functional. Procurement officer is managing goods and services contracts with support from technical teams, while works contracts have been assigned to the Infrastructure Specialist. During the review it was noted that most of the contracts of ILD/FMRs are delayed as compared to the original schedule. It was also noted that construction of seven RCC bridges was also delayed, the contract was signed on 12 June 2019 with the completion date of 11 March, 2020 and contract duration was extended till 25 July, 2020 (none has been completed so far and no liquidated damages were reported). As per the contract clause 47.1,1% of the contract price, for each day of delay in completion of the works subject to a maximum of 10% of contract price, is to be realized as liquidated damages in case of unjustified delay in completion of works.

PCU has a consolidated filing systems for the procurement records including “signed requisition, notification from GB P&DD for procurement committees, bidding documents, bid opening documents, minutes of the bid opening with signature of the bidders, bids, proposals/quotations, evaluation documents, copy of bid security, security bond etc. contracts and IFAD NOs. However, some of the documents related to FMR/ILD works were not found in the PC. The mission advised the PCU to get all the documents from the field and retain copy in PCU for audit purpose.

The agreed actions of the last two supervision missions have not been fully implemented. Out of 24 audit observations 19 have been settled, however, the remaining 5 observations need to be settled as soon as possible.

Agreed Action	*Responsibility*	*Agreed Date*
Revise Procurement Plan based on Scheme-Wise Review The project is advised to include all the new FMR/ILD schemes in the PP 2020-21 and resubmit for the No Objection through NOTUS.	PC/DPC/PO/DF	11/2020
Standard Operating Procedures (SoPs)/Procurement Policy for Community led Procurement and Revise PIM Huge budget is involved for ILDs/FMRs schemes, ETI-GB should finalize the draft SoP procurement policy and procedures for the community driven procurement with certain thresholds and make a part of the PIM.	all staff	11/2020
Complete Hiring of staff (Procurement Assistant) Fast track the recruitment of procurement assistant; support to PU and regional offices for community led procurement.	PC/DPC/PO/DF	12/2020
Complaint Management System ETI-GB should constitute a grievance redressal committee (including Representatives from ETI-GB, and Representatives from governmental officials) to enquire the complaints and take remedial actions accordingly and make a part of the PIM	PC/DPC/DF/PO	12/2020
Improve Procurement Planning and Review Process Finalize the planned activities of goods, works and services as per the planned schedule timelines.	PC/DPC/PO/DF	
Document Contract Management and Monitoring at Partner and Community Level Strengthen the contract management and monitoring role to ensure high quality outputs and deliverables especially works related tasks.	PC/DPC/PO/DF	
Invoke relevant convenient of contracts regarding completion of RCC bridges Follow up for the completion of RCC bridges; apply liquidated damages; as per the contract clause 47.1 Rs.0.1% each day up to 10% of the total contract cost.	PC/DPC/PO/IS	
Improve Filing System a. Project is advised to maintain a copy of all record related to FMR/ILD in PCU. b. PO needs to file the deliverables/reports with the endorsement of the technical team and financial track record in the procurement file.	DF/PO/MFA	

e. Key SIS Indicators

Likelihood of Achieving the Development Objective	**Rating: 4.19**	**Previous rating: 4.0**
Assessment of the Overall Implementation Performance	**Rating: 4.0**	**Previous rating: 4.0**

F. Relevance

Relevance	**Rating: 5**	**Previous rating: 5**

Justification of rating

The Project’s design, approach and interventions remain highly relevant. Productive irrigated land is a major constraint in this highly mountainous region. The Project is adding 50,000 acres new land to the existing 179,000 acres of irrigated land in the province and thereby adding, on average 1.6 acres of additional land to each family’s existing 0.8 acres. The newly developed land and highly productive upper valleys are being connected through 400 km of farm to market roads and concrete and wooden bridges. The major challenge of distance, product volumes and quality and market linkages is being addressed through 4-P interventions and establishment of formal cooperatives with production and marketing business plans. This is being further backed up by the establishment of planned orchards and private nurseries for supply of quality fruit plants.

Main issues

While the project approach and interventions are highly relevant to the local context and beneficiary needs. The long term sustainability is currently being secured through the incorporation of village cooperatives and reinforced through appropriate land reforms. The early resolution of the land distribution has paved the way for land titling. The roads built by the project would require a proper O&M regime and that requires a formal handover after completion of each road to the PWD Department. This is in process and needs to be formalized through PSC decision. Changes made to the VCTAT's and SMP's roles and responsibilities during the MTR has helped improve the pace of implementation of the value chain component. The SMP and in-house staff (SMD) would need to be regularly guided by VCTAT to ensure that Business Plans prepared by them meet the minimum quality standards.

Policy aspects of land titling, water management and roads O&M need to be addressed on a priority basis for the future sustainability of the project investments. The Cooperatives Business Plans need to keep in view the seasonality factor, and ETI related investments must have a distinct implementation plan linked to the business plans, to guide the communities and project staff to timely arrange all inputs, and complete all preparatory activities.

G. Project Modifications

Responsibility	Modification type	Description
PC	Project Area	A basic agreement has been reached to expand the coverage of economic infrastructure to all 10 districts of Gilgit Baltistan. This however is conditioned by the progress on land titling and the creation of a provincial roads master plan including O&M arrangements for the project funded roads.
EAD and IFAD	Reallocation	Based on the agreements reached during the MTR, and keeping in view the new Pak Rupee/Dollar parity, the PCU shall prepare a revised post-MTR budget for the project and propose a reallocation among loan categories, if needed. As for the Financiers, the Italian Government had committed to provide around 20 per cent of the project financing through a loan and a MOU has recently been signed with EAD for this purpose. Once the Financing Agreement is signed, the PCU shall keep the Italian contribution in view while proposing adjustments in loan categories
PC and IFAD	Logical Framework	The Logical Framework has been updated to reflect the changes agreed during the MTR. Some more IFAD core indicators have been added.

H. Lessons Learned

Farmer Organizations need appropriate legal cover and professional management to become viable and credible business organizations

ETI supports the establishment of Village Producer Groups and Valley Producer Organizations to act as aggregators of produce and agents for collective marketing of produce and procurement of inputs and services. However, to attain credibility and a professional business approach, these organizations need to be formalized and structured into legally recognized entities like cooperatives with professional management and sound business plans. This will enable them to engage with other sources of support including finance and be under an oversight that lends them credibility.

Legislation and Regulations

Projects like ETI that pursue innovative approached to community driven development need proper supportive policy and regulatory frameworks to ensure sustainability of the approach, institutions and investments. Project design recognized this need but this aspect has so far not received the attention that it deserved. The four policy areas covering land titling, roads master plan and O&M, Water Policy and Management and Seed Certification need to get priority attention in THE post MTR period for ensuring sustainability of approach and interventions.

I. Agreed Actions

Agreed Action	*Responsibility*	*Agreed Date*

Overview and Project Progress		
SMP Role in Irrigation and Cooperatives Business Planning Needs to be Augmented Carefully review SMP performance, identify current issues in field level effectiveness, and address the issues through a monthly review.	PCU	11/2020
Expansion to New Districts shall Commence Once Related Policy Reforms are Completed Geographical expansion is conditional to clear policy decision and timeline agreed by PSC land titling, provincial road-master plan (including roads O&M strategy) and provincial water policy.	PCU, PSC	12/2020
Policy Reforms Aspects Submit the ToRs for Roads Master Plan and Water Governance Policy by end of December 2021 for approval by steering committee and IFAD NOC.	PCU, PSC	12/2020
Undertaken Review and Revision of ILD Schemes Review and Revise (if required) all ongoing and new schemes to include specific progress milestones and level of effort to ensure effective progress monitoring.	PCU	12/2020
Develop Scheme Specific Cultivation Plan Prepare scheme specific plantation plan for all completed schemes for upcoming planting season including secondary and tertiary channels.	PCU	12/2020
Development of Standard Communication Tool Kit Develop a standardized communication tool kit elaborating objective, process and steps in VAC/Cooperative formation and operation.	PCU, VCTAT	12/2020
Develop Roadmap for Regional Cooperative Network Develop a clear roadmap and plan for the establishment of a regional network of Cooperatives/farmer organizations	VCTAT, PCU	12/2020
Ensure Better Representation of Women, Poor and Youth Devise strategy and guidelines for inclusion of women, poor and youth in the cooperatives.	VCTAT, SMP, PCU	12/2020
VAC Driven Plantation Approach on New Lands Provide a concept note and budget for IFAD No Objection	PCU, VCTAT, SMP	12/2020
Develop Competitive Approach to Development of Innovative Technology (Orchards/ Vertical Farming etc.) Provide a concept note (competitive approach to project support) and budget for IFAD No Objection	PCU, VCTAT, SMP	12/2020
Finalize Concept for Access to Finance and Develop EoI/RFP for Engaging with Financing Institutions (2 at minimum) Provide a concept note, scope of work and EoI/RFP for credit guarantee and credit line for IFAD No Objection.	PCU, VCTAT, SMP	12/2020

Provide Assistance to SMBR for Provincial Land Cadastral Use available resources to develop a provincial land cadastral data base through engagement of a competent service provider in association with SMBR – Develop scope of work/EoI and RFP for getting NO from IFAD.	PCU, PSC	12/2020
Delink the Titling of Land Developed under ETIGB Develop together with GoGB an approach to formalise secure land titling for land developed under ETIGB.	PCU	12/2020
SMD Role in Irrigation and Cooperatives and Business Planneing Needs to be Augmented Carefully review SMD performance, identify current issues in field level effectiveness, and explore the possibility of engaging SMP for Diamer Region if necessary.	PCU	12/2020
Secure Land Titling for Completed Schemes by June 2021 Detach ETI land titling from wider provincial land reforms and develop a project specific land titling regime	PCU, PSC	06/2021
Carry out Land Development Potential Assessment Develop ToRs and engage a consulting firm to assess development potential of remaining lands in GB for prioritization of project investment.	PCU	06/2021
Establish Irrigation Scheme Appraisal Committee Establish a competent scheme appraisal committee in PCU for quality assurance of designs, viability assessment and costs analysis as key step for prioritization of project investments	PCU	
Develop Guidelines for Management of Payback under ILD Schemes PCU to formulate detailed guidelines for the management of Payback, roles/responsibilities of Payback Committee and proper accounting and management of payback funds including monitoring and oversight functions.	PCU	
Ensure Elected BODs for Cooperatives All cooperatives to have elected BODs from the inception phase.	PCU, VCTAT, SMP	
Development Effectiveness		
Integrated Poor Households as Members in VACs Ensure all poor households living in the catchment area of a VAC are made members of the VAC and their membership fee may be either paid from community payback fund	PCU, Gender Manager	
Introduce Innovative Animal Feed Production Techniques	PCU, VCTAT, Momo Dairy	
Sustainability and Scaling up		
Exist Strategy Explain clearly to all beneficiaries the exit strategy of each project intervention.	PCU/VCTAT	03/2021
Produce effective knowledge products and disseminate successful innovations for scaling up	PCU	03/2021

Ensure adherence to MOUs with Communities	PCU, SMP	
Project Management		
Advertise all vacant positions and complete recruitment without further delay P&D shall develop recruitment methodology for recruitment and undertake recruitment.	PCU/P&D	12/2020
Undertake the first annual outcome survey Develop the scope of work, hire a consultant and complete the annual outcome survey.	PCU/M&E Wing	09/2021
Staff contracts Renewal and Salary Increase Staff contracts renewal and any salary increases must be linked to proper performance assessment.	PSC, PCU	
Increasingly Use Data from M&E as KM and Decision-making practice Develop formats and processes to translate M&E Data into knowledge management products and management decision-making tool	PCU/M&E Wing	
Financial Management & Execution		
Quantification of beneficiaries' contribution Details of beneficiaries' contribution should be worked out to support the figures reported in the project financial statements	PC, FD	10/2020
Comprehensive internal audit report to be submitted to IFAD Internal audit report that cover all regions, SMPs, IPs, private sector and SMTs that includes all findings, recommendations and management replies to be submitted to IFAD after it is approved by audit committee. --- Reports completed but not shared with IFAD	Internal Auditor	10/2020
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Complete Hiring of staff (Procurement Assistant) Fast track the recruitment of procurement assistant; support to PU and regional offices for community led procurement.	PC/DPC/PO/DF	12/2020
Complaint Management System ETI-GB should constitute a grievance redressal committee (including Representatives from ETI-GB, and Representatives from governmental officials) to enquire the complaints and take remedial actions accordingly and make a part of the PIM	PC/DPC/DF/PO	12/2020
Management letter to include management replies to audit finding	PMU-FM	12/2020

Inclusion of DA reconciliation in the report	PMU-FM	12/2020
Strengthening of internal controls • Ensure project assets i.e. vehicles are not subject to misuse under any circumstances • No expenditure should be charged to the IFAD Loan unless it is eligible under the Financing Agreement • Include the requirement of CNIC nos. and Cell nos. on the payment sheets used to record payment to labors. • For all trainings under the VSTAT, a project official must sign off the attendance sheets • Segregate date entry and data verification function—obtain updated version of TOMPRO for this purpose • No payment should be made to any IPs/SMP/VSTAT unless the request for payment is backed with original supporting documentation. • Obtain No Objection from IFAD for all site engineers working for the project.	Finance Department	12/2020
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Strengthening of internal controls Strengthen internal controls over funds channeled through different stakeholders (list given above)	Director Finance	
Revised AWPB AWPB to include all financiers (Co-financing and beneficiaries)	PCU	
Proper documentation All expenditures to include proper documentation as per the list above	Finance unit	
Improve Procurement Planning and Review Process Finalize the planned activities of goods, works and services as per the planned schedule timelines.	PC/DPC/PO/DF	
Document Contract Management and Monitoring at Partner and Community Level Strengthen the contract management and monitoring role to ensure high quality outputs and deliverables especially works related tasks.	PC/DPC/PO/DF	
Invoke relevant convenient of contracts regarding completion of RCC bridges Follow up for the completion of RCC bridges; apply liquidated damages; as per the contract clause 47.1 Rs.0.1% each day up to 10% of the total contract cost.	PC/DPC/PO/IS	

Improve Filing System a. Project is advised to maintain a copy of all record related to FMR/ILD in PCU. b. PO needs to file the deliverables/reports with the endorsement of the technical team and financial track record in the procurement file.	DF/PO/MFA	

IFAD
Investing in rural people

Pakistan

Economic Transformation Initiative - Gilgit Baltistan

Supervision Report

Logical Framework

Mission Dates:	14 September - 30 October 2020
Document Date:	27/11/2020
Project No.	2000000836
Report No.	5569-PK

Asia and the Pacific Division
Programme Management Department

Economic Transformation Initiative - Gilgit Baltistan

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services promoted or supported by the project										
	Females			250 000	**65 639**	**208 427**	**83.4**				
	Males			250 000	**68 318**	**216 935**	**86.8**				
	Total number of persons receiving services			500 000	**133 957**	**425 362**	**85.1**				
	1.a Corresponding number of households reached										
	Women-headed households			10 000	**7 390**	**8 223**	**82.2**				
	Non-women-headed households			90 000	**15 266**	**60 309**	**67**				
	Households			100 000	**22 656**	**68 532**	**68.5**				
	1.b Estimated corresponding total number of households members										
	Household members			750 000	**124 044**	**513 990**	**68.5**				
Project Goal Improved incomes and reduced poverty and malnutrition in rural areas of Gilgit-Baltistan region	Reduction of poorest households (approx. 5,000)							Pakistan Social and Living Standards Measurement (PSLM) surveys. ETI assessments against BISP scorecard.			Political and social stability in the region. New developed land equitably distributed including to women and landless poor. Climatic abnormalities and natural calamities remain within acceptable tolerance levels. Higher production, combined with nutritional education and improved road access, will make substantive dent in malnutrition rate.
	Households			50							
	Decrease in child malnutrition (under 5 yrs old, chronic, acute-underweight and stunted)							RIMS survey			

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Height for age (boys) % decreased : Chronic-Stunting			10							
	Height for age (girls) % decreased: Chronic-Stunting			10							
	Weight for height (boys) % decreased: Acute-Wasting			10							
	Weight for height (girls) % decreased: Acute-Wasting			10							
	Weight for age (boys) % decreased: Underweight			10							
	Weight for age (girls) % decreased: Underweight			10							
Development Objective Increased agricultural incomes and food security for at least 100,000 rural households in 7 districts of Gilgit Baltistan on a sustainable basis	target hhs and value chain operators have increased their agriculture income by at least 25%							WFP mapping of settlements and programme activity reports.			Programme activities implemented as per phasing. Govt and partners are able to timely predict and respond to natural disasters and localised hazards.
	Households			60							
	1.2.4 Households reporting an increase in production										
	Households			90							
	Total number of household members										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outcome Outcome 1: 100,000 farm households increase production , productivity and sales in prioritized agricultural commodities	1.2.1 Households reporting improved access to land, forests, water or water bodies for production purposes										Improved quality, quantity and reliability in supply to contracted private partners will improve farm returns. Investments in local value addition and reductions in transaction costs for traders/processors/wholesalers.
	Women-headed households										
	Total no. of households reporting improved access to land			50 000							
	Households increase sales							Farmers' organizations' records.			
	Households			60							
Output Outputs 1	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated							Progress Reports	annual		
	Hectares of land			20 000	**1 000.6**	**16 721.6**	**83.6**				
	water channels/ irrigation schemes constructed, rehabilitated'							Progress Reports	annual		
	kilometres			400	**64.8**	**265.8**	**66.5**				
	2.1.5 Roads constructed, rehabilitated or upgraded							Progress Reports			
	Length of roads			400	**97.7**	**267.7**	**66.9**				
	Other productive infrastructure constructed/rehabilitated							Progress Reports	annual		
	Plastic tunnels			100							
	Groups managing productive infrastructure formed/strengthened							Progress Reports	annual		
	Groups SMT			107	**4**	**80**	**74.8**				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outcome Outcome 2: Sustained and community driven development approach established that is pro- poor and youth/gender- and nutrition- sensitive	Funds recovered against estimated cost recovery for irrigation development										Youth have preference for working in village if economic opportunities are same or better than in towns and cities offering low-skill employment.
	Percentage of funds recovered			50							
	Vulnerable and women-headed target households provided with land titles										
	vulnerable and women-headed hh			100							
Output Outputs 2	2.1.2 Persons trained in income-generating activities or business management										
	Females			650	**1 064**	**4 869**	**749.1**				
	Males			900	**1 010**	**4 110**	**456.7**				
	Young				**139**	**735**					
	Not Young					**0**					
	Persons trained in IGAs or BM (total)			1 550	**2 074**	**8 979**	**579.3**				
	1.1.8 Households provided with targeted support to improve their nutrition										
	Total persons participating			50 000		**0**	**0**				
	Households			50 000		**0**	**0**				
	Household members benefitted			250 000		**0**	**0**				
	Village/community plans formulated										
	Plan			50							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	**Baseline**	**Mid-Term**	**End Target**	**Annual Result (2020)**	**Cumulative Result (2020)**	**Cumulative Result % (2020)**	**Source**	**Frequency**	**Responsibility**	
Outcome Outcome 3: Agri-business actors invest in local processing and value addition to improve marketing of local food products	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities										Sufficient quantity, quality and seedling reliability of agricultural products available to sustain PPPP.
	Number of POs				**27**	**64**					
Output Outputs 3	2.1.1 Rural enterprises accessing business development services										
	Rural enterprises			220	**120**	**165**	**75**				
	Size of enterprises			60 000	**40 254**	**41 852**	**69.8**				
	Women in leadership position			30	**162**	**165**	**550**				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated										
	Total number of facilities					**10**					
	Processing facilities constructed/rehabilitated			100		**0**	**0**				
	Storage facilities constructed/rehabilitated			7		**10**	**142.9**				
Outcome Outcome 4: Government and private agricultural services are sustainably improved	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices							Client satisfaction survey and DOA service delivery records.			All GB agricultural households will be able to access improved agricultural service provision, including women.
	Households			50 000	**0**	**10 452**	**20.9**				
Output Outputs 4	Staff of service providers trained							RIMS			
	Males			213	**0**	**247**	**116**				
	Females			212	**0**	**24**	**11.3**				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Government Officials and staff trained							RIMS			
	Males			426	**0**	**159**	**37.3**				
	Females				**0**	**32**					
Outcome Outcome 5: Government formulates and enforces pro-poor agricultural policies covering water, land titling, road O&M and products and certification regime.	Provincial Land Records and Titling Law promulgated							Public land registry records, PO contracts and records with farmers.			Farmers using/producing improved seeds are able to increase productivity and sales.
	Number of Titling Law promulgated			1							
	Land titles provided for newly irrigated lands							Public land registry records, PO contracts and records with farmers.			
	Number of land titles provided			50 000							
	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment										
	Number										

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

Mission Dates:	14 September - 30 October 2020
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Appendix 1: Financial: Actual performance by financier; by component and disbursements by category (As at 31 August 2020)

Table 1 A: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Balance	Per Cent disbursed
IFAD Loan	67,000,000	28,996,504	38,003,496	43.3%
Co-Financier	22,980,000	-	22,980,000	0.0%
Government	23,630,000	5,573,530	18,056,470	23.6%
Beneficiaries	6,540,000	12,205,340	-5,665,340	186.6%
Total	**120,150,000**	**46,775,374**	**73,374,626**	**38.9%**

The figures of disbursement include USD 859,138.9 claimed against the WA# 31 but not yet released by IFAD, and USD 925,782/- expensed during July-August for which a WA has not been submitted yet. These amounts represent actual spending/disbursement performance till the end of August 2020.

Table 1 B: Financial performance by financier by component (in millions USD) as at 31st August 2020

Component	IFAD Loan			Government			Co-Financier			Beneficiaries			Total		
	App.	Act.	%	App.	Act.	%	App.	Act.	%	App.	Act.	%	App.	Act.	%
Economic Infrastructure for Value Chain Development	37.00	18.52	46.9%	15.60	2.20	14.2%	14.00	-	-	6.50	11.50	176.0%	73.10	32.21	42.4%
Support Services/PPPP for Value Chain Development	24.90	6.99	26.6%	5.00	1.60	33.0%	7.00	-	-	-	0.70	0.0%	36.90	9.35	24.3%
Programme Management and Policy Support	5.20	3.49	63.5%	3.10	1.70	55.5%	1.90	-	-	-	-	0.0%	10.20	5.22	49.1%
Total	**67.00**	**29.00**	**43.3%**	**23.60**	**5.60**	**23.6%**	**23.00**	**-**	**-**	**6.50**	**12.20**	**187.7%**	**120.15**	**46.78**	**38.9%**

App. =Appraised *Act. = Actual*

Table 1 C: Financial performance by financier by category (in millions USD) as of 31st August 2020

Category	IFAD Loan			Government			Co-Financier			Beneficiaries			Total		
	App.	Act.	%	App.	Act.	%	App.	Act.	%	App.	Act.	%	App.	Act.	%
Civil Works	31.50	17.64	51.8%	14.30	1.60	11.0%	13.30	-	-	6.50	11.50	176.0%	65.60	30.72	44.8%
Equipment & Material	1.30	0.70	55.6%	0.50	0.50	88.0%	0.20	-	-	-	-	-	2.00	1.17	57.8%
Grants & subsidies	14.70	3.72	24.4%	-	-		3.80	-	-	-	0.70	-	18.50	4.44	23.2%
Training & Consultancies	4.30	2.42	55.1%	2.80	1.40	51.0%	1.80	-	-	-	-	-	9.00	3.86	42.7%
Salaries & Allowance	5.90	2.96	46.5%	3.80	1.70	44.0%	2.40	-	-	-	-	-	12.10	4.65	36.5%
Operating Cost	3.40	1.56	44.1%	2.20	0.40	17.0%	1.40		-	-	-	-	6.90	1.94	26.8%
Total	**67.00**	**29.00**	**43.3%**	**23.60**	**5.60**	**23.6%**	**23.00**	**-**	**-**	**6.50**	**12.20**	**187.7%**	**120.15**	**46.78**	**38.9%**

App. =Appraised *Act. = Actual*

Table 1 D: IFAD loan disbursements (in SDR) as at 31 August 2020

Category	Category description	Original Allocation	Revised Loan Amount	Disbursement	Balance	Percent disbursement
I	Civil Works	22,850,000	22,850,000	11,766,103.55	11,083,896	51.49%
ii	Equipment & Material	400,000	1,414,493	502,505.17	911,988	35.53%
ii	Grants & subsidies	10,620,000	10,620,000	2,584,052.71	8,035,947	24.33%
iv	Training & Consultancies	3,140,000	3,140,000	1,702,943.71	1,437,056	54.23%
v	Salaries & Allowance	4,250,000	4,250,000	1,958,916.90	2,291,083	46.09%
vi	Operating Cost	2,430,000	2,430,000	1,059,313.91	1,370,686	43.59%
	Unallocated	4,860,000	3,845,507		3,845,507	0.00%
	Authorized Allocation	-	-	3,582,067.11	- 3,582,067	
	Total	**48,550,000**	**48,550,000**	**23,155,903**	**25,394,097**	**47.69%**

Note: This SDR report has been extracted from ICP.

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Appendix 2: Physical progress measured against AWP&B

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Appendix 2: Physical progress measured against AWP&B 2019-20 & 2020-21 (30 August)

Component/Outcome *Sub-component or Output*	**Indicator**	**Unit**	Period: 01-07-2019 to 30-8-2020 **AWP&B**	**Actual**	**%**	**Cumulative Actual**	**Appraisal Target**	**%**
Component 1 – Economic Infrastructure for Value Chain Development								
1.1 Irrigation and Land Development	Farmland under water-related infrastructure constructed/rehabilitated	Acres	18,000	16,848	93.6%	16,848	50,000	33.6%[1]
	Water channels/irrigation schemes constructed/rehabilitated	Km	180	170	94.4%	265	400	66.25%[2]
	Youth Construction Teams-Trainings	Group	0	0	0%	28	40	70%
	Lift Irrigation Pilots	No.	5	4	80%	5	7	71%
1.2 - Farm to Market Roads	Roads constructed, rehabilitated or upgraded	Km	210	200	95%	267	400	66.75%
	Construction of bridges	M	191	178	93%	191	220	86%[3]
Component 2 – Value Chain Support Fund and Technical Assistance								
2.1 Value Chain Funds – Grant and Subsidies	On Farm Grants-Seed Potato	FO	32	47	147%			
	On Farm Apricot	FO	133	527	396%			
	On Farm Dairy	FO	5	16	320%			
	On Farm Off Season Vegetables	FO	40	67	168%			
	On-Farm Grants Total	**No.**	**210**	**657**	**313%**	**800**	**2950**	**27%**
	Off Farm Grants- Seed Potato	FO	29	35	121%			
	Off Farm Grants- Apricot	Cluster	21	12	57%			
	Off Farm Grants Dairy	MCC	3	1	33%			
	Off Farm Grants Dairy	Processing Unit	0	0	0%			
	Off Farm Grants Total	**No.**	**50**	**48**	**96%**	**135**	**500**	**27%**
	Non-Farm Grants-Dairy, Dry fruits, apiculture	Grants	12	9	96%	9	45	20%
2.1 Value Chain Funds – Trainings	Training of VC staff & VC stakeholders	Persons	40	378	945%	378	40	945%
	Training of Community Master Trainers	Persons	185	15	8%	319	425	75%
	Training of Farmers in Value Chain	Persons	1040	8386	806%	9136	35000	26%
	Exposure visit for farmers/promoters	Persons	0	0	-	26	40	65%
	Village Agriculture Cooperatives (VACs)	No.	160	110	68.75%	110	160	68.75%

[1] Actual cultivation started. Total land under implementation is 46,931 acres (93%) and additional 2,220 acres in designing phase.
[2] 267 km completed, while 87km under implementation, 60 km is ready to implement for total of 414 km (103.5%) of program target.
[3] 178m of bridges have been initiated and targeted for completion five bridges by November 2020 and two remaining bridges Astore and Ghanche by April 2021.

2.2 Social Mobilization (Farmers Organization & Institution Building)	Village Agriculture Cooperatives (VACs)	No.	60	55	91%	55	60	91%
2.3 Agriculture Extension	Installation of plastic tunnels	No.	0	0	-	25	25	100%
2.3 Agriculture Extension - Trainings	Training of trainers	Persons	29	30	22%	50	18	278%
	Production and post-harvest training (males)	Persons	450	557	124%	725	900	81%
	Production and post-harvest training (female)	Persons	400	798	200%	1108	650	170%
	Farmers field days (male)	l/s	23	39	170%	47	40	118%
	Famers field days (female)	l/s	25	28	112%	35	40	88%
	Soil survey analysis	p/d	100	40	40%	200	400	50%
	Technical training for Agri. staff	p/d	30	64	213%	264	60	118%
	Exposure visit of Agri Staff (local)	persons	20	23	115%	36	40	90%
2.4 Agriculture Research	Installation of Green Houses	No.	0	0	100%	4	4	100%
	Aphid proof screen houses	No.	0	0	-	7	7	100%
	Installation of 50MT seed stores	No.	0	0	-	7	7	100%

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Appendix 3: Compliance with legal covenants: status of implementation

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Appendix 3: Compliance with legal covenants: Status of implementation as of 31 August 2020

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section B.6 **Section B.7**	Opening of a designated account, a PCU program account and 3 RCU sub-accounts	At program start	Done	DA at State Bank of Pakistan, Program account and sub-accounts at National Bank of Pakistan
Section B.8	Provision of counterpart financing of approx. USD 24 million from the GoGB	Throughout program implementation	On-going	Yes - Ongoing
Section E.1 (i)	Appointment of Program Coordinator and Finance Manager	Condition precedent to withdrawal	Done	
Section E.1 (ii)	No objection from IFAD on the draft Program Implementation Manual	Condition precedent to withdrawal	Partially done	IFAD approved PIM (finance admin and procurement manual). Tools/guidance relevant to SMTs/communities organizations missing
Section E. 2	Installation and operationalization at the PCU of a computerized accounting system, acceptable to IFAD	3 months after entry into force of FA	Done	Software is installed and operational
Schedule 1 – II.8	Establishment of a Program Steering Committee at GB provincial level, headed by the Chief Secretary	At program start	Done	
Schedule 1 – II.9 and 10	Establishment of a Program Coordination Unit and 3 Regional Coordination Units (for Diamer, Gilgit and Baltistan regions)	At program start	Done	
Schedule 1 – II.12	Conduct of a Mid-Term Review jointly by the Borrower and IFAD.	By end of 2018	Done	
GC-Section 7.01 (b) (ii)	Submission of AWPB to IFAD for its review and comments	30 April each year	Done with delay	Submitted 7th August 2020 due to COVID but not approved yet
GC-Section 7.05 (a)	Procurement of goods, works and services carried out in accordance with the applicable rules and procedures	Throughout program implementation	Complied	Procurement at community level requires streamlining, tools/guidance need to be provided to SMT/community organizations.
GC-Section 7.08 (a)	Insurance of program assets in accordance with sound commercial practice	Throughout program implementation	Partially done	Insurance of Vehicles done. Insurance of other assets not done.
GC-Section 7.11	Health & accident insurance for project staff	Throughout program implementation	Done	
GC-Section 8.03 (a)	Submission of progress reports to IFAD	Quarterly	Not Complied	.
GC-Section 8.04	Submission of a project completion report	Before loan closing date	Not yet due	
GC-Section 9.02	Submission of program financial statements for each fiscal year	31 October each year	Not yet due	Ready to be submitted

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
GC-Section 9.03	Submission to IFAD of audit report and reply to management letter	31 December each year	Not yet due	
GC-Section 11.01 (c)	Taxes not to be paid from IFAD financing	Throughout the program implementation		Gilgit Baltistan is exempt from taxation
LTB - A - 8	Withdrawal application to be submitted at the earliest of elapse of 90 days or disbursement of 30% of the initial advance.	Throughout the program implementation	Complied	
LTB - B - 11	Statement of Expenditure Threshold USD 50,000	Throughout the program implementation	Complied	
LTB - F - 28	Contracts to be listed in Register of Contracts and submitted to IFAD CPM on a monthly basis.	Throughout the program implementation	Not Complied	Contract register not being submitted to IFAD CPM on a monthly basis.
LTB - G - 30	Summary Interim Financial Reports (IFR) to be submitted to IFAD on Quarterly Basis within 45 days	Within 45 days of each quarter end	Complied	
LTB - G - 31	Appointment of Independent Auditors within 120 days after the beginning of each year	30 Oct 2016 30 Oct 2017	Complied	External Audit is carried out by the Auditor General of Pakistan annually and acceptable to IFAD
LTB - G - 34	Appointment of Internal Audit Firm after No Objection by IFAD.	Immediate	Complied	
LTB - G - 34	Submission of Internal Audit Report to IFAD	Immediate	Partly Complied	Audit completed, report under finalization

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Appendix 4: Technical background analysis

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Appendix 4: Critical Review of Infrastructure Component

The component has achieved considerable progress since MTR in terms of overall physical progress of irrigation schemes, FMRs and bridges. At MTR, 23 irrigation schemes were complete which have increased to 40 now, length of completed FMRs has increased from 79 to 198 km while most of the RCC bridges achieved progress but are quite delayed and none has been completed. Activities under land distribution, development, cultivation and payback have been started but the progress is very slow and unsatisfactory. Land distribution has been initiated in 42 schemes, land development is going on in more than 20 schemes while payback has also been started in 7 command areas. Cultivation of lands has also been started in some cases where forest, fruit orchards and fodder are being grown, Vegetables, fruits and maize are being grown in lift schemes command area.

A. Progress review

(i) Irrigation schemes

Component-1 involves construction of economic infrastructure including Irrigation schemes, Land Distribution, Land Development (ILD) and Farm to Market Roads (FMR) for providing water to newly developed 50,000 ac barren land benefiting 50,000 households (HHs) and constructing 400 km of rural roads. As of 31 August 2020, the project has been working on 94 irrigation schemes out of which 89 are gravity and 5 are lift schemes (Annexure 1). So far, 40 irrigation schemes (gravity and lift) have bene completed for irrigating 16,848 ac of land and to benefit 13.903 households in the selected four districts. The 35 gravity channels will irrigate 16,623 ac land of about 12,509 households while the 5 lift schemes will supply water for 225 ac of 1,394 HHs (Table 1). The ongoing 33 irrigation gravity schemes will provide water to 24,472 ac of land for benefiting 14,410 HHs. While, 21 new schemes have been prepared, out of which technical sanction has been obtained for 8 schemes, MOUs have been signed for 7 and survey and design have been completed for 6 schemes, The new schemes will irrigate 7,831 ac of 9,134 HHs (Table 1). So far, the project has achieved about 75 percent of the beneficiaries target and therefore, more schemes need to be developed and implemented for achieving the beneficiaries' target of 50,000 in the core four districts.

Table 1. Details of Irrigation schemes as of 31 August 2020.

	Completed	Ongoing	New Schemes--Ready for implementation	Lift schemes (all completed)	Total	Project target
Irrigation schemes (No.)	35	33	21	5	94	
Area (ac)	16,623	24,472	7,831	225	49,151	50,000
No. of beneficiaries	12,509	14,710	9,134	1,394	37,747	50,000

Source: ETI-GB PCU office

About half of the ongoing channels are less than 50 percent complete, 9 are 51 to 75 percent complete and only 6 are 76 to 99 percent done. It was agreed during the last Mission that these schemes would be completed by June and October 2020 but, there are serious delays despite arbitrarily time extensions

District-wise achievement of beneficiaries against targets is given in Table 2. District Diamer has almost surpassed the target of 17000 beneficiaries while District Ganche is at the lowest of 55 percent. Irrigation schemes is Astore will benefit 5,308 HHs against the target of 8,000. In Ghizr district, 8,262 HHs (61 percent)\ will benefit from the proposed schemes against the target of 13,500. Area-wise achievement details show that three out of four districts have achieved their targets while Astore stands at 80 percent. Original target for Astore was also set lower than others which has been confirmed by field observations suggesting that Astore has less potential than others

(ii) Secondary and Tertiary Channels

It was recommended and agreed upon during MTR last year that work will be started on secondary and tertiary channels so that water could be conveyed to the fields for cultivating and growing crops, however, little or no progress has been made so far.

Table 2. Beneficiaries achievement against targets in Core districts.

Name of District	Target beneficiaries (No)	Beneficiaries achieved (No)	Area covered (ac)	Beneficiaries achievement, Percent
Astore	8.000	5,308	6,383	66
Diamer	17,000	17,164	13,958	101
Ganche	11,500	6.314	11,394	55
Ghizr	13,500	8,262	15,416	61

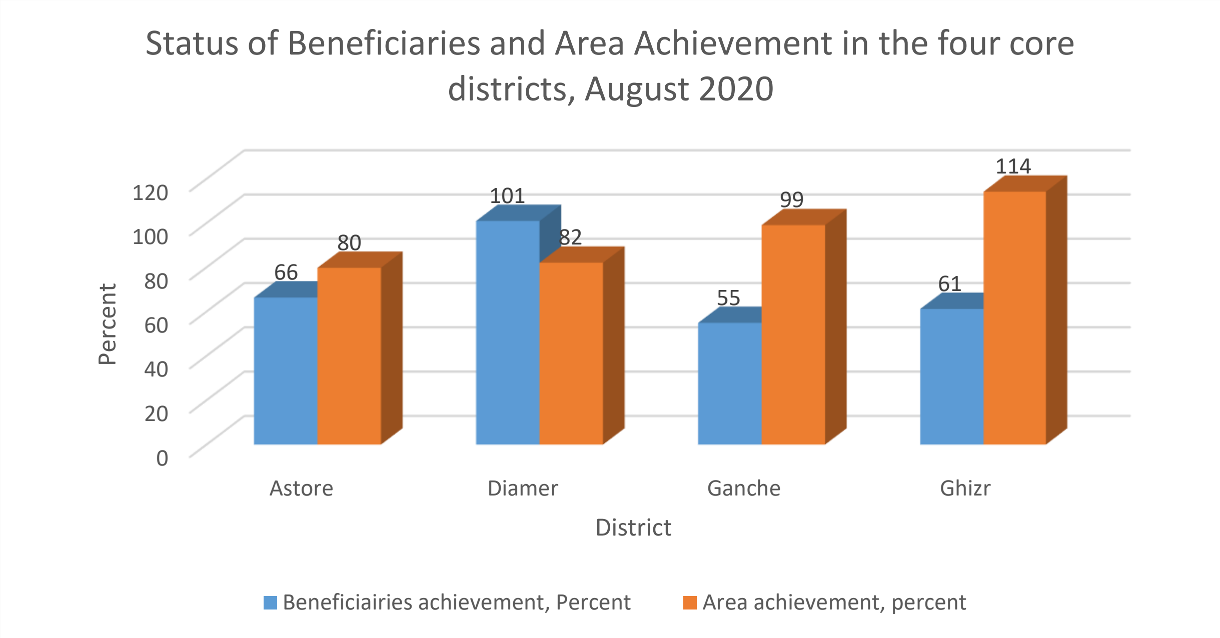

Figure 1. Status of beneficiaries and area achievement in four core districts, August 2020

The SMTs or VPGs or water user associations (WUAs) should take over the operation and maintenance responsibility of these schemes immediately. The Mission field visit to some completed scheme in Diamer district in September 2020 showed that water was flowing freely everywhere on roads without any control which will not only damage other infrastructure but will also erode the fertile layer of lands. Sedimentation and erosion because of rainwater and vegetation will physically deteriorate the completed schemes.

(iii) Land Distribution and Development

Development of 50,000 ac of barren land and its equal distribution to 50,000 poor HHs with entitlement is the heart of this project for providing livelihood and improving incomes of the rural population but it has not been progressing as desired and panned. Progress on land distribution of 41,320 ac under the completed and ongoing schemes has been very slow so far. Work on land distribution has been started after MTR where distribution of about 15,945 ac area has been started to 11,969 beneficiaries in 36 completed schemes at clan/mohalla and household levels (Table 3). Currently, most of the distribution in completed channels is at the clan level. Distribution of 2,598 ac to 2,189 beneficiaries has been started only on 6 (18 percent) out of the 33 ongoing schemes at the clan and HH level. The remaining 27 schemes (82 percent) are yet to be started though the construction of most of the ongoing schemes was started more than a year or so ago.

Land development of 8,459 ac of 7,447 beneficiaries has been started in 19 completed schemes (less than 50 percent) whereas 12 schemes are yet to be initiated. Development of 4 schemes (1,075 ac) is mostly done and 3 are partially complete. Land development is too slow in the ongoing schemes where only 2 schemes have been started for developing 1,399 ac for 594 beneficiaries (Table 3). The Payback part of the project has been initiated but needs a very strong push to gain momentum and speed. Serious mobilization efforts are required to expedite the process in the completed and ongoing schemes which stands at 2 schemes in the completed and 1 in the ongoing ones at the moment.

Table 3. Details of land distribution and development under completed and ongoing irrigation schemes.

Activity	Particulars	Completed Schemes			Ongoing schemes		
		Schemes (No)	Beneficiaries (No)	Area (ac)	Schemes (No)	Beneficiaries (No)	Area (ac)
Land distribution	Started	36	11,969	15,945	6	2,187	2,598
	Not started Yet	4	1,934	903	27	12,523	21,874
	Clan/Muhallah /Level	5	1594	2325	2	1,029	1,080
	Household Level	28	10,150	13045	4	1,158	1,518
	Court case	1	150	500			
	Lift schemes-KIU, Shikyote	2	75	75			
	Initiated	19	7,447	8,459	2	594	1399

Land development status	Not initiated yet	12	4,500	5,923	30	13,096	21243
	Partially	3	991	1,316	1	1,020	1,830
	Mostly	4	890	1075			
	Lift schemes- KIU, Shikyote	2	75	75			
Payback Status	Initiated	5	4,284	5,537	1	343	318
	Not initiated yet	33	9,544	11,236	32	14,363	24,15 4
	Lift schemes- KIU, Shikyote	2	75	75			

Source. ETI-GB PCU office.

The recommendation during MTR for a holistic approach to irrigation channels including secondaries and tertiaries, land distribution and development is yet to take roots in the system.

(iv) Cultivation of New Lands

It has been about four years now that the project is being implemented but, bringing new land under cultivation is yet to be undertaken at the desired level. Scattered activities of forestry, orchards and fodder cultivation have been observed in some schemes on a limited scale in the completed or under construction schemes.

(v) Farm to Market Roads

The project has targeted to construct 400 km of farm to market roads in the project area. Work was started on about 272 km of roads out of which 18 roads of 79.49 km length (20 percent of target) werr completed at MTR. Significant progress has been made after that by adding 119 km during the last year, (Table 4) Overall, 37 FMRs have been completed measuring 198 km to benefit about 14,413 HHs. Construction work is going on 26 roads of 156 km length benefiting 8,131 HHs in the four districts with much of it in Diamer and Ghiizr districts (Table 5). Another batch of 26 FMRs of 122 km is in different stages of survey and design, technical sanctioning and MOU signing to be ready for implementation to achieve an overall length of 476 km. There have been recurring delays in many cases while some of the remaining work agreed upon during MTR has not been completed yet. Some of the roads have been overscheduled and have been planned to be completed in more than a reasonable time.

Table 4. Details of FMRs construction in selected districts.

District	FMR PC-1 target (Km)	Completed as of MTR	Completed as of August 2020 (km)	Ongoing schemes (km)	Ready to implement (km)	Total length (km)
Diamer	108	26.88	44.4	53.66	9.27	107.33
Astore	64	21.11	24.99	33.77	40.83	99.59
Ghizer	136	27.2	94.6	33.42	29.34	157.36
Ghanche	92	4.3	33.96	35.17	42.96	112.09
Total KM	**400**	**79**	**197.95**	**156.02**	**122.4**	**476.37**
Total # Schemes		18	37	26	26	89

(vi)

(vii) Bridges

The project PC-1 has provided for the construction of bridges of 220 meters total length in different places on need basis for providing links to markets and easy transportation of the products with a provision of USD 2.20 m. Sites were selected in the four districts for constructing t bridges with a total length of 289 meters to benefit. So far, 4 WBC bridges of 64 m have been completed while 7 RCC bridges of 191.3 m and 2 WBC bridges of 33.5 m length are in different stages of completion. Length of bridges varies from 9.15 to 57.93meters depending upon location and requirements. For RCC bridges, international competitive bidding (ICB) was carried out for selecting the contractor and the contract was signed in late 2019, however, there are delays and none of them has been completed so far. Five new WBC of 71.57 m and 4 RSB bridges (rope suspension bridges) of 178.35 m are ready for implementation.

Table 5. Details and status of bridges construction.

Type of bridge/length	**Completed**	**Ongoing**	**Reay to implement**	**Total**
Bridges----RCC (No)	0	7	0	7
Length (m)	0	191.32	0	191.32
Bridges---WBC (No)	4	2	5	11
Length (m)	64	33.52	71.57	169.09

Bridges---RSB (No)	0	0	4	4
Length (m)	0	0	178.35	178.35

(viii) Pilot Lift Schemes

Five pilot solar powered lift schemes were installed in Astore, Skardu, Ghanche, Gilgit and Ghizr districts for providing water to 225 ac of new land. The sites were identified and selected in consultation with concerned communities. The solar panels were under 10 years warranty while pumps were for 5 years. Two schemes are lifting river water from sumps near rivers and the remaining three are using groundwater through boreholes. Four out of the five schemes have been functioning well while the sump of the Boonji scheme had inundated due to floods. The concerned communities are managing the schemes with no major issues. Most of land distribution and development has been carried out except the one in Gol where the command area is 70 ac and a large part of it is yet to be developed.

(ix) Agreed Actions

Actions	Responsibility	Deadline	Status
All completed schemes command area to be ready for cultivation at least on the flat parts after completing the land distribution, development and payback arrangements	Component-1	1st Mar 2021	Agreed
Construction of 15 out of 33 ongoing irrigation schemes to be completed. Land distributed, developed and be ready for cultivation at least on the flat parts of command area	Component-1	1st Mar 2021	Agreed
Complete all remaining 18 schemes including construction, land distribution and development and be ready for cultivation on flat lands by.	Component-1	1st Sep 2021	Agreed
Carry out design and cost analysis of the completed irrigation channels and FMRs to be used as guide for the new schemes	Componenet-1	31st Dec 2020	Agreed
Submit the newly designed schemes for review after incorporating the results and findings of the design and cost analysis report	Component-1	After the report is submitted and accepted	Agreed

(x) Design and costing of schemes

Barring the initial infrastructure schemes, all other irrigation, FMRs and small bridges have been designed and costed by the ETI engineers using local government rates for costing. Cost varies from scheme to scheme depending upon terrain, geology, location and distance of water source from the command area. The actual average per acre cost is about PKR 52,000 as compared to the project PC-1 estimated cost of PKR 59,450 or USD 580 (@ 1 USD = 102.5 PKR) per ac. The irrigation schemes are within the PC-1 estimates and could easily meet the target of irrigating 50,000 ac. Rather, there would be savings due to dollar-rupee differential and some more schemes could also be implemented to reach some more communities.

Funds flow from PCU to regional offices and SMTs has been smooth so far. However, an important issue concerning spending on irrigation schemes has been noticed. The total sanctioned cost of the completed schemes is about PKR 808.97 m which comes out to be 848,70 m by adding contingency cost with it. Most of the schemes have utilized the approved sanctioned cost together with the contingency part of the estimate without giving clear justification to do so. 30 out of 40 (75 percent) schemes have eaten up contingency funds plus some more giving a total of PKR 62.24 m above approved sanctioned cost. Some of the schemes have even used extra money within the limits of 15 percent of the total allocations.

Comparatively, roads are quite easy to construct and to implement and SMTs have effectively undertaken this responsibility. Roads are not very sensitive to slopes as compared to irrigation channels for delivering water.

(xi) Spread and Allocation of Project Investments

The project has undertaken different infrastructure schemes for bringing barren land under irrigation and FMR schemes in different parts of the selected districts (Annexure 2).

Districts Ghizr and Ghanche have made good progress as compared to Diamer and Astore where schemes have been spread out where needed and have also achieved area targets. Out of 13,500 ac as target, Ghizr is progressing with 15,416 ac while Ghanche has achieved 11,394 against 11,500 ac. Diamer is progressing with 13,958 ac against 17,000 ac and Astore is implementing 6,383 ac with a target of 8,000 ac.
The spread of FMRs justifies the investments as these have been requested by the communities and will connect productive areas to markets. With completion of the ongoing and new FMRs, all the four districts will achieve or even surpass the targets set in PC-1.

(xii) Annual Work Plan and Budget

The project had planned to spend about USD 8.3 m during 2019-20 but could actually spent 53% on irrigation schemes while FMRs and had actually spent USD 4.2 m (69%) against the budgeted 6.1 m (Table 6). For the July and August months of 2020-21, 6 percent of the ILD and 9 percent of the FMRs budgets have been spent..

Table 6. Budget and expenditure 2019-20 and first two months of 2020-21.

Economic Infrastructure Budget USD			
	Irrigation and Land development		FMRs and bridges
	2019-20		
Budget	8.3		6.1
Actual spending	4.4		4.2
% execution	53%		69%
	2020-21 (as of August 31, 2020)		
Budget	7.8		4.4
Actual spending	0.5		0.4
% execution	6%		9%

(xiii) Main Issues of Component-1

1. Delays in completion of schemes. The project has not followed the actions agreed during MTR for completion of schemes in June and October 2020. Schemes have been delayed further with arbitrary time extension. Similarly, new schemes have been initiated against the recommendation of previous Mission.
2. Utilizing all available money including contingency funds, especially for irrigation schemes without proper justification, is a serious issue as far as completed schemes are concerned.
3. Land distribution with entitlements, development and paybacks are progressing with snail pace leading to delayed or no economic benefits to communities. Delayed land development will render the schemes dysfunctional. The government has also not progressed on the required legal arrangements and regulations.
4. Little or almost no progress on construction of secondary and tertiary channels in completed schemes will further delay land development and cultivation.
5. No progress on water policy and road master plan.

(xiv) Agreed Actions and Recommendations

1. For ensuring a holistic and integrated approach to project development and implementation, new projects will ensure inclusion of the following five elements; (i) construction of main channel and secondary and tertiary channels; (ii) land allocation/distribution and titling; (iii) land development and cultivation; and, (iv) formation of cooperatives; and, (v) payback and maintenance planning.
2. Strengthen supervision, coordination and monitoring by preparing detailed activity based work plans with clear targets and timelines to be shared with IFAD by December 2020.
3. New infrastructure interventions shall not be started until; (i) land titling are provided to all the completed and on-going ILD schemes; and, (ii) all Farm to Market Roads completed are officially transferred with the assurance of the maintenance being taken over by the concerned GB Department.
4. For land titling; (i) compile and issue a GB Land Titling Ordinance 2020 preferably by end December 2020; and, (ii) completion of documentation (maps and distribution plan, titles) of land under all ILD schemes by end of December 2020. Develop an appropriate coordination mechanism for the engagement of district revenue staff for the exercise.
5. Detailed review of the completed schemes with respect to design, cost estimates, expenditures and implementation plans to ensure timely implementation and to avoid fund utilization in excess of sanctioned cost.

(xv) **Water Policy and Road Master Plan**

Efforts were made for preparing the water policy but a lot needs to be achieved. Draft TORs were prepared and shared with the government and a few consultants during 2018-19 but, things have not been moving as desired. There is no urgency on the part of the government and, therefore, things usually get stuck at some stages.

The provincial government had constituted a committee for preparing the Provincial Road Master Plan and O&M Policy on 4th May 2019 under the chairmanship of the Secretary of Public Works Department. The committee is yet to start functioning.

Investing in rural people

Pakistan

Economic Transformation Initiative - Gilgit Baltistan

Supervision Report

Appendix 5: Mission preparation and planning, TORs, schedules, people met

Mission Dates:	14 September - 30 October 2020
Document Date:	27/11/2020
Project No.	2000000836
Report No.	5569-PK

Asia and the Pacific Division
Programme Management Department

Appendix 5: TORs, schedules, people met.

Terms of Reference for Consultants and other persons hired by IFAD to participate in missions under a non-staff contract

COUNTRY OF ASSIGNMENT/LOCATION: Pakistan

MISSION NAME: Economic Transformation Initiative in Gilgit-Baltistan (ETI-GB) Supervision Mission (partially remote)

MISSIONSTART AND END DATES: 14 – 30 September 2020

REPORT TO: **Hubert Boirard,** Country Director, APR/PMD

MISSION COMPOSITION:

In-country:

Fida Muhammad, CPO, Co-Mission Leader/Value Chain and Public Partnership
Rab Nawaz, Institutional Specialist
Abdul Hakeem Khan, Irrigation and Climate Change Specialist
Waseem Shahzad, Procurement Specialist
Arsalan Haneef, Financial Management Specialist
Sumaira, Knowledge Management and Communication

Remote:

Hubert Boirard, CPM, Mission Leader
Elizabeth Ssendiwala, Targeting and Mainstreaming Themes (Gender, Youth and Nutrition) and Farmer Organisation
Firmian, Ilaria Carlotta, M&E, Knowledge Management and Communication
Alaa Abdel Karim, Finance Officer

BACKGROUND:
A highly concessional loan of SDR 48.55 million was approved by IFAD's Executive board in April 2015 for the Economic Transformation Initiative in Gilgit-Baltistan, a USD 120.2 million programme, which entered into force on 16 September 2015; the programme completion date is set for 30 September 2022. ETI-GB's lead programme agency is the Planning and Development Department of the Provincial Government of Gilgit-Baltistan.

ETI-GB's development objective is to to increase agricultural incomes and employment for at least 100,000 rural households in the Gilgit-Baltistan region, where over 90 per cent of the population is engaged in agriculture.

The initiative focuses on: increasing agricultural production, and introducing high-value cash crops and linking farmers to local markets; developing and improving infrastructure including irrigation and rural roads; and organizing smallholder farmers into producers' groups and formulating value chain development. The programme components are: (i) productive infrastructure (comprising two sub-components for irrigation and farm-to-market roads); (ii) value chain development; and (iii) programme management and policy support.

The first supervision and start-up mission was carried out from 23 September to 03 October 2016. The second supervision took place in October 2017 followed by a short implementation support mission in May 2018. The third supervision mission was carried out between 16 and 30 September 2018. ETI-GB's MTR was conducted between 15 – 30 October 2019. The planned Italian co-financing arrangements are yet to be finalized.

MISSION OBJECTIVES AND OUTPUTS:
The main objectives of the ETI-GB direct supervision mission are:

- assess the progress made in the implementation of the project since MTR and emerging impacts;
- review status of implementation of recommendations of the MTR supervision mission;
- review progress against the 2019 - 2020 AWPB and procurement plan and review implementation readiness and coherence AWP/B 2020-21;
- assess progress with regards to geographical expansion of project activities;
- identify actual and potential/emerging operational problems; and,
- propose solutions, corrective measures or improvements required.

In preparation for the supervision mission, the PCU is expected to prepare and submit an updated and revised progress report, in the format of the standard IFAD Supervision Mission Report template – reflecting the latest physical (or preparatory activity) and financial progress, performance data and M&E data (outreach, targeting and other key indicators contained in the logframe). The PCU will also prepare other documentation required including those required for the review of fiduciary issues ahead of the mission (including procurement records, contracts etc.). <u>In addition, the PCU will prepare the draft field itinerary for the mission.</u>

INDIVIDUAL RESPONSIBILITIES, EXPECTED OUTPUTS AND REQUIRED COMPLETION DATES

Mr Hubert Boirard, CD: Mission Leader

The mission leader will assume the overall coordination of the supervision mission, provide the necessary support to the team, review the aide memoire, supervision report and management letter, prior to their finalization. Following are the specific task;

(i) Responsible for coordinating the mission's activities, leading the discussions, liaising with the Lead Programme Agency and concerned implementing agencies and private sector partners;
(ii) Assign the detailed tasks contributing to the various parts of the Mission's Aide Memoire and full ission Report among the mission members;
(iii) Lead the discussions during the wrap-up meeting;
(iv) Make assessment of the overall project performance and quality of implementation in line with the defined result objectives, legal and financial agreements;
(v) Ensure collaboration / discussion with national counterparts and other donors in accordance with mission schedules;
(vi) Review and asses the progress vis a vis time lapse and realistically evaluate the likelihood of achieving remaining targets given the delay in co-financing and expanded geographical coverage and seek government's view on appropriate adaptation.

<u>Deliverable(s):</u>
- Review and Finalize the ORMS Supervision Mission Report
- Finalize a draft Aide Memoire for presentation at the wrap-up meeting

Fida Muhammad: CPO and co-mission leader/Value Chain and Public Private Partnership

Act as a Co-Mission Leader and with the support of the Mission Leader; undertake a review of the implementation progress under Component 2. The following tasks will be undertaken:
(i) Based on appraisal targets and the 2019-2020 AWPB, review implementation progress related to component 2; identify actual and potential/emerging operational problems, propose solutions for corrective measures or improvements to be made and provide guidance on priorities;
(ii) Assess the level of implementation of the 4Ps proposals (Mamo Dairy, MUNAFA, and potato seed multiplication partnerships), identify the bottlenecks and provide recommendations;
(iii) Review the 4Ps methodology for upscaling the approach;
(iv) Assess progress on establishment of Village and Valley Producer Groups and the strategy for assistance in developing their linkages to on-going 4-Ps as well as alternate value chain development options;
(v) Evaluate the PMU – VCTA capacities to develop 4Ps, Producer Associations, Business Planning and provision of Business Development Services. and provide recommendations to ensure that ETI-GB reach the objectives of the component 2; and,
(vi) Review the core strategic approaches adopted under component 2; this will include: (i) assess effectiveness and efficiency of the value chain technical assistance team (VCTAT); (ii) asses relevance and equity in terms of regional coverage;(iii) review strategy for the engagement of the private sector; (iv) evaluate the strategy/ approach for development (including capacity building) of farmers/producer organizations; and (v) appropriateness and effectiveness of the strategy and principles for matching grants;
(vii) Provide written inputs related to your component/activities for the aide-mémoire and supervision report, including: (i) overall assessment; (ii) outputs and outcomes; (iii) implementation progress; (iv) sustainability issues; and (v) updated recommendation table with clear assignments, responsibilities and due date;
(viii) Assess the efficacy of current approach and methodology for cooperative formation and engagement of these groups with the existing and planned 4-P projects;

(ix) Assess the capacity of the provincial cooperative department in terms of needs (soft and hard) for effectively undertaking their role vis a vis ETIGB targets for cooperatives formation and registration;
(x) In coordination with the Irrigation and Climate Change Specialist, assess the organizational aspects and quality of the Farmers Organizations engaged in irrigation & land development as well as rural road construction and make concrete recommendations for structure and performance improvement;
(xi) Assess the future sustainability prospects of established farmers' organizations and offer concrete recommendations; and,
(xii) Any other aspect assigned by the mission leader.

Deliverable(s):
- Contribution to the ORMS Mission Report in line with IFAD's Template following Guidelines for the Rating
- Contribution to the Aide Memoire.
- Technical note(s)/Annex (as applicable)

Mr Rab Nawaz: Institutional Specialist; Component 1 and Programme Management

With the mission leader, will be responsible for coordinating the mission members (and their inputs into the written deliverables), reviewing overall project implementation progress and readiness, and assessing the general coherence and complementary linkages across components and activities. More specifically, you will assume overall responsibility for component (1) in complementarity with other relevant mission members as well as for programme management and policy component (3). You will review the strategic approaches adopted by ETI-GB and assess the institutional issues vis-à-vis sustainability. In a more detail aspects, you will:

(i) Based on appraisal targets and the 2019-2020 AWPB, review implementation progress related to component 1; you will identify actual and potential/emerging operational problems, propose solutions for corrective measures or improvements to be made and provide guidance on priorities to be pursued in view of accelerating progress;
(ii) Review 2020-2021 AWP/B and asses its efficacy and coherence vis-à-vis previous progress and remaining targets under component 1 specifically and overall project generally.
(iii) Review and assess the project's performance in implementing the Component 1 and 3, review the achievement of outputs, outcomes and initial impacts from the start and as of today, identify constraints, risks and lessons learned, and propose a clear strategy and operational procedures for enhancing performance;
(iv) Review and assess the robustness of the approach adopted post-MTR, reorientation of the process and institutional framework related to the component 1 (from identification, infrastructure implementation (irrigation schemes and roads), valorisation of the irrigation scheme / roads and link with the VC, income generation activities, pay back mechanism, land titling, exit strategy..) and the extent of expansion to other districts and make concreate recommendations.
(v) Review progress in identification of irrigation sites and farm-to-market roads – master planning/potential needs assessment exercise, including the level of preparatory work undertaken and readiness in the entire GB as was planned per the post-MTR expansion.
(vi) Provide a time and physical progress matrix for the achievement of all targets - and propose with the ETI-GB support, 2 scenarios (minimum / optimum) for ETI-GB. The proposal will need to be based on sites pre-identified and ensure the coverage of the remaining relevant potential areas. Identify need for additional financing and extension of project duration.
(vii) Review the critical implementing partners and service providers capacities for the delivery of works and services and make suitable recommendations for efficient implementation;
(viii) Review the core strategic approaches adopted by ETI-GB in order to ensure coherent links between components and full achievement of the final impacts expected.
(ix) Review and assess the pay back mechanism proposed or implemented as of today, and make appropriate recommendations
(x) Review and map ETI-GB interventions in the Province and provide an analysis of equitable coverage and make recommendations.
(xi) Review the land titling process and the steps involved in order to address constraint in land titling and develop together with Government of GB an action plan for completion of land titling during 2020-2021.
(xii) Assess the level of implementation of the 50% pay back under component 1 (ILD), the appropriateness of the tools / procedures to ensure an implementation as initially planned as well as evaluate different options for the potential use as per criteria and agreed village development plans – assess the quality of the VDPs developed so far and make recommendations.
(xiii) Assess the policy options and discuss / provide a clear road map to make them operational.
(xiv) Review the quality and sustainability of maintenance system related to the on-going infrastructure interventions as well as compliance with SECAP requirements and make recommendations.
(xv) Assess the quality of programme management and effectiveness/ efficiency of the implementation and institutional arrangements in place, including the coordination and interaction between various stakeholders

and partners; provide as well, an updated capacity assessment of key IPs;

(xvi) Consolidate all mission member inputs and provide written inputs related to your component/activities for the aide-mémoire and supervision report, including: (i) overall assessment; (ii) outputs and outcomes; (iii) implementation progress; (iv) sustainability issues; and (v) updated recommendation table with clear assignments, responsibilities and due date;

(xvii) Any other aspect assigned by the mission leader.

Deliverable(s):

- ORMS Mission Report in line with IFAD's Template following Guidelines for Rating
- Contribution to the Aide Memoire.
- Technical note(s)/Annex (as applicable)

Mr Abdul Hakeem Khan: Component 1 (Land and Irrigation) and Climate Change

With the support of the Mission leader, you will review the implementation progress under sub component 1 irrigation and land development, Climate Change mitigation measure and Water policy. The following tasks will be undertaken:

(i) Based on appraisal targets and the 2019-2020 AWPB, review implementation progress related to sub component 1; you will identify actual and potential/emerging operational problems, propose solutions for corrective measures or improvements to be made and provide guidance on priorities to be pursued for accelerating progress;

(ii) Review progress in identification and implementation of irrigation and land development sites, assess the quality of the identification and prioritization process, evaluate different options for a province-wide need identification and make appropriate recommendations for way forward;

(iii) Review progress in identification and implementation of irrigation pilot sites, the quality and the functionality of the work already undertaken, assess the capacities of the community organizations/SMTs in charge of the irrigation schemes and particularly on water management and irrigation scheme maintenance; Provide appropriate recommendations in order to make the investment in irrigation profitable and sustainable;

(iv) Review the Gilgit-Balistan Map with all the current and planned sites to assess their spread in terms of equity, needs and potential for development;

(v) Undertaken value for money/cost efficiencies analysis in designing and implementation of irrigation and road infrastructure and adequacy and timeliness of flow of fund arrangements between project, regional offices and beneficiary SMTs and propose improvements wherever warranted;

(vi) Assess the irrigation scheme designs and analyse their capacity to be climate and environment resilient. If necessary, make recommendation to improve the designs, taking into account the local specific context;

(vii) Review the technical and operational mitigation measures adopted to make the schemes climate and environment resilient and evaluate the thread and challenges of periodic flash floods, landslides, GLOF and seismic movements and make suitable recommendations;

(viii) Review the compliance with the SECAP compliance and make recommendations

(ix) Review the progress made by the ETI-GB programme on the road development and maintenance master plan and provincial water policy, regulations and benchmarks for efficient water use.

(x) Review 2020-2021 AWP/B to assess coherence and appropriateness of targets and strategy for attainment of remaining targets;

(xi) Review the technical and operational mitigation measures adopted to address the challenges of periodic flash floods, landslides, GLOF threat and seismic movements and make suitable recommendations;

(xii) Review the progress made by the ETI-GB programme on the provincial water policy, regulations and benchmarks for efficient water use;

(xiii) Provide written inputs related to your component/activities for the aide-mémoire and supervision report, including: (i) overall assessment; (ii) outputs and outcomes; (iii) implementation progress; (iv) sustainability issues; and (v) updated recommendation table with clear assignments, responsibilities and due date; and,

(xiv) Any other aspect assigned by the mission leader.

Deliverable(s):

- Contribution to ORMS Mission Report in line with IFAD's Template following Guidelines for Rating
- Contribution to the Aide Memoire.
- Technical note(s)/Annex (as applicable)

Ms Elizabeth Ssendiwala: Institutions, Targeting and transversal aspects (nutrition, youth, gender):

(i) Assess the project's overall performance in targeting, gender, community empowerment and beneficiary participation;

(ii) Review the status of gender mainstreaming, gender equality, women's empowerment and participation in the project activities;

(iii) Review project strategy to promote women's and youth participation, including the gender strategy; provide recommendations to improve the approach/ strategy;

(iv) Assess the targeting strategy of the project and its social mobilization partners and how BISP beneficiaries/ the poorest are being taken into account and benefitted in the process; as well assess efficacy and impact of project's pro-poor investments, in particular for women-headed households and ultra-poor;

(v) Evaluate and provide tools to the Programme on how to better measure any positive impacts on arresting youth/male outmigration due to the ETI-GB investments in value chains and infrastructure and overall implementation approach;

(vi) Assess the impact of project interventions on women and youth and propose actions that could further improve women and youth participation and empowerment in value chain activities;

(xiii) Review/assess and make recommendations on the nutrition, climate change, youth and gender in the context of ETI-GB;

(xiv) Review ETI strategy for the targeting of smallholder farmer communities and their organization into cooperatives, integration into 4Ps and networking at the apex level (regional/provincial);

(xv) Assess/review the current roles of SMP, and, VCTAT and line departments in terms of organizing farmer cooperatives, the underlying coordination mechanisms and effectiveness of their individual and collective engagement with the cooperatives; identify strengths and weaknesses and make concrete recommendations for improved quality of farmer organizations;

(xvi) Review ETI strategy for the targeting of smallholder farmer communities and their organization into cooperatives, integration into 4Ps and networking at the apex level (regional/provincial);

(xvii) Assess/review the current roles of SMP, and, VCTAT and line departments in terms of organizing farmer cooperatives, the underlying coordination mechanisms and effectiveness of their individual and collective engagement with the cooperatives; identify strengths and weaknesses and make concrete recommendations for improved quality of farmer organizations;

(xviii) Assess the capacity of the provincial cooperative department in terms of needs (soft and hard) for effectively undertaking their role vis a vis ETIGB targets for cooperatives formation and registration;

(xix) In coordination with the Irrigation and Climate Change Specialist, assess the organizational aspects and quality of the Farmers Organizations engaged in irrigation & land development as well as rural road construction and make concrete recommendations for structure and performance improvement;

(xx) Assess the future sustainability prospects of established farmers' organizations and offer concrete recommendations;

(xxi) Provide written inputs related to assigned component/activities for the aide-mémoire and supervision report, including: (i) overall assessment; (ii) outputs and outcomes; (iii) implementation progress; (iv) sustainability issues; and (v) updated recommendation table with clear assignments, responsibilities and due date; and,

(xxii) Any other aspect assigned by the mission leader.

<u>Deliverable(s):</u>

- Contribution to ORMS Mission Report in line with IFAD's Template following Guidelines for Rating
- Contribution to the Aide Memoire.
- Technical note(s)/Annex (as applicable)

Ms Ilaria Firmian: M&E, Knowledge Management and Communication

(i) Assess the project's progress in managing knowledge and lessons learned, the knowledge management strategy/action plan of the project and assess capacity of the project and its implementing partners in this respect;

(ii) Identify promising, innovative knowledge product generated by the project - provide recommendations for improvement for better packaging, presentation and dissemination;

(iii) Carry out a comprehensive progress review of the knowledge management and how project undertaken generation of knowledge and translate it to meaningful policy and strategic input for stakeholders including government;

(iv) Assess effectiveness of the coordination between social mobilization partner, project and other stakeholders with regards to sharing lessons learnt;

(v) Assess the programme's M&E needs and level of progress in setting up the M&E system (including responsibilities, arrangements, compliance across project actors), especially its effectiveness in capturing bottom-up information/ data for reporting and as a management tool;

(vi) Review and validate the key performance indicators guided by the log frame; as well, with the team, identify any additional indicators to measure progress and performance;

(vii) Review the quality of the M&E with respect to capturing and analysing knowledge products, identify gaps and suggest remedial measures;

(viii) Undertake review of cross cutting issues in terms of lesson learned and as means to effective policy dialogue for mainstreaming gender, nutrition, climate change and youth;

(ix) Assess relevance and effectiveness of Project's consultation and communication approach and actions; and,

(x) Any additional task assigned by the mission leader.

Deliverable(s):
- Contribution to ORMS Mission Report in line with IFAD's Template following Guidelines for Rating
- Contribution to the Aide Memoire
- Technical note(s)/Annex (as applicable)

TBC. Access to Finance/Financial Inclusiveness

With the support of Mission Leader, you will review project strategy for matching grant, leveraging investment through financial institutions, private sector and evaluate project approach for the value chain fund in term of its sustainability and exit strategy. Also assess the overall quality of the VCTAT and viability of the cooperatives formed. The consultant will specifically undertake following tasks:

(xi) Assess the quality of the business plans prepared and the institutional framework proposed for cooperatives – assess the quality of the staffing of a sample of cooperatives, its management board and executive committee – also assess the institutional arrangement, capacity for effective management and the systems in place;
(xii) Assess the viability of the business plans in the context of local and down-country market and make recommendation with regard to market access for output and market development for inputs;
(xiii) Evaluate the current practices of procurement of support packages provided to cooperatives and its members and assess its viability in terms of local market development;
(xiv) Assess/review the current roles of SMP, RCUs, PCU, VCTAT and line departments in terms of organizing of farmer groups, the underlying coordination mechanisms and effectiveness of their individual and collective engagement with the farmers groups; identify strengths and weaknesses and make concrete recommendations for improved quality of farmer organizations;
(xv) Assess the financial sector capacities with respect to credit guarantee schemes and financial services offer to agribusinesses and cooperatives;
(xvi) Evaluate the approach suggested for access to finance for the member of cooperatives, 4Ps and leveraging investments;
(xvii) Evaluate the approach for value chain fund – appropriateness of the matching grant, analyse beneficiary contribution and assess the potential for scaling up and sustainability; and,
(xviii) Any additional task assigned by the mission leader.

Deliverable(s):
- Contribution to ORMS Mission Report in line with IFAD's Template following Guidelines for Rating
- Contribution to the Aide Memoire
- Technical note(s)/Annex (as applicable)

Mr Waseem Shahzad: Procurement Specialist

(i) Review procurement arrangements. (i) review the procurement function and procedures, and assess procurement staff ability to plan, execute and monitor procurement actions (ii) review the execution of the approved procurement plan and obtain explanations for significant variances compared to planned amounts or delays in procurement; (iii) select a sample of post review procurements and verify conformity with applicable procurement rules and procedures, PIM and the approved PP, noting down any deviation;

(ii) Undertake review of the robustness of the community procurement procedures, processes, compliance to best practices/standards and make recommendations;

(iii) Review contractual and payment procedures (as well, assess (for quality, timeliness) and identify any capacity gaps in contractor/IP/SP preparation of documentation for payment of works, grants, training, , etc.); check contract register, usage of contract monitoring forms, register of advances; highlight outstanding advances (ageing analysis); verify compliance with audit requirements foreseen in contracts/ MOUs, if applicable;

(iv) Review the PIM and suggest changes if any required to augment efficiency of project operations;

(v) Provide written inputs related to your component/activities for the aide-mémoire and supervision report, including: (i) overall assessment; (ii) outputs and outcomes; (iii) implementation progress; (iv) sustainability issues; and (v) updated recommendation table with clear assignments, responsibilities and due date; and,

(vii) Any other aspect assigned by the mission leader.

Deliverable(s):
- Contribution to ORMS Mission Report in line with IFAD's Template following Guidelines for Rating
- Contribution to the Aide Memoire

- Technical note(s)/Annex (as applicable)

Ms Alaa' Abdel Karim/ Mr Arsalan Haneef: Financial Management; Fiduciary

(i) Use the original FMAQ as the basis review the relevant information and actions taken to address recommendations of MTR mission, recommendations raised by external auditors on previous years' management letters, recommendations raised by FMD during the audit review exercise;

(ii) Review and examine if the uses and sources of funds are fully reconciled including in the accounting software system;

(iii) Perform a Financial Management Performance Assessment, on the basis of the questionnaire as per FMD guidelines. Re-assess the strengths and weaknesses of financial management systems and suggest mitigation actions;

(iv) Review sample Withdrawal Applications and Statements of Expenditure (at least 30%) to verify adequacy, completeness and validity of claims, applying correct exchange rate, using the checklist provided. Note down any ineligible expenditures clearly;

(v) Review bank account reconciliations and the status of advances given to implementing partners and sample of expenditures incurred by implementing partners to verify adequacy, completeness and validity of claims, using the checklist provided. Note down any ineligible expenditures clearly;

(vi) Follow-up on the introduced disbursement efficiencies (Authorized Allocation, implementation of extended SOEs, minimum WA size etc..) and ineligible expenditures (if any);

(vii) Support the project management to revise the disbursement plan for remaining period of the project if applicable;

(viii) Review and analyse the project financial performance (annual and cumulative);

(ix) Conduct an assessment of the reliability and adequacy of the accounting software and the accounting records;

(x) Review the adequacy of Internal controls in place in the PMU including the level of segregation of duties, authorization levels, financial procedures manual/ and periodic account reconciliations;

(xi) Review the most recent Financial Progress Reports – assess whether or not periodic progress reports been submitted within the prescribed time limit in accordance with the content agreed;

(xii) Review the Internal audit arrangements (if any), including reports and status of recommendations; and,

(xiii) Any other relevant FM aspect.

<u>Deliverable(s):</u>

- Prepare the Financial management risk assessment including an updated Summary of project fiduciary risk (Financial Management Performance Assessment at Supervision and Summary of Project Fiduciary Risk Assessment at Supervision) as per IFAD's guidelines.
- In line with the Supervision Guidelines and FMD guidelines, provide inputs to the Aide-Memoire as follows:
- Input to Main body of the Aide-Memoire and the Supervision report including the following under section iv. "Financial Management and Execution": i) Disbursement Rate, ii) Quality of financial management, iii) Quality and timeliness of audit including follow up on the finding of the audit review exercise performed by FMD) and iv) Counterpart funds. Assign ratings and record the agreed actions, responsibilities and dates under each section.
- Appendix 1: Financial: Actual financial performance by Financier; Disbursements by Category and by component: Tables 2A, 2B and 2C.
- Appendix 3: Compliance with Loan Covenants: Status of implementation: Assessment of loan covenants in relation to fiduciary aspects.
- SOE – review log showing the expenditures items reviewed during the SOE review and observations requiring follow-up, and clearly document any ineligible expenditures identified and their values .
- Prepare the Financial management risk assessment including an updated Summary of project fiduciary risk (Financial Management Performance Assessment at Supervision and Summary of Project Fiduciary Risk Assessment at Supervision) as per IFAD's guidelines and audit log.

Ms Sumaira, Knowledge Management

(i) Review the knowledge products developed by the project and assess capacity of the project and its implementing partners with regards to development knowledge products that can be disseminated;

(ii) Assess the process of knowledge management and identify aspects that need to be improved;

(iii) Assess effectiveness of the M&E, quality of data, analysis and compilation of social mobilization partner, VCTAT, project and other stakeholders with regards to capturing and sharing lesson learnt;

(iv) Review the EOI/ToRs developed by PCU for engagement of firms for development of knowledge products and its production;

(v) Any additional task assigned by the mission leader.

Deliverable(s):

- Provide inputs related to assigned tasks for the aide-mémoire
- Provide inputs on prescribed IFAD supervision report format
- Guidelines on compilation of knowledge products.

DOCUMENTATION

The following documentation will be made available to consultants prior to the assignment:

- Financing Agreement and LTB
- ETI-GB PDR and annexes
- Updated ETI-GB progress report and financial progress report
- 2019-2020 AWPB and PP and 2020 – 2021 AWBP and PP
- Supervision mission 1, 2 & 3 reports (2016/2017/2018)
- Mid-Term Review mission report
- PIM

MISSION SCHEDULE:

14 September	Mission's meeting in Islamabad (Physical and Virtual)
15/16 September	Departure for Gilgit by Road
17 September	Gilgit – PCU, SMP & VCTAT presentations
18 September	Meeting with P&D and Government Counterpart Departments
19 - 23 September	Field visits
24 September	Debriefing team/Project
25 September	Wrap up at P&D in Gilgit
26/27 September	Travel to Islamabad
28 September	Wrap up EAD Islamabad
29 - 30 Sept	Finalization supervision report in ORMS

All mission members will be expected to provide their full draft written input into the aide memoire 48 hours in advance of the final wrap-up meeting. The draft aide memoire will be provided to the lead programme agency 24 hours prior to the wrap-up meeting.

Clearance by CFS if TORs include financial management responsibilities: ***provided by email***

Name: ....Signature..

Date:...........................

Itinerary for IFAD Supervision Mission September 2020.

<table>
<tr><th>Date</th><th>Travel Plan</th><th>Team A
Fida, Abdul Hakeem, Arsalan</th><th>Team B
Rab Nawaz, Waseem</th><th>Team C
Sumaira, Sosan Aziz, Parveen</th></tr>
<tr><td>Day 1
September 14, 2020</td><td>Travel from Islamabad to Diamer
Night Stay at Shangrila Hotel, Chilas.</td><td colspan="3">• Reception at Babusar
• Babusar ILD Visit
• Field Visit plan and Preliminary Discussions at RCU-D/Shangrila Hotel</td></tr>
<tr><td>Day 2
September 15, 2020</td><td>Field Visit to Darel and Tangir Back to Chilas
Stay at Chilas</td><td>Tangir
Luruk ILD+ Meeting with VAC & SMT
Visit to Juglote,Tangir & meeting with VACs</td><td>Darel
ILD, FMR & VACs- Sut Das
RCC Bridges
FMR Shahi Mahal</td><td>Field Visit to Goherabad/Goner Farm
Meeting with Nutrition groups</td></tr>
<tr><td>Day 3
September 16, 2020</td><td>Field Visit to Astore
Filed Visit Diamer
Travel Back to Gilgit</td><td>Astore
Doyan ILD/FMR
Mushkin FMR</td><td colspan="2">Diamer/Astore
Meeting with 84member committee at Goner Farm
Kino Dass Visit
Meeting with Bunji VAC
Pari Fruit Plant & Nursery
Travel Back to Gilgit</td></tr>
<tr><td>Day 4
September 17, 2020</td><td>PCU</td><td colspan="3">i. 1st Half- Meeting with Programme
ii. Second Half- Zoom Meeting with IFAD (Rome)</td></tr>
<tr><td>Date</td><td>Team A
(Fida, Abdul Hakeem, Waseem & Sumaira)</td><td colspan="3">Team B
(Rab Nawaz and Arsalan)</td></tr>
<tr><td>Day 5
September 18, 2020</td><td>Travel – Gilgit to Skardu via Deosai and stay at Skardu</td><td colspan="3">Travel to Ghizer and stay at Gahkuch
Punial –
• Gulapur ILD and Meeting with VAC on land Development and Business Planning
• Sherqillah ILD and Meeting with VAC on Land Development
• Gulmuti ILD and FMR
(VF and Orchard visit- optional)</td></tr>
<tr><td>Day 6
September 19, 2020</td><td>Travel to Ghanche
• Ghawari Warchar Farmers Cooperative (Value Chain Activity)
• Kharfaq SMT and Road side site
• Surmo ILD /FMR (Site Visit and interaction with SMT)
Ghazithang- ILD site visit and interaction with SMT (Optional)

Stay at Khaplu</td><td colspan="3">Ishkoman-

Shamsabad ILD and Meeting with Community on Land Development
Hasis RCC Bridge, ILD Famani, ILD Gishgish
(Orchards and Nursery visit Optional)

Stay at Gahkuch</td></tr>
<tr><td>Day 7
September 20, 2020</td><td>Travel to Hushay
• Saling ILD
• Kanday ILD
• Hushay ILD and FMR
Travel back to Khaplu and stay</td><td colspan="3">Gupis
Khalti ILD and FMR Site Visit and Meeting with VAC

Stay at Gahkuch</td></tr>
<tr><td>Day 8
September 21, 2020</td><td>FMR Parangus/Khoro Balghar

United traders, Ghasing, Kharmang (4P)

Travel back to Gilgit from Baltistan and stay at Serena</td><td colspan="3">Danyore, Rahimabad
Field visit to Rahimabad (Fruit Processing Factory)
AKMD visit and VAC meeting

Danyore Oshikhandass
Field Visit to Muhammadabad Danyore and Oshikhandass and Meeting with
VACs</td></tr>
</table>

Day 9 September 22 & 23, 2020	Meeting with Government Officials/Secretaries (ACS Dev GB, Secretary ALF/SMBR GB)
Day 10 September 24, 2020	Aid Memoir Preparation/Report Compilation
Day 11 September 25, 2020	Wrap up at Gilgit (CS, ACS & PSC Members)
Day 12 September 26, 2020	Travel – GLT to ISB
September 28, 2020	Wrap up meeting at EAD

Note: Concerned sections/departments are requested for necessary arrangements

List of Persons Met

Officials

	Name	Designation
1	Mr. Khurram Agha	Chief Secretary, GB
2	Mr. Abrar Syed	Additional Chief Secretary, P&D
3	Mr. Muhammad Sibtain	Secretary Agriculture, GB
4	Mr. Muhammad Usman	Commissioner Gilgit
5	Dr. Ahsanullah Mir	Project Coordinator
6	Mir Kamal Khan	Deputy Project Coordinator
7	Mr. Barkat Ali	Infrastructure Lead/Acting Baltistan RC
8	Mr. Abdul Khabir	Value Chain Lead/Acting Gilgit RC
9	Mr. Saeed Ahmed	Finance Manager, PCU
10	Ms. Sosan Aziz	Manager, Gender and Poverty
11	Mr. Shad Muhammad	VCTAT
12	Mr. Saeed Ahmed	VCTAT
13	Mr. Muzaffaruddin	VCTAT
14	Ms. Yasmeen Karim	Regional Head, AKRSP
15	Mr. Mahmood Akhtar	Director, Agriculture Extension
16	Mr. Sher Jahan	Director, Water Management
17	Mr. Adil	Joint Secretary, EAD
18	Mr. Zafar Khan	Deputy Secretary, EAD

Communities/ Field

Place(s) Visited in GB	Intervention/Scheme Name	Person(s) Met	Designation
Babusar, Diamer	ILD	SMT, VAC & Community Reps	
Sut Dass, Darail	ILD & RCC Bridge	SMT, VAC & Community Reps	
Luruk, Tangir	ILD & VAC VC	SMT, VAC & Community Reps	
Goharabad, Diamer	Female Nutrition Group	Women Groups	
Pari Bangla, Gilgit	Nursery	Chiragh Uddin	Nursery Owner
Pari Bangla, Gilgit	Apricot Orchard	Muhammad Akhtar	Apricot Orchard Owner
Kinodas, Diamer	ILD	SMT, VAC & Community Reps	
Doyan, Astore	ILD & FMR	SMT, VAC & Community Reps	
Patti Pura, Astore	Vertical Farming	VAC	President & members
Bunji, Astore	VAC/VC	VAC Members	
Gulapur, Ghizer	ILD & FMR	SMT, VAC & Community Reps	
Sher Qillah, Ghizer	ILD, FMR & Bridge	SMT, VAC & Community Reps	
Gulmuti, Ghizer	ILD & FMR	SMT, VAC & Community Reps	
Goharabad, Ghizer	Vertical Farming	Fida Hussain	Owner
Hasis, Ghizer	ILD & RCC Bridge	SMT, VAC & Community Reps	
Gigish, Ghizer	Siphon Irrigation Scheme	SMT, VAC & Community Reps	
Shamsabad, Ghizer	ILD & FMR	SMTs & Community Reps	
Gole, Skardu	Solar Lift Irrigation Scheme	Mr. Muhammad Hussain	Gen. Secretary, SMT
Kharfaq, Ghanche	ILD	SMT & Community Reps	
Surmo, Ghanche	ILD & FMR	SMT & Community Reps	
Ghowari Ghanche	VAC	Members	President & members
Mehdiabad Kharmang	VPG Appricot	VPG Officials and Members	President & members
Ghasing Kharmang	UDF Officials and VPG	Officials and Members	President & members
Khalti, Ghizer	ILD & FMR	SMT, VAC & Community Reps	
Saling, Ghanche	ILD & Orchard	SMT and President FO	President & members
Kanday, Ghanche	ILD	SMT & Community Reps	President & members
Hushay, Ghanche	ILD	SMT & Community Reps	President & members

Danyor, Gilgit	Ideal Cooperative Society	Ms. Naveeda	President & members
Oshikandas, Gilgit	Kaashtkar Cooperative Society	Ms. Afsana Shaheen	President & members
Danyor, Gilgit	AKMD, Gilgit	Mr. Karim Uddin	Managing Director
Thalay Broq, Ghanche	ILD & FMR	SMTs & Community Reps	President & members
Demo Plot Bain, Hussainabad, Skardu	VAC & SMP	Assistant Program Manager, SMP & President FO	Owner
BFCS, Skardu	VAC	VAC members and Officials	President & members
Qomrah Skardu	VAC	VAC members and Officials	President & members
Daskhor, Shiger	VAC	VAC members and Officials	President & members