

## **Turkey**

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### **Goksu Taseli Watershed Development Project**

#### **Mid-term Review**

#### **Main report and appendices**

Mission Dates: 18 November - 3 December 2019

Document Date 11/02/2020

Project No. 2000000812

Report No. 5342-TR

Near East, North Africa and Europe Division  
Programme Management Department

## Abbreviations and Acronyms

<b>AWPB</b>	Annual Work Program and Budget
<b>BSL</b>	Baseline Survey
<b>CPMU</b>	Central Project Management Unit
<b>DDA</b>	District Directorate of Agriculture
<b>EFA</b>	Economic and Financial Analysis
<b>FFPS</b>	Foreign Funded Project Section
<b>FSTs</b>	Farmer Support Teams
<b>GDAR</b>	General Directorate of Agrarian Reform
<b>GSA</b>	General Service Agreement
<b>GTWDP</b>	Göksu-Taşeli Watershed Development Project
<b>LTB</b>	Letter to Borrower
<b>MAS</b>	Marketing Advisory
<b>MAF</b>	Ministry Agriculture and Forestry
<b>MoD</b>	Ministry of Development
<b>M&amp;E/KM</b>	Monitoring and Evaluation and Knowledge Management
<b>ORMS</b>	Operation and Results Management System
<b>PDAF</b>	Provincial Directorate of Agriculture and Forestry
<b>PPMU</b>	Provincial Project Management Unit
<b>PSC</b>	Project Steering Committee
<b>RIMS</b>	Result and Impact Management
<b>SIP</b>	Strategic Investment Plan
<b>TNA</b>	Training Needs Assessment
<b>TL</b>	Turkish Lira
<b>TOR</b>	Terms of Reference
<b>UNDP</b>	United Nations Development Program
<b>WA</b>	Withdrawal Application

## A. Project Overview

Region:	Near East, North Africa and Europe Division	Project at Risk Status:	Actual problem
Country:	Turkey	Environmental and Social Category:	B
Project Name:	Goksu Taseli Watershed Development Project	Climate Risk Classification:	2
Project ID:	2000000812	Executing Institution:	Ministry of Food, Agriculture and Livestock
Project Type:	Agricultural Development	Implementing Institutions:	not available yet
CPM:	Bernard Hien		
Project Director:			
Project Area:	11 districts of Konya and Karaman provinces of Central Anatolia, located in the Göksu sub-catchment, one of the four in the East Mediterranean Watershed.		

Approval Date:	12/12/2015	Last audit receipt:	19/06/2019
Signing Date:	23/03/2016	Date of Last SIS Mission:	03/12/2019
Entry into Force Date:	26/05/2016	Number of SIS Missions:	7
Available for Disbursement Date:	17/03/2017	Number of extensions:	0
First Disbursement Date:	17/03/2017	Effectiveness lag:	5 months
MTR Date:	18/11/2019		
Original Completion Date:	30/06/2023		
Current Completion Date:	30/06/2023		
Financial Closure:	not available yet		

### Project total financing

IFAD Financing breakdown	IFAD: KfW loan	\$17,890,000
	Near East, North Africa and Europe Division	\$400,000
Domestic Financing breakdown	Beneficiaries	\$2,858,868
	National Government	\$3,851,139
Co-financing breakdown,		
Project total financing:		\$25,000,007

### Current Mission

Mission Dates:	18 November - 3 December 2019
Days in the field:	7 days

Mission composition: Mr Bernard Hien (Country Director/Head of Hub, IFAD), Mr Swandip Sinha (Technical Team Leader); Mr Karim Sissoko (Programme Officer, IFAD); Mr Taylan Kiymaz (Country Programme Officer, IFAD); Ms Juliane Friedrich (Gender and Social Inclusion Specialist); Mr Bakhtiyor Zuhurov (Environmental Specialist); Mr Halil Omanovic (Rural business development project specialist); Mr Mahamad Khalas (Finance Specialist, Consultant); Mr Majid Benabdellah (Economic and Financial Analysis Specialist); Ms Nathalie Gebrayel (Procurement Specialist). Ms Nejla Furtana (Implementation Responsible, SPD); Ms TulinTeker (M&E Responsible, SPD); Mr Umut Akilli (Agricultural Engineer, SPD); Mr Kursat Demirel (Survey Responsible, SPD); Ms Hafize H. Eyuboglu (Ag. Engineer, SPD); Ms Selime Ozcan (Ag. Engineer, SPD); Ms Nillufer Guder (Ag. Engineer, SPD); Ms Isik Erdogan (Ag. Techniquer, SPD); Ms Ceren Ozgur(Project Assistant/Translator, UNDP); Mr Güray Balaban (Civil Works Procurement and Contracts Officer, UNDP); Ms Oyku Ulucay (M&E Analyst, UNDP); and Ms Ebru Okutan (Project Assistant, UNDP)

Field sites visited: Konya and Karaman Districuts

## B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		4	Assessment of the Overall Implementation Performance		3

<b>Effectiveness and Developmental Focus</b>	<b>3</b>	<b>Project Management</b>	<b>3</b>
Effectiveness	3	Quality of Project Management	3
Targeting and Outreach	3	Knowledge Management	3
Gender equality & women's participation	3	Value for Money	3
Agricultural Productivity	4	Coherence between AWPB and Implementation	2
Nutrition	N/A	Performance of M&E System	2
Adaptation to Climate Change	4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	4

<b>Sustainability and Scaling-up</b>	<b>4</b>	<b>Financial Management and Execution</b>	<b>4</b>
Institutions and Policy Engagement	3	Acceptable Disbursement Rate	2
Partnership-building	4	Quality of Financial Management	4
Human and Social Capital and Empowerment	3	Quality and Timeliness of Audit	5
Quality of Beneficiary Participation	3	Counterparts Funds	5
Responsiveness of Service Providers	4	Compliance with Loan Covenants	3
Environment and Natural Resource Management	4	Procurement	4
Exit Strategy	4		
Potential for Scaling-up	4		

<b>Relevance</b>	<b>4</b>
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## C. Mission Objectives and Key Conclusions

### Background and Main Objective of the Mission

IFAD, Government of Turkey counterparts and UNDP representatives conducted the Göksu Taşeli Watershed Development Project's (GTWDP) Mid-term Review (MTR) from 18 November to 03 December 2019. The mission assessed the achievement of the project outcomes, outputs and implementation progress against the objectives and targets in the Project Design Report (PDR) and Annual Work Plan and Budget (AWPB); recommend measures for improving project performance and synthesized the lessons learned to help in the design of future IFAD initiatives in similar contexts.

The Mission spent seven days in the field and visited technology demonstrations, Matching Grant (MG) locations, crop production and marketing infrastructure development sites, contract farmers (non-project) linked to private agribusiness, Farmers Organisations (FOs) and men and women MG beneficiaries. The Mission held detailed discussions with the representatives from the Provincial Directorates of Agriculture (PDA), Provincial Project Management Units (PPMUs), the District Directorates of Agriculture (DDA) and Farmers Support Teams (FSTs) in the Konya and Karaman provinces and relevant districts. The mission also met the representatives of the Konya Ovası Projesi (KOP) to discuss measures to intensify collaboration between GTWDP and KOP. In Ankara, the mission held detailed discussions with the representatives of the Survey and Projects Department (SPD) and UNDP. Field level wrap up meetings were held for the Konya and Karaman PPMUs on 20 and 23 November respectively. The National level wrap-up meeting was conducted on 3 December 2019.

The mission would like to express its special thanks and appreciation to the Government of Turkey, the Ministry of Agriculture and Forestry (MoAF), the General Directorate of Agrarian Reform (GDAR), the Survey and Projects Department (SPD), PPMUs, FSTs and UNDP for their excellent efforts in organizing the mission, facilitating the field visits and providing the required information and data.

Background: GTWDP's goal is to reduce rural poverty in the upland, mountainous areas by supporting economic diversification through value chain development. Its objective is to increase agricultural production, rural employment and income levels through individual and group actions supported by institutions development and capacity building activities. The project area encompasses 11 districts in the Konya and Karaman provinces. GTWDP's target outreach is 32,000 households divided into three primary target groups: i) productive smallholder farmers (women and men) who practice mixed farming in the uplands as permanent residents; ii) poor households including youth, women and near landless families. The PDR suggests that 20% or 6,400 households will belong to this target group; iii) Nomads (pastoralists) engaged in livestock production and residing in the project area for 4-5 months in a year. The PDR suggests that the project will benefit 120 poorest pastoralist households.

GTWDP has three components: (i) agricultural productivity and natural resources management; (ii) market access enhancement; and (iii) project management. The SPD, in the General Directorate of Agrarian Reform (GDAR) in the MoAF in Ankara, leads project implementation and supports two PPMUs located in the PDAs in the Konya and Karaman provinces. The PPMUs support project implementation through FSTs in the districts. Each district has a FST with two members assigned by the DDA. GTWDP's duration is seven years. It became effective on 8 July 2016 and will close on 31 December 2023. The total programme cost is EUR 22.27 million with IFAD loan contribution of EUR15.95 million and grant contribution of EUR 0.35 million.

### Key Mission Agreements and Conclusions

GTWDP's implementation pace remains very slow, and IFAD has classified it as an actual problem project. As at September 2019, the project's cumulative physical progress is 58% and its financial progress is only 12.6%. Its outreach is 4,234 or about 13% of targeted 32,000 HHs. Outreach to women is just 463 individuals against the target of 569 women in the 2018 and 1,070 in 2019 AWPB. The project's start-up was affected by the political crisis in Turkey immediately after project entry into force, followed by the long-drawn restructuring of the MoAF and then the economic crisis in 2018. Some rigidities in the PDR and implementation manuals have also affected the pace of implementation.

During implementation, decision-making on staff recruitment issues was very slow prior to the CPMU's transformation into the SPD in July 2019. Although some value chain clusters have started forming in general a market-oriented approach is lacking. The uptake of the MGs is affected by the condition in the PDR to focus on only four commodities, difficulty of poor HH to meet their cash contribution requirement and the absence of enabling irrigation infrastructure to support farmlands which lack irrigation water supply. The condition to complete various studies before investing in value chain upgradation activities also proved costly. These studies were delayed, of deficient quality and not actionable. After the economic crisis the government has restricted the project budget which can seriously affect future implementation.

Meanwhile, the MoFA's restructuring process has strengthened the SPD management resulting in faster decision-making, faster staff recruitment and physical and financial progress. An uptake is noted since July 2019 when the new management entered duty, and increased disbursement from 4.8 % to 18.6% in 5 months. The successful demonstrations and MGs have developed a cadre of lead farmers and interested neighbouring farmers. Cluster development approach wherever followed has shown promising results and replication potential.

**Restructuring and strategic reorientation** Against this backdrop, the following restructuring was agreed for the remaining duration of the project:

- GTWDP implementation will no longer be confined to only four commodities
- The SIPs, value chain gap analysis, and FO diagnostic studies will no longer be conditions before investing in FO strengthening and value chain upgrading investments. Instead, project investments in the above-mentioned areas will be guided by simple **District Investment Plans (DIPs)**, based on cluster development approach.
- The MG manual will be revised to remove the constraints which restrict poor target households' access to these funds.
- Some of the project activities which have shown limited progress so far, or have not started, will be **discontinued**. Thus, the free distribution of improved planting materials will stop, activities to support pastoralists in general will not be pursued and investments in rural tourism will only support marketing linkages to rural tourism locations. Successful MGs will be given more visibility and demonstrations will be planned very selectively strictly in the context of cluster development.
- The organisational structure will be revised and strengthened. The technical unit will be decentralized to each of the PPMUs to accelerate the pace of delivery.

## D. Overview and Project Progress

The project has consistently been very slow on disbursement and implementation. The project has two technical components, only component 1 has shown some achievements that are moderately satisfactory, particularly under the subcomponent 1 (Improved Agricultural Productivity and Quality), and subcomponent 2 (Natural Resource Management) whereas in component 2 (Market Access Enhancement and Value Chain Development), there is very little progress after three years into implementation that is moderately unsatisfactory. This is due mainly to factors including lack of dedicated technical staff, institutional restructuring within implementing agency, and budget restrictions imposed by government.

### Component 1. Agricultural Productivity and Natural Resource Management

#### Sub-component 1.1. Improved Agricultural Productivity and Quality.

This subcomponent aimed to contribute to improving agricultural productivity and profitability through i) distribution of improved planting material for crop improvement under rainfed conditions; ii) demonstrations of innovative crop production technologies; and iii) support to the adoption of innovative production technologies through matching grant support. Previous IFAD missions had recommended involving commercial input suppliers in planting materials distribution activities and following a cluster development approach for coherently implementing the demonstrations and MG activities.

**Distribution of improved planting material:** The project supported the delivery of rainfed anthracnose tolerant chickpea seeds to 991 farmers who planted 1,303 hectares out a total end project target of 2,150 hectares. An annual survey conducted in Karaman province shows that 74% of beneficiaries did not have anthracnose problems. About 60% beneficiaries were satisfied with the yield, 63% would recommend these seeds to other producers, and 50% would continue planting this variety with their own funds. Commercial input suppliers were not involved in seed dissemination. The mission recommends that free distribution of all types of improved planting material should be discontinued as their objectives are mostly achieved and farmers multiply and disseminate these certified seeds among themselves. Where relevant, the adoption of these planting materials can be supported through MGs in the clusters identified in the DIPs.

**Demonstrations of improved technologies:** GTWDP has supported 32 demonstrations including the rehabilitation of four high-quality modern vineyards, two mushroom production greenhouses, 11 vegetable production greenhouses, eight strawberry greenhouses, and seven small-scale solar powered irrigation systems for cutting on the expenses incurred from fuel purchase and cost of electricity. Overall, the demonstrations have shown good results and were profitable. Some of them (e.g. greenhouses for mushroom production and vegetable production) have successfully supported the cluster approach. However, there was limited visibility and awareness creation about many of the successful demonstrations. Many demonstration sites lacked signages. The mission recommends that GTWDP should upscale the successful demonstrations in the remaining timeline by organising exchange visits with other beneficiaries and giving more visibility to the lead farmers. Demonstrations should be planned selectively, on a case-by-case basis, strictly in the context of cluster development.

**Matching Grants:** The MG programme was launched in 2018 and about 400 applications were received. However, many of the contractors who are hired by the beneficiaries to execute the works supported by the MG backed out of their contracts citing potential losses when the country was hit by the economic crisis of 2018. GTWDP has witnessed an increase in the level of interest in MG in 2019 and 500 applications were received till mid-2019. The MGs have promoted innovative technologies e.g. electric fencing, drip irrigation and geomembrane ponds and the beneficiaries so far are mainly progressive farmers with prior farming experience, marketing linkages, ability to contract service providers. Some of the MGs followed the cluster approach, showed very good results and motivated neighbouring farmers to apply for MGs. However, many MGs were implemented as isolated projects and though successful, their visibility is limited. They received limited technical support. The MG beneficiaries marketed their produce individually in local markets which limited

their profits. The overall MG offtake and MG outreach to poor households was hampered by the condition to mobilise 30% cash contribution and an additional 18% VAT contribution which made the overall beneficiary contribution prohibitively high. Additional constraints, such as limited awareness of the MG programme, the need to contract service providers and in many cases the lack of enabling infrastructure, such as farm water supply, have slowed the progress of the MG implementation.

The mission recommends that the MG manual should be amended to i) increase the project contribution to cover 80% of the project cost for women beneficiaries and poor target group households and ii) consider in-kind contribution from beneficiaries. All MG investments should be planned in the context of cluster development in the districts. The visibility of successful MGs should be increased to generate awareness and interest of other target households in the clusters. Lead farmers, identified from successful beneficiaries of demonstrations and MGs, should be engaged to raise awareness and adoption of MGs by neighbouring farmers. The project should provide training of trainers (ToT) support and in-kind incentives to the lead farmers and develop their collaboration with the technical service providers.

**Production and marketing Infrastructure development:** GTWDP's outreach to many mountainous areas is restricted by farmlands which often do not have irrigation water supply and therefore on-farm micro irrigation systems are not possible in these plots. Project investments are first required to support the availability of irrigation water in these plots, either through solar pumping water from downstream springs, or extending irrigation networks to these fields, to make these plots suitable for supporting MG investments and extending project benefits to poor target households. The mission recommends that the project should invest in small scale irrigation infrastructure development in the clusters identified for the DIPs to prepare the farmers' plots for MG supported drip irrigation activities.

### **Sub-component 1.2. Natural Resource Management**

This sub-component aims to promote best practices and introduce adaptation measures for climate resilient investments on agricultural and grazing lands. The planned investments were related to efficient irrigation practices, improvements in grazing lands (shelters, solar energy, grazing plans, salt licks, scratch posts, shades, troughs and access roads), capacity building for NRM (workshops, study tours and special studies, including on Yoruks and MAPs), sustainable harvesting (collection) of non-timber forest products, investments in renewable energy (solar electric pumps for small scale irrigation and portable solar electricity panels), construction of agricultural terraces and biological treatment for sewerage.

Demonstration plot for planting some of the non-timber forest products started in 2018. A total of 12,457 walnut saplings and 9,841 almond saplings have been distributed. However, no trainings have been conducted on these crops. Drip irrigation systems, geomembrane ponds and solar-powered irrigation were covered through MGs. Climate change has significantly affected the natural resources in the project target districts, particularly in pasture rangelands. The analysis of climate variables through open source remote sensing analysis tools such as the FAO developed Earthmap platform indicate a sharp fall of average annual precipitation level in the project target areas since 1981. The low level of average annual precipitation level over the last three years has led to significant decrease in water sources and ground water level in the project target districts. In this context, the support to geomembrane ponds has proven very effective. The interviewed project beneficiaries and the PPMU field officers confirmed that natural resource degradation, resulting in lowered agricultural yields, loss of soil fertility, and declining incomes seriously affecting the rural population. In addition to adverse impacts of climate change, the overgrazing of rangelands, farming on steep slopes, and lack of effective soil conservation practices on agricultural lands, have resulted in widespread deterioration of land resources. In spite of the aforementioned evidence of the impact of climate change on pastoral resources, the project has not initiated any of the planned activities related to the pastoralists.

The cultivation of non-timber forest produce, MAPS, walnut, almonds and other potential non-timber forest crops is recommended in the context of the cluster development approach in the DIPs. The project should identify livestock development clusters and plan integrated investments (mobile animal shelters, shepherd shelters portable/mobile solar energy, scratch posts, access roads, reseeding etc) to develop the conditions of the pasture and the productivity of the livestock depending on them. Rotational grazing, livestock farmers' awareness raising on climate change risks and applicable adaptation measures should be supported to increase the productivity per animal without increasing the number of animals that use public pastures beyond the number of permits issued by the Government. A short-term consultant should be hired to assist a) promotion of climate change adaptation measures, b) awareness raising and capacity building for NRM and c) mainstreaming climate change adaptation in the project activities.

**Pastoralists:** The project has not undertaken any investment related to the pastoralists. As a result of the start up delays many of the investment opportunities identified for the pastoralists during the design have been addressed by other development agencies operating in the region. Commencing pastoralist related activities at this stage is unlikely to achieve the final objectives in the limited implementation period available. The mission recommends that specific investments related to the development of pastoralists should be considered only in the context of their migration through the livestock development clusters identified in DIPs.

### **Component Market Access Enhancement**

#### **Sub-component1. Capacity Building for Marketing**



SC 2.1 is designed to provide extensive training and capacity-building support to target households and farmers organisations (FOs) to improve their knowledge and skills related to production, post-harvest, food safety/hygiene, business and marketing related aspects. GTWDP was expected to engage private advisors and collaborate with government institutions to deliver the training and capacity building services. Also, the project had to carry out a general diagnostic study of FOs and a value chain gap analysis to serve as the basis for designing the content of training and capacity building inputs.

The diagnostic study of the FOs has been delayed and the preliminary reports received by the SPD is not satisfactory. In the absence of the diagnostic studies a systematic approach to training and capacity building of target households and FOs is lacking. The FST provide guidance to project supported farmers (demonstrations and matching grant beneficiaries) during field visits on an ad hoc basis to address the immediate concerns of the farmers and the quality of such assistance is limited by the capacity of the FSTs. Moreover, the FSTs are involved in other activities of the district department of agriculture which limits their overall involvement in GTWDP implementation.

Both the PPMUs and the FSTs have responded within their current capacities to address some of the immediate FO related needs in the project area. For example, the Konya PPMU has facilitated the formation of mushroom marketing cooperative in which the members are project MG beneficiaries. The cooperative has started supporting the member mushroom producers to market their produce collectively to different buyers. However, the cooperative's marketing linkages are currently fragile and immediate technical support is needed for strengthening its institutional, business and financial capacities. Similarly, the Karaman PPMU has facilitated the formation of vegetable growers' cooperative comprising vegetable greenhouse MG beneficiaries as members. However, the absence of technical assistance and mentoring support the cooperative is unable to develop its services and grow its membership.

The project has periodically organised study tours, Farmers Field Schools visits to agricultural fairs as a means to develop beneficiaries' awareness and knowledge. There are some active farmers organisations, (e.g. a fruit growers cooperative owning and managing a cold storage) as well as active private agribusinesses practising contract farming in the project area. They are willing to develop value chain in partnerships with project target households but the PPMUs have not engaged them so far in the absence of the strategic guidance for developing such partnerships.

## **Sub-component2 Value Chains Development**

This subcomponent is designed to invest in value chain development activities pertaining to the crops supported through the matching grants in SC 1.1. GTWDP was expected to develop Strategic Investment Plans (SIPs) focusing on the development of four value chains (cherry, grapes, strawberry, MAPS), provide MG support to enterprises guided by the recommendations of the SIPs and based on BPs and consider investment in marketing opportunities related to rural tourism opportunities based on a rural tourism-related market study. Previous supervision missions had recommended that other crop value chains could be selected in those districts where the four crops recommended at design were not relevant.

The development of the SIPs is delayed, and the preliminary reports received by the SPD is not satisfactory. Consequently, investments in value chain enterprises based on the SIP recommendations have not taken place and has also contributed to the slow rate of physical and financial progress. The mission was informed that the SIPs are currently being completed. However, they focus only on the initial four crops that were recommended in the design and do not address district-specific value chain opportunities. In the absence of the SIPs in some cases, a coherent approach in the implementation of demonstrations and matching grants is missing.

The mission observed that previous supervision mission's recommendation to consider investments in locally relevant value chains is not clearly communicated to the PPMUs. Consequently, most of the project support (demonstrations and matching grants) are still related to the initial four crops. Many districts, where the initial four crops are not relevant, have not received any benefit from the project though they have sizeable numbers of target group households. These households will benefit if the project extends support to local value chain opportunities in the districts. The project has recently completed a study on rural tourism opportunities in the project areas. Given the delay in in the project it is recommended that rural tourism related investments should be confined to developing marketing linkages to tourism areas in the identified clusters and should not be directed at general infrastructure development of tourism sites.

<b>Agreed Actions</b>	<b>Responsibility</b>	<b>Agreed completion Date</b>
<b>Subcomponent 1.1: Improved Agricultural Productivity and Quality</b>		
<b>Distribution of improved planting material</b>		

<b>Agreed Actions</b>	<b>Responsibility</b>	<b>Agreed completion Date</b>
- Discontinue free distribution of all types of improved planting material.	SPD	Immediate
<b>Demonstrations of improved technologies</b>		
- Successful demonstrations should be upscaled and giving more visibility.	SPD in coordination with PPMUs	Immediate and continuous
<b>Matching Grants:</b>		
- Revise the MG manual to make the conditions more inclusive of poor target groups	SPD in coordination with PPMUs	31 Jan 2020
- Incentivise lead farmers to mobilise and support MG beneficiaries during start up stages	SPD in coordination with PPMUs	31 March 2020, then continuous
- Invest in enabling small scale irrigation infrastructure development in the clusters	SPD in coordination with PPMUs	31 March 2020, then continuous
<b>Sub-component 1.2: Natural Resources Management</b>		
<b>NR diversification</b>		
- Plan the development of the clusters in the DIPs through diversified crops, e.g. non-timber forest produce, MAPS, walnut, almonds,	SPD in coordination with PPMUs	31 Dec 2019, then continuous
<b>Pasture and grazing land development</b>		
- In coordination with the various Ministries as well as the village head concerned, plan and implement pasture and grazing land improvement related activities only in the livestock clusters identified in the DIPs.	SPD in coordination with PPMUs	31 Dec 2019, then continuous
<b>NR management and climate change adaptation</b>		
- Hire a short-term consultant to promote NRM and climate change adaptation measures	SPD in coordination with PPMUs	31 January 2020
<b>Sub-component 2.1: Capacity Building for Marketing</b>		
<b>Formation of FOs</b>		
- Develop FOs as one of the entry point activities in the clusters identified in the DIPs.	SPD in coordination with PPMUs	31 January 2020, then continuous
<b>Engage technical service providers:</b>		

Agreed Actions	Responsibility	Agreed completion Date
- Engage technical service providers (individual, technical firm, agribusiness) for capacity building of FOs in areas such as institution development, post-harvest value addition, marketing and business development areas.	SPD in coordination with PPMUs	31 January 2020, then continuous
<b>Sub-component 2.2: Value Chain Development</b>		
<b>No restriction on crops</b>		
- Clearly communicate to the PPMUs that that activities need not be confined to four commodities. Other value chains can be considered based on local opportunities.	SPD in coordination with PPMUs	31 December 2019,
<b>Development of DIPs:</b>		
- Develop DIP (refer section N for details). following the economic cluster development approach.	SPD in coordination with PPMUs	31 December 2019

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>District Investment Plans</b> Develop District Investment Plans during the AWPB 2020 workshop planned in mid-December in Antalya	SPD in coordination with the PPMUs	12/2019
<b>MG and PIM revision</b> Revise the MG manual and the PIM based on the finding of the mission to make the conditions to access project funding more inclusive.	SPD	01/2020
<b>Staff Recruitment</b> Complete the recruitment of project staff planned in the organisational structure agreed with the mission	SPD in coordination with UNDP	01/2020

## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

Effectiveness

Rating: 3

Previous rating: 3

#### Justification of rating

The project has supported the targeted beneficiaries on enhanced crop productivity and food production alongside the proper management of natural resources. However, market development aspects and value chain upgrading investments, were somehow overlooked. The focus is on production though marketing issues do not seem to be prominent for the time being. The MG program has commenced but the overall pace of implementation is slow. Total outreach is only 5% of targeted households. Also, the grant conditions have resulted in significant dropouts and has limited the participation of

poorest households who cannot afford to pay upfront 30% cash contribution plus 18% VAT.

### Log-Frame Analysis & Main Issues of Effectiveness

The project does not have a M&E system. Observations, discussions and review of documentation indicated that the project has reached an outreach to a cumulative number of 4,234 households out of the target of 32,000 households by December 2019, representing 13% target achievement. In component 1, training in best agricultural production activities have reached 4,507 individuals of which 463 were women. Following the training in watershed management, 991 households have adopted water conservation techniques out of the end target of 2,000 households (49.5%). A total of 1,512 ha out of end target of 11,750 ha have benefited from improved production practices. Of these, 546 ha is under land management and crop protection technologies, 114 ha under efficient irrigation methods and 852 ha under improved crop varieties.

The MG program registered about 500 applications till mid-2019, with 479 applicants from Karaman alone (185 in 2018, and 294 in 2019). Of these applicants, 460 beneficiaries have contracted service providers to implement the projects (382 for Karaman and 78 for Konya), and 209 projects (53 women beneficiaries) have been fully executed. Due to the absence of dedicated M&E staff, most of the project activities went unreported. Additionally, the MTR mission was informed that the outcome survey was not conducted due to unintended delays in the procurement process. The MTR mission has agreed with the SPD to reschedule this study to the end of 2020 after implementing the recommendations of the MTR mission. The project management has convened a data collection and planning workshop in the second week of December after which the updated logical framework, with more accurate reflection of achievements against targets, datasheets and cost tables will be made available to the MTR mission.

So far, the cumulative progress of 58% is registered entirely in component 1 (improved agricultural productivity and natural resource management) against an overall financial execution of 12.6%. The project targets 11 Districts, 212 villages in Konya and Karaman provinces. The project outreach to the remaining 30,144 HH before end 2022 would be very challenging for GTWDP. SPD has committed to provide revised planning and outreach targets based on consultations with project stakeholders

Development Focus		
Targeting and Outreach	Rating: 3	Previous rating: 3

#### Justification of rating

Targeting and outreach is downgraded to 3, moderately unsatisfactory. i) Due to a delayed start of the project, progress in reaching the intended number of beneficiaries is limited. Project outreach to 4,234 households against end targeted 32,000 (13%) is fairly low at mid-term; ii) The matching grants programme has registered about 500 applications by mid-2019 but only 209 (40%) are fully executed; iii) Women constitute only 10% of all MG applicants and 25% of fully executed projects; iv) Whilst the target for male beneficiaries (10,700) has been exceeded by 44% to 4,747 beneficiaries, the targeted number of 1,070 women was under-achieved by 32%, reaching out to 458 women to benefit directly from the project.

#### Main issues

Poor households, in general, have challenges to become beneficiaries. They face problems to generate their financial contribution, to meet the beneficiary criteria of being registered, to have title deeds for the land on which they cultivate. However, examples showed that municipalities can support pro-poor targeting for example, by leasing land for symbolic fees.

There are wide gaps between the number of interested people to become MG beneficiaries, the number of applications received, and the realised projects. Examples of mentoring during the application process show that the number of signed contracts and completed projects (especially for poor households and women) can increase. Mentoring or handholding can address the special needs and disadvantages for women responsibly.

Women interviewed during the field visits mentioned two significant issues leading to women's exclusion: i) women were not able to meet the financial requirements for beneficiary contribution; ii) women did not get permission from their husbands to participate in the project activities. The project has to pay special attention to i) raising awareness among husbands why women participation is essential and ii) amending the conditions of beneficiary contribution to enable higher women's participation. Successful examples of women's participation have been shown in mushroom production as part of a cooperative and fruit drying as an individual activity. Other processing activities might follow. The draft gender mainstreaming strategy includes a chapter on how best to use a gender-sensitive selection of value chains and local opportunities. Application of these guiding principles in the district investment plans is critical in the gender mainstreaming agenda. Promotion of working in groups, particularly for women, should be adopted as an essential strategy to strengthen the position of poor farmers. The model of "imece" (Turkish word meaning "collective work," for solving problems through cooperation) can guide the way. Recognition of women's contribution to the development process can be enhanced and promoted by applying relevant scoring systems.

The project has reached 87 youth only in 2019 (according to the documentation). Providing the youth (women and men <40 years) economic opportunities is a major strategy in avoiding migration. The PIM refers to youth engagement, and the proposed actions should be followed and reflected in the AWPB. However, a strategic approach to youth engagement is lacking and no targets for the participation of youth were set.

The project has not targeted pastoralists directly due to the delayed start of the project. The limited period remaining will not permit the full scope of interventions for pastoralists to be realized. Moreover, pastoralists are being targeted by other development partners and are not left behind in the development process. Nevertheless, if the PPMUs identify pastoralists as a significant target group in NRM clusters, direct investments are still possible for their development

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Collect and document sex-disaggregated data in all interventions and activities</b>  Collect and document sex-disaggregated data in all interventions and activities	SPD in coordination with PPMUs	01/2020
<b>Ensure that the district investment plans are pro-poor and gender-sensitive</b>  Ensure that the district investment plans are pro-poor and gender-sensitive	SPD in coordination with PPMUs	01/2020
<b>Enhance grant applications and contracts through direct mentoring of women and male smallholder farmers with special needs</b>  Enhance grant applications and contracts through direct mentoring of women and male smallholder farmers with special needs	SPD in coordination with PPMUs	01/2020
<b>Cost gender-relevant activities in AWPB</b>  Cost gender-relevant activities in AWPB	SPD in coordination with PPMUs	01/2020

**Gender equality & women's participation**

**Rating: 3**

**Previous rating: 3**

#### **Justification of rating**

Gender equality and women's participation is rated 3, moderately unsatisfactory. Issues pointed out in the last supervision mission persist. A major constraint in achieving gender equality and enhancing women's participation in the project was the missing gender mainstreaming strategy (now drafted) and subsequently, the missing gender action plan. The gender and community development specialist with field presence has not yet been recruited which has aggravated the gender-related gaps in implementation. Women's participation in project activities is below the intended target of 30%

#### **Main issues**

The Senior UNDP gender advisor has developed the draft gender mainstreaming strategy, and its endorsement is pending. The draft strategy integrates IFAD's policy on targeting, gender and social inclusion, gives guidance to gender-responsive value chain selection and takes note of the situation in the project area.

The purpose of the gender strategy and the implementation action plan is to include actions to improve the production, develop the market linkages, and expand women and poor household's access to and control over capital, land, knowledge, and support services from the project. The gender mainstreaming strategy is the basis for enhancing gender equality and meaningful participation of women (and youth) in project interventions. Thus the operationalisation of the drafted gender strategy through a gender action plan is required urgently.

The recruitment of a Junior Gender Specialist to support the work of the UNDP Senior Gender Specialist and or/gender experts in the PPMUs has been delayed. The targeting and gender positions in the new organisational structure (as agreed at the end of the mission) should be hired at the earliest to meet this gap.

Despite the missing gender experts in the field, the Senior UNDP Gender Advisor managed to conduct a gender awareness session (2 hours) with 200 participants from different IFAD supported projects. Small group meetings on gender issues with the Konya and Karaman teams also took place. A one-day training workshop was conducted in August

2018 in Konya with the participants from Konya, Karaman and the CPMU. The focus was on the 10 steps of gender mainstreaming developed by UNDP.

The AWPB 2019 included gender-responsive activities. As a result, the recruitment of female members in the FSTs became mandatory and Karaman has already appointed a gender focal point. However, without the endorsement of the Strategy and in the absence of a Gender Action Plan activities addressing gender issues will remain sketchy with limited impact on the project. Moreover, the delay in the recruitment of the M&E officer has affected the collection of gender-sensitive and sex-disaggregated data and the quality of gender-related reporting and documentation.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Endorse Gender Mainstreaming Strategy</b> Endorse Gender Mainstreaming Strategy	SPD in coordination with PPMUs	12/2019
<b>Recruitment of Gender Advisor</b> Fill the position of the Junior Gender Advisor, responsible for the Operationalization of the Gender Mainstreaming Strategy (Gender Action Plan) and direct project implementation support	SPD	01/2020
<b>Apply gender mainstreaming principles in the DIPs</b> Apply gender mainstreaming principles in the DIPs	SPD in coordination with PPMUs	01/2020

**Agricultural Productivity**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

GTWDP has supported the delivery of rainfed anthracnose tolerant chickpea seeds. An annual survey conducted in Karaman shows that 74% of beneficiaries were able to avoid anthracnose problems. 60% of farmers declared to be satisfied with the yield. Farmers are committed to cascading the distribution of the seeds among themselves. Many of the demonstrations have been set up in previously fallow land and has increase land productivity. Greenhouses for vegetable and mushroom production have increased productivity compared to past experiences from the same lands where traditional vegetable production was practised.

#### **Main issues**

The project has supported the delivery of rainfed anthracnose tolerant chickpea seeds to a total of 991 farmers who planted 1,303 hectares out of a total end project target of 2,150 hectares. An annual survey conducted in Karaman province shows that 74% of beneficiaries did not have anthracnose problems. While about 60% declared to be satisfied with the yield, 63% of other beneficiaries would recommend anthracnose seeds to other producers, and 50% would continue planting this chickpea variety with their own funding sources. Commercial input suppliers were not involved in seed dissemination. The mission recommended that free distribution of all types of improved planting material should be discontinued as their objectives are mostly achieved and farmers multiply and disseminate these certified seeds among themselves. Where relevant, the adoption of these seeds (or planting materials) can be supported through MGs in the clusters identified in the DIPs.

Demonstrations of improved technologies: GTWDP has supported 32 demonstrations including the rehabilitation of four high-quality modern vineyards, two mushroom production greenhouses, 11 vegetable production greenhouses, eight strawberry greenhouses, and seven small-scale solar-powered irrigation systems for cutting on the expenses incurred from fuel purchase and cost of electricity. Overall, the demonstrations have shown good results and proved to be profitable. Some of them (e.g. greenhouses for mushroom production and vegetable production) has successfully supported the cluster approach. However, there was limited visibility and awareness creation of many of the successful demonstrations. Many demonstration sites lacked signage. The mission recommends that GTWDP should upscale the successful demonstrations in the remaining timeline by organising exchange visits with other beneficiaries and giving more visibility to the lead farmers.

Matching Grants: GTWDP has witnessed an increase in the level of interest in MG in 2019 and 500 applications were received till mid-2019. The MGs have promoted innovative technologies e.g. electric fencing, drip irrigation and geomembrane ponds. Beneficiaries are mostly progressive farmers with prior farming experience, marketing linkages, ability to contract service providers. Some of the MGs followed the cluster approach, showed very good results and generated interest amongst neighbouring farmers to apply for MGs. However, many MGs were implemented as isolated projects and though successful, their visibility is limited. They received limited technical support, and individual marketing mechanisms were adopted, which limited profits to the local market prices. The overall MG offtake and MG outreach to

poor households was hampered by the condition to mobilise 30% cash contribution and an additional 18% VAT contribution which made the overall beneficiary contribution prohibitively high. Additional constraints, such as limited awareness of the MG program, the need to contract service providers and in many cases the lack of enabling infrastructure, such as farm water supply, have slowed the progress of the MG implementation.

Production and marketing Infrastructure development: GTWDP's outreach to many mountainous areas is restricted by farmlands which often do not have irrigation water supply and therefore on-farm micro irrigation systems are not possible in these plots. Project investments are first required to support the availability of irrigation water in these plots, either through solar pumping water from downstream springs, or extending irrigation networks to these fields, to make these plots suitable for supporting MG investments and extending project benefits to poor target households.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>- Discontinue free distribution of all types of improved planting material.</b>  - Discontinue free distribution of all types of improved planting material.	SPD	11/2019
<b>Successful demonstrations should be up-scaled and giving more visibility</b>  Successful demonstrations should be up-scaled and giving more visibility	SPD in coordination with PPMUs	11/2019
<b>- Revise the MG manual to make the conditions more inclusive of poor target groups</b>  Revise the MG manual to make the conditions more inclusive of poor target groups	SPD in coordination with PPMUs	01/2020
<b>Incentivise lead farmers to mobilise and support MG beneficiaries during start-up stages</b>  Incentivise lead farmers to mobilise and support MG beneficiaries during start-up stages	SPD in coordination with PPMUs	03/2020

**Nutrition** **Rating: N/A**

**Adaptation to Climate Change** **Rating: 4** **Previous rating: 3**

#### Justification of rating

48. Climate change has significantly affected the natural resources in the project target areas. The observed major impacts include reduction of groundwater level and water sources due to the sharp fall of average annual rainfall level in the project target areas over the last three years. Although the project does not systematically apply climate change trend analysis and vulnerability assessments to identify adaptation measures, several activities implemented to date in the project target districts are applicable measures towards climate change adaptation and mitigation. The main measures implemented to date are 29 drip irrigation small-scale projects, 49 solar-powered irrigation systems, 65 geomembrane water ponds and 12,457 drought tolerant walnut and 9,841 drought tolerant almond saplings.

49.

#### Main issues

Although the project design does not provide in-depth analysis of climate change, including historical trends and future projections for the project target areas, proposing respective applicable mitigation and/or adaptation measures towards climate change, the activities implemented so far highly contribute to the mitigation of the climate risks and adaptation to climate change variabilities. Having experienced a substantial decrease of water resources in the project target areas, the relevant local state agencies have prohibited applying gravitation irrigation (flood irrigation), where applicable, and instead has promoted on-farm drip irrigation and solar-powered water pumps with plastic pipes. Furthermore, as the result of the adversely affected pasture rangelands, the number of permits for use of public pastures has been reduced by the PDA. The interviews with project beneficiaries and the PPMU show that some of the communities have stopped practising animal husbandry, and some livestock farmers have reduced the number of cattle and small ruminants. However, more should be done in order to reduce grazing pressure on the climate-affected pasture rangelands. In addition to gradual



rehabilitation of the pasture rangelands, strict rotational grazing should be put in place and forage production should be considered for partial domestic feeding of the livestock.

The project supported drip irrigation systems, geomembrane ponds and solar-powered irrigation systems, covered through MGs, have significantly benefitted the targeted small-holder farmers and convinced the neighbouring farmers to invest in these climate-proof initiatives and green technologies to address the continued scarcity of irrigation and to minimise costs. To date, the project has not carried out any pasture rehabilitation works. However, the activities recorded in the PDR and PIM such as reseeded, portable/movable shelters for small ruminants, solar-powered shelter facilities for shepherds, grazing plans, salt licks, scratch posts, shades, troughs, access roads and etc. are still critical for climate change adaptation and mitigation of climate variability risks. These activities should feature in the AWPB 2020.

The project beneficiaries are aware of the significant adverse climate change impacts they have been experiencing. However, their awareness of effective mitigation and adaption measures are quite limited. The project should carry out awareness and capacity building activities to increase beneficiaries' awareness of NRM and technical solutions to address climate-related risks. Also, climate change mitigation/adaptation measures should be integrated into all other project activities. The project should hire the services of a qualified short-term NRM consultant to assist the planning and implementation of activities in these areas.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Recruitment of Climate Specialist (short term)</b>  Hire a short-term consultant to promote NRM and climate change adaptation measures.	SPD in coordination with PPMUs	01/2020

## **b. Sustainability and Scaling up**

<b>Institutions and Policy Engagement</b>	<b>Rating: 3</b>	<b>Previous rating: 3</b>
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### **Justification of rating**

Several applicants of the matching grant dropped out of the system because they could not afford to meet beneficiary contribution and the VAT. The agricultural support budget is an instrument to find a solution to alleviate taxes for particularly youth and women providing the potential poor beneficiaries a stimulus to benefit from the MG. The implementation of the revised procedures for matching grant will be a real opportunity for policy stocktaking of the pro-poor approach, to inform public policies, sector systems and increase the pace of innovation and targeting of the poorest. The project also creates opportunities in the implementation area to improve market access via new clusters and further training and the new marketing experiences to be used as an example for new policy implementation. Added to tax alleviation this effort will stimulate new job creation and deter youth migration.

<b>Partnership-building</b>	<b>Rating: 4</b>	<b>Previous rating: 3</b>
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### **Justification of rating**

The rating is increased at the project has developed collaborations with the Konya Plain Project Regional Development Administration for identification of some of the matching grants applicants and for the development of the SIPs. The Karaman PMU has also partnered with the Manisa Viticulture research Institute for Farmers' exposure visits to wine grape production. At the central level the collaboration between the SPD and the UNDP has continued with UNDP providing technical backstopping in areas such as infrastructure investment planning and gender support, where staff vacancies have not been filled. Unfortunately, partnerships with agribusinesses and financial institutions have not yet developed.

### **Main issues**

The project has developed some partnerships since its beginning to facilitate the implementation process. One of the examples is its collaboration with the Konya Plain Project Regional Development Administration for identification of some of the matching grants applicants and for the development of the SIPs. The Karaman PMU has partnered with the Manisa Viticulture research Institute for Farmers' exposure visits to wine grape production. The Konya PPMU has facilitated the formation of mushroom marketing cooperative in which the members are project MG beneficiaries. The cooperative has started supporting the member mushroom producers to market their produce collectively to different buyers. Similarly, the Karaman PPMU has facilitated the formation of vegetable growers' cooperative comprising vegetable greenhouse MG beneficiaries as members. However, these cooperatives need capacity building in the areas of institutional, business and financial capacities as well as marketing linkages formed through technical assistance and mentoring support facilitated by the project.

In the absence of specialised technical team, the PPMUs and the FSTs have had limited success in organising



investments according to the needs of value chain development. Consequently, many of the investments are widely spread and implemented in isolation without mutual interlinkages. Beneficiaries are not guided on aspects that can help fetch better prices for their produce e.g. by developing market partnerships with agribusiness, improving post harvest practices, joining farmers organisation, and adopting business development measures. The potential for partnerships to develop value chain concepts and linkages to value chain actors and marketing partners such as private sector leader buyers or farmers' organisations are yet to be explored. Additionally, demonstrations and matching grants are needed to be planned to complement value chains or to be organised in a marketing friendly way.

There is some collaboration with Konya Development Administration (KOP) for identification of MG beneficiaries. However, there is scope for strengthening this partnership to benefit from KOP's marketing development expertise. Also, there is scope for collaboration with the DSI (General Directorate for State Hydraulic Works) and KOP in order to plan ahead the required irrigation works for the small producers' plots.

There are some active farmers organisations, (e.g. a fruit growers cooperative owning and managing a cold storage) as well as active private agribusinesses practising contract farming in the project area. They are willing to develop value chain in partnerships with project target households but the PPMUs have not engaged them so far in the absence of the strategic guidance for developing such partnerships. In Karaman, the owners of a private sector exporter of fruits and the owners of a private-owned drying facility for fruit and vegetable has had interest in cooperating with the project. There are opportunities to develop partnerships with the supermarket chains and private actors involved in the agro-processing and retailing business provided the project supported FOs can offer a critical mass of marketable produce.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Capacity Building of FOs</b>  Engage technical service providers (individual, technical firm, agribusiness) for capacity building of FOs in areas such as institution development, post-harvest value addition, marketing and business development areas.	SPD in coordination with PPMUs	01/2020

#### **Human and Social Capital and Empowerment**

**Rating: 3**

**Previous rating: 3**

#### **Justification of rating**

Human and Social Capital and empowerment continues to be rated moderately unsatisfactory. Growing interest and fair ownership is still met by only part of the beneficiaries. Investment in the capacity of the beneficiaries, individually or collectively, is still limited and more directed to productivity than managerial competence and marketing. Training needs are not systematically captured and addressed. Particular affected are the areas of gender, marketing and NRM. Strategic orientation (e.g. action plans) based on capacity needs assessment is required. This applies to beneficiaries as well as staff at all levels.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Capacity Building needs assessment</b>  Capacity building needs assessment and action plan in gender, marketing and NRM	SPD in coordination with PPMUs	01/2020

#### **Quality of Beneficiary Participation**

**Rating: 3**

**Previous rating: 4**

#### **Justification of rating**

The quality of beneficiary participation is downgraded to moderately unsatisfactory. There is still discrepancy between the number of people interested, number of applications received, and actual matching grant realized. Project staff understating is low as to why only a limited number of individuals or groups become beneficiaries despite intensive awareness creation. Potential exclusion factors are not identified or addressed leading to a low participation of poor and female farmers. Special needs of youth are not strategically addressed. Potentials of working in groups, group consultations and group decision making processes needs greater facilitation

#### **Responsiveness of Service Providers**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

Most procurement activities are related to matching grants implementation. Once approved, the MG beneficiaries are

expected to carry their own procurement involving collection of quotations from three suppliers, and selecting the most advantageous one. In practice however, most applicants have their own business linkages and go to the suppliers they already know. Based on trust built over times, suppliers engage with applicants. This creates once again conditions for excluding poor applicants who do not have existing linkages with contractors and who cannot afford to pay their own contributions. Nevertheless, beneficiaries encountered by the mission stated that they were fully satisfied with their suppliers' responsiveness and the quality of services provided.

### Main issues

Most procurement activities are related to the matching grants implementation. To apply for grant, the applicant is expected to conduct his/her own procurement using local shopping methods. This means that the applicant has to collect proposals from at least three suppliers, and selects the most advantageous proposal. The practice however, is that the applicants have for their existing business linkages with some suppliers. Therefore, they go these suppliers with whom they already have previously established business relations. It is based on trust built over times that the selected suppliers engage with applicants. This creates once again exclusion conditions for the applicants who are relatively poor and do not have such kinds of business linkages existing with suppliers/contractors. In particular, it excludes the very poor farmers who cannot afford their own contributions. Despite this situation, all the beneficiaries encountered by the mission stated that they were fully satisfied with both their suppliers and service providers. The quality of both the materials and equipment procured, and the services provided by contractors was satisfactory. The mission expects that this imbalance will be corrected when the recommendations related to targeting strategy and the revision of the grant manual are properly addressed.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Revision of MG Manual</b>  Revise the MG manual and the PIM based on the finding of the mission to make the conditions to access project funding more inclusive.	SPD	12/2019
<b>District Development Plans</b>  Develop District Investment Plans during the AWPB 2020 workshop planned in mid-December in Antalya.	SPD	12/2020

**Environment and Natural Resource Management**

**Rating: 4**

**Previous rating: 3**

### Justification of rating

In general, the physical progress achieved to date is far from the set targets, however, the mission observed some tangible results on environmental conservation and natural resources management. Regarding promotion of drought tolerant trees, the project has exceeded the set target by 169%, while the achieved solar powered irrigation systems comprise 74% of the set target. Implementation of small-scale on-farm drip irrigation projects was achieved by 10%, with growing demand for these schemes given the decreased level of ground water sources in the project target areas. Nevertheless, technically the project has not achieved any results in regard with improvement of pasture rangelands. Implementation of the planned activities should immediately be started.

### Main issues

The interviewed project beneficiaries and the PPMUs field officers confirmed the evidence of natural resources degradation, resulting in lowered agricultural yields, loss of soil fertility, and declining incomes seriously affecting the rural population. In addition to adverse impacts of climate change, the overgrazing of pastures, farming on steep slopes, and lack of effective soil conservation practices on agricultural lands, have resulted in widespread deterioration of land resources. In spite of aforementioned evidence of the climate change impacts on pasture resources, the project has not initiated yet any of the planned technical activities in this direction.

In addition to sharp drop of annual average rainfall level over the last three years in the project target areas, grazing pressure had led to degradation of the pasture rangelands in most of the target districts. Due to the growing scarcity of fodder grass, reduced soil fertility and decreased permits for use of public pastures by PDA, some of the communities have stopped practising animal husbandry, while in other communities farmers have reduced their cattle and small ruminants by more than half. Nevertheless, the mission found the condition of the pasture rangelands critical, requiring urgent rehabilitation measures and introduction of integrated management approach. While the planned small-scale infrastructure projects would provide better conditions for livestock and shepherds in the pasture rangelands, rapid rehabilitation of the degraded pastures by means of reseeding and fertilizing accompanied by strictly enforced rotational grazing schemes are inevitable.

Under subcomponent 1.2 (AWPB 2019), construction of 116 kilometres of access road to pastures in Konya is planned in cooperation with Konya Metropolitan Municipality after a joint study on this is completed by Konya PPMU and the Konya Metropolitan Municipality. In case the GTWDP part of constructing the pasture road entails the total area being cleared above 10 km long, it would be required to conduct Environmental and Social Impact Assessment, based on the IFAD SECAP of 2017 (currently under revision).

The further cultivation of non-timber forest products, MAPS, walnut, almonds and other potential non-timber forest crops is strongly recommended in the context of the cluster development approach in the DIPs. The project should identify livestock development clusters and plan integrated investments (mobile animal shelters, portable/mobile and solar powered shepherd shelters, scratch posts, access roads, reseeding etc) to develop the conditions of the pasture and the productivity of the livestock depending on them. Rotational grazing, livestock farmers' awareness raising on climate change risks and applicable adaptation measures should be supported to increase the productivity per animal without increasing the number of animals that use public pastures beyond the number of permits issued by the PDA. A short-term consultant should be hired to assist a) promotion of climate change adaptation/mitigation measures, b) awareness raising and capacity building for NRM and c) mainstreaming climate change adaptation in the project activities. The project should strengthen its capacity to better understand the Integrated NRM approach and environmental safeguards.

The project should continue investments also in renewable energy, including the replacement of the polluting and resource intensive diesel pumps with solar pumps for irrigation, setting up solar powered electrified fencing, as well as investments in the upgrading of village wastewater treatment facilities geared to promote the use of good environmental practices and reduce surface and ground water pollution.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Natural resources diversification</b>  Plan the development of the clusters in the DIPs through diversified crops, e.g. non-timber forest produce, MAPS, walnut, almonds.	SPD in coordination with PPMUs	01/2020

#### **Exit Strategy**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

The introduction of farming as business remains the main exit strategy. It involves the optimization of the productive resources (lands, water, labour) and the comprehensive capacity building of farmers and their organizations to develop agribusiness linkages with private sector (collectors, processors, exporters). The revenue generated will build up their assets, increase borrowing capabilities (from banks) and support business development. At midterm, achievements are not up to the expectations. The success of the exit strategy depends on the timely recruitment of the business development and marketing service provider to strengthen FOs' governance, accountability, business capacities and help them to provide effective services to their members

#### **Potential for Scaling-up**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

At design, Government and IFAD agreed that GTWDP was phase 1 of a programmatic approach which fits well with the results of the UMICs case study on Turkey (IFAD, 2014). The outcomes of the IFAD funded MURAT project and initial results of GTWDP has influenced MoAF to plan for phasing up the project through a US\$ 400 million investment pipelined in the 2020 Public Investment Plan. The scaling up will extend the SIP, MGP and NRM approaches to other regions and mainstream access to credit for machinery and equipment financing. The knowledge generated will support policy dialogue on the pro poor approach and the reduction of inequalities. In order to permit scaling up, implementation performance should get back to track along with significant efforts to secure adequate budget allocations.

### **c. Project Management**

#### **Quality of Project Management**

**Rating: 3**

**Previous rating: 3**

#### **Justification of rating**

The CPMU was slow on hiring and deploying technical staff even when these positions were agreed with previous missions. The new SPD management has accelerated the pace of implementation and procurement expert and civil engineer has been hired and deployed. The Konya PPMU coordinator is recruited but not yet deployed. The M&E specialist has left the project and the focal point of the Konya PPMU has been redeployed outside the PPMU. Thus, staff shortage persists and has limited project's value chain related achievements. The M&E system, financial management and accounting systems are still to be develop. The SPD agreed with the mission to complete staffing urgently accordingly to a new organisational structure agreed upon with the mission.

## Main issues

GTWDP faced delays from the onset until midterm review, hampered by institutional restructuring, budget limitations, high turnover rate in counterparts, and inadequate staffing. The project made a slow start resulting in the first disbursement 15 months after approval. It is still much behind the cumulative targets that were to be met after three years of implementation. However, the pace of momentum has gained momentum during the second half of 2019.

CPMU, PPMU and FSTs have been established and partnership with UNDP has started and project implementation has commenced. However, the CPMU has made very slow progress on the staffing recommendations of the previous supervision mission and the implementation support mission in April 2017. The project advisor (Ankara) and the field coordinator (Konya) have resigned and these positions are vacant along with some other key positions resulting in the variability in performance between Konya and Karaman provinces. The M&E system have developed in the PPMUs and districts as the CPMU tried to manage the M&E system from Ankara without adequate attention to developing the reporting systems at the field level. The setting up of the organizational framework remains unfinished and the staffing largely incomplete. Furthermore, there is no fiduciary team fully dedicated to the financial management of the project in accordance with the requirements of the Financing Agreement. The CPMU does not have separate financial manager and the project coordinator was involved in carrying out some of the FM responsibilities. The project steering committee has not been formed.

Prior to the formation of the SPD the institutional instability in the management units at the central and provincial levels was not helpful. Although a project board was established, it did not meet on a regular basis to provide oversight to project management and implementation. Significant delays were noted in the procurement of services notably for the preparation of the strategic investment plans which were expected to outline the priority investments by district and by year, as well as the interconnection between demonstration activities and matching grants.

The SPD agreed with the mission on a new organisational structure and the immediate deployment of the technical support team in the two provinces; the preparation with the support of IFAD of a unique recruitment notice including ToRs for vacant posts; and the recruitment of national consultants with UNDP support. A start-up technical workshop will be jointly organized by IFAD and the SDP at the end of January 2020 for staff re-orientation and successful implementation during the remaining period. The MTR mission was also informed that the project steering committee has been re-activated, and that coordination follow-up meetings will be held both at provincial and headquarters level.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Recruitment of staff</b> Complete the recruitment of project staff planned in the organisational structure agreed with the mission	SPD in coordination with UNDP	01/2020
<b>Increase of project budgetary allocation</b> Advocate sufficient budgetary allocation for the project through increased visibility, consultations with high level delegation and other measures	IFAD country team and GDAR	01/2020

**Knowledge Management**

**Rating: 3**

**Previous rating: 3**

## Justification of rating

GTWDP has established successful demonstrations and supported many MG projects related to improved crop production technologies such as greenhouses and solar-powered drip irrigation. Many of these projects, such as electric fencing are effective innovations in the local context. The demand for mushroom and vegetable greenhouses has increased through word of mouth publicity amongst neighbouring villages. However, there is limited publicity about many of these success stories amongst local farmers which has led to low demand for adoption. Also, these successful models are yet to be showcased to financial institutions with the aim of encouraging the financial institutions to develop financial products to support the replication of these successful MG projects.

## Main issues

In efforts to modernize production system for smallholder farmers, GTWDP has experimented in mountainous sloppy geographies, improved farming technologies including greenhouse production, solar-powered drip irrigation, geomembrane water retention ponds, etc. The project has also demonstrated environmentally friendly integrated pest management (IPM) practices including crop protection electric fencing techniques. This last technology stands out as an effective innovation with great potential for scaling up wherever crops are under threat of wild predators including rats, bears and alike. In this mechanism a solar panel, a battery, and wire fencing can be connected to keep animals away with no harm.

A significant increase concerning the damage posed by wild animals for crops especially in certain parts of Konya and Karaman has primarily brought about the need for electrified protective fencing. By considering positive results obtained from the electrified fencing systems installed under KOP programs, GTWDP has decided directly to introduce a grant scheme in 2018. This activity was performed only in Konya province in 2018, and was expanded to Karaman province in 2019. To this end, 104 matching grant applications were received in Konya province 2019. Of this number, 78 applications were entitled approved. In the province of Karaman 25 farmers were approved to benefit electric fencing grants in 2019. A total of 103 applications were accepted for both provinces, costing TRY 432,000, or TRY 4,200 average per application (\$750/application) to fence half a hectare.

Although most of the demonstrations and MG projects have been successful only a few of them, such as mushroom and vegetable greenhouses, have experienced increase in local demand amongst neighbouring farmers. A systematic plan for publicity of the success stories is needed through the involvement of lead farmers to increase the awareness of neighbouring farmers about the benefits of these technologies. GTWDP should also provide local financial institutions with exposure to these successful crop production models so that the financial institutions can develop suitable financial products and support the wider adoption of these technologies in the region.

## Value for Money

Rating: 3

### Justification of rating

The operating costs to investments ratio at present is higher than what was estimated at design indicating that project management costs have outpaced the productive investments. This has affected the efficiency of the project adversely. Also the cumulative physical progress till 30 September 2019 is 58% while the overall financial progress up to this period is only 12%. However, the cost per beneficiary (EUR 377) is currently lower than what was estimated at design (EUR 506) indicating that the project has the potential to reach a marginally higher number of beneficiaries than what was projected at design.

### Main issues

As at 31 October 2019, operating costs to investments ratio was 23:77 which means for each 1 Euro invested, 0.23 Euro was spent on programme management. At design, operating cost to investments ratio was 9:91; i.e. for each 1 Euro invested, 0.09 Euro was estimated as the programme management cost.

As noted from these ratios, the project is spending 0.14 Euro more on operating expenses for each Euro invested when compared to the original budget at design. Mainly, this is because the implementation process was interrupted and affected by several factors since inception, such as the structural changes at the MoAF. On the other hand, project management cost is on-going since the beginning of the project regardless of the implementation progress, and it includes MoAF and UNDP project management fees.

The cumulative physical progress till 30 September 2019 is 58% while the overall financial progress up to this period is 12% (table 2). The entire 58% physical progress has occurred only in component 1 for which the corresponding financial progress is 13%.

The cost per beneficiary estimated at design was EUR 506. However, the programme has so far reached 4,234 beneficiaries at a total cost of around EUR 1.6 million translating into a cost per beneficiary of EUR 370. Thus, the project has the potential to reach a marginally higher number of beneficiaries than what was projected at design.

The EIRR of the GTWDP is estimated at 15.9% and the ENPV of the project is positive (Euro 264.9 Million). These indicators establish the economic feasibility of the project. The project is worthy even if the benefit drops by 95% or an increase of costs from 10% to 95%. The project remains feasible with a simultaneous decrease of benefits by 10% to 30% and an increase of costs by 10% to 95%. The sensitivity tests and the analysis in a probabilistic environment suggest that the project is robust.

## Coherence between AWPB and Implementation

Rating: 2

Previous rating: 2

### Justification of rating

Overall, since its onset in 2017 till 2019, GTWDP has not been able to fully deliver on any of its Annual Work Plan and Budget (AWPB) targets. The project has consistently been very slow on disbursement and implementation. The project has two technical components, and so far, only component 1 has known some achievements, particularly under the subcomponent 1 (Improved Agricultural Productivity and Quality), and subcomponent 2 (Natural Resource Management). As to the Component 2 (Market Access Enhancement and Value Chain Development), there is very little progress three years into implementation. This is due mainly to factors including lack of dedicated technical staff, institutional restructuring within implementing agency, and budget restrictions imposed by government.

### AWPB Inputs and Outputs Review and Implementation Progress



Overall, since its onset in 2017 till 2019, GTWDP has never been able to fully deliver on any of its Annual Work Plan and Budget (AWPB) targets. The project has consistently been very slow on disbursement and implementation. The project has two technical components, and so far, only component 1 has known some achievements, particularly under the subcomponent 1 (Improved Agricultural Productivity and Quality), and subcomponent 2 (Natural Resource Management). As to the Component 2 (Market Access Enhancement and Value Chain Development), there is very little progress three years into implementation.

The physical progress has been very slow. Only 35% physical outreach and 13.7% financial progress was achieved on the 2018 AWPB. Annual expenditure of EUR 395,838 was achieved against the budgeted EUR 2,889,765. As at 30 September 2019, the financial progress on the 2019 AWPB stood at 6.5%. Similarly, as at 30 September 2019, the cumulative budget execution was only 12.6% since 2017. This extremely slow pace in delivery has raised questions about the project ability to meet the final outreach targets.

A number of reasons were explained to be behind the slow progress prior to the formation of SPD including (i) the project inability to maintain key personnel since from its early stages, and the difficulty in finding suitable candidates to replace those who resigned, in particular at field level, (ii) persistent fluctuations in macroeconomic terms resulting in soaring prices for basic commodities, eroding households' purchasing power, and affecting the degree of commitment of project stakeholders with regard to investment activities. Other reasons included the uncertainties during the restructuring of the GDAR prior to the formation of the SPD.

The AWPB is prepared by project staff and stakeholders in a participatory manner, starting from provincial districts. Each district prepares its AWPB to be aggregated at provincial levels. Provincial plans are consolidated at central level within the Ministry and validated by the steering committee before it is submitted to IFAD for no-objection.

Performance of M&E System	Rating: 2	Previous rating: 2
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#### Justification of rating

Understaffing has played a major role in the project's inability to track activities and report on progress. This has affected the effectiveness of M&E generally. An M&E Manual was developed in 2018 but was not implemented. It is only late in 2019 that the project has resumed the production of quarterly reports. The MTR mission was also informed that the project steering committee has been re-activated, and that coordination meetings will be held regularly from 2020. The mission recommends that a schedule of those follow-up meetings is shared with IFAD, and IFAD Country Office invited. The MTR mission has discussed and agreed with the SPD on the need of hiring an M&E specialist, and to re-organize the M&E function of the project.

#### M&E System Review

The MTR mission reviewed implementation progress in the first three years (2017-2019) of the project. Since the project was affected by severe start-up difficulties the real start-up is deemed to have happen only in 2018. The mission reviewed the past supervision reports (September 2018, April 2019, July 2019), and the 2019 mid-year review report prepared by the MoAF. The mission's field visits and discussions with the project beneficiaries, project staff and other stakeholders confirmed that many of the achievements and early results reported in previous mission reports remain valid. There have been concerted efforts in implementing many of the recommendations of the earlier missions.

A baseline survey was commissioned, and the final report was turned in for the period of the first supervision mission in September 2018. Two basic problems have affected the M&E design and setup. First, a Turkish Government initiated portal was under development. This public portal was expected to open a window for capturing and reporting on the implementation status as well as progress made by each foreign investment project in Turkey in the format desired by each donor. Foreign investment projects including IFAD supported operations were instructed not to setup their own parallel M&E systems in order to avoid repeats and double-counting. In that expectation, the erstwhile CPMU was hesitant for quite a while to put in place formal M&E systems for GTWDP. It is only later in 2019 that the newly established SPD realized that the public data portal is not a suitable setup to report properly in the format desired by donors such as IFAD. Following that decision, the SPD is in the process of putting in place the project M&E system.

The second problem was the lack of interim consistent monitoring system, due to instability at higher management level. Initially, while the public data portal was under development, an internal arrangement was found to continue collecting data on day-to-day basis with minimum resources. The benefit of that internal arrangement was that at least a good work plan was in place along with an excel-based activity tracking system. Unfortunately, the regularity of this internal arrangement was affected following multiple changes within the line of management at Ministry level, and the project's inability to retain workforce.

Understaffing has played a major role in the project's inability to track activities and report on progress which generally has made the M&E system ineffective. Nevertheless, the IFAD-MTR mission has discussed and agreed with the SPD on the need to hire an M&E specialist, and to re-organize the M&E function for the remainder of the project timeline. An M&E Manual was developed in 2018 but was not implemented as a result of the system disruption. It is only late in 2019 that

the project resumed the production of quarterly reports. The MTR mission was informed that the outcome survey was not conducted due to unintended delays in the procurement process. The mission recommended that SPD re-commission this study later but with delivery no later than 31 March 2020. The MTR mission was also informed that the project steering committee has been re-activated, and that coordination follow-up meetings will be held both at provincial and headquarters level. The mission recommends that a schedule of those follow-up meetings is circulated to IFAD, and that IFAD Country Office is invited to attend.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Conduct and share the findings of the outcome survey.</b>	SPD	03/2020
Conduct and share the findings of the outcome survey.		

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

**Rating: 4**

**Previous rating: 4**

### **Justification of rating**

The major technical activities implemented so far include construction of greenhouses, drip irrigation systems, geomembrane ponds, solar-powered irrigation, delivery of post-harvest drying equipment and tools, establishment of orchards and solar powered electrified fencing, which are all small scale and have gone through required compliance procedures against local environmental standards and technical requirements. The varieties used for seed distribution and orchard establishment have been widely tested in-country and some evidence of the use of Good Agricultural Practices exist in the project target area. Implementation of the other small-scale public infrastructure such as pasture roads and terraces has not started yet.

### **SECAP Review**

When the project was designed, the IFAD SECAP was not in place yet. Therefore, the final PDR includes only an Environment and Social Review Note (ESRN). An Environmental and Social Management Plan (ESMP) is not included as it was not required to be in place. However, the review note highlights that the country has high capacities including environmental standards and regulations to reduce adverse impacts of investments on the environment. The project team should familiarize itself of the latest IFAD SECAP guidelines as well as the IFAD Strategy and Action Plan on Environment and Climate Change for 2019 – 2025, for compliance of the project activities.

By design, the project would not support activities that might generate significant irreversible or cumulative environmental impacts and is therefore classified as category “B” according to IFAD’s Administrative Procedures for Environmental Assessment. However, in accordance with IFAD SECAP guidelines of 2017 (currently under revision), the IFAD projects supporting or inducing construction, rehabilitation or upgrade of rural roads that entail the total area being cleared above 10 km long would normally be classified environment and social category “A”, and respectively require Environmental and Social Impact Assessment. In light of this, the project – supported individual technical activity for construction, rehabilitation or upgrading of access roads to pastures should not exceed the length of 10 km.

Due to growing need for on-farm irrigation, the project has proposed investments in off farm irrigation development (initially not foreseen), subject to the availability of funds. The implementation of the pasture access roads and terraces are also being planned. Although the planned overall length of both access roads and terraces will be split into several small scale projects within the project target areas, these individual infrastructure projects must be compliant with the IFAD SECAP requirements. The same applies for the ongoing and planned small scale projects for establishment of orchards, proposed off-farm drip irrigation schemes, and climate resilient pasture infrastructure projects.

With regard to the proposed off-farm irrigation development, a thorough assessment of the availability of water at the sources, during hot summers with higher need for water, is required, to ensure sustainability and also in light of the potential gradual reduction in annual rainfall level.

The interviewed beneficiary farmers, PDA representatives and the PPMUs' field staff revealed application of IPM, compost and minimized use chemical pesticides and fertilizers in the project sites. However, scarcity of natural fertilizer and compost was stressed by many of the interviewed beneficiaries. The mission also discovered that the beneficiary farmers strictly abide by the sound national and local standards and procedures on use of pesticides and fertilizers. Use of certified seeds and saplings by farmers are also strictly regulated by the relevant local state institutions. The UNDP guidelines on technical requirements and safeguards are applied along with procurement of goods and services for technical activities within the project.

It is important for the project to conduct awareness raising campaigns on climate proof and environmentally sound best practices. This would include, but not be limited to, production of compost with locally available natural materials, introduction of crop rotation, traditional IPM (already started), applying native species of crops and trees (instead of importing, which requires unguaranteed adaptation process).

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Compliance with SECAP</b> Compliance of the technical project activities with the latest IFAD SECAP guidelines and requirements	SPD in coordination with PPMUs and UNDP	01/2020
<b>Assessing availability of water sources during summer season</b> With regard to the proposed off-farm irrigation development, a thorough assessment of the availability of water at the sources, during hot summers with higher need for water, is required, to ensure sustainability and also in light of the potential gradual reduction in annual rainfall level	SPD	11/2020

#### **d. Financial Management & Execution**

<b>Acceptable Disbursement Rate</b>	<b>Rating: 2</b>	<b>Previous rating: 2</b>
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##### **Justification of rating**

Automated rating based on IFAD disbursement data - The cumulative overall rate of disbursement for an agricultural development project after three years of a seven years implementation period is expected to reach 42%. The actual rates have fallen well behind these projections, with a combined disbursement rate for the IFAD loan and grant at 12.5% (equivalent to EUR 2.03 million).

##### **Main issues**

*IFAD Loan:* the disbursement rate reached 12.15% (equivalent to Euro 1.938 million) as of 31st October 2019. With the support of the mission, the project submitted two withdrawal applications through ICP :

- A replenishment related to expenditures incurred between November 2018 and August 2019 of an amount of Eur 0.671 million, and
- An advance to the Designated Account of Euro 0.360 million as per the amended letter to the borrower, which raised the authorized allocation from Euro 1.640 million to Euro 2 million.

In addition, and since end of august 2019, project performed payments for a total amount of Euro 0.737 million. The mission agreed to submit to IFAD a replenishment WA covering payments performed in September and October before the 15th of December. After the submission of this WA (number 6), the disbursement rate is expected to reach 23.2% by end of the year.

The mission also noted that under agreement between MOAF and UNDP, the ISS amount is USD 120K per year, and is paid from IFAD loan to cover operation costs eligible under the project financing.

The current categories allocation of the project will not allow the payment of USD 600K anticipated during the five years covered by the contract signed between UNDP and MOAF, and the mission agreed with the project to submit to IFAD a request for reallocation in order to increase the total amount allocated under vehicle and operating costs category.

*IFAD Grant:* the disbursement rate reached 25.7% (equivalent to Euro 0.09 million) as of 31st of October, corresponding to the initial advance. Payments of a total amount of Euro 0.07 million were performed by the project, and mission agreed to submit a Withdrawal application under the grant no later than 15th of December 2019. The disbursement rate under the grant should reach 46% by end of the year.

The mission recalls the project that according to the letter to the borrower, project should submit withdrawal applications to IFAD once 90 days have lapsed from the submission of the previous withdrawal application, or when the requested amount reaches thirty percent of the initial advance, even though this period of ninety days have not lapsed.

Following the restructuring of the project, the access to ICP of the departing personal has not been deactivated, and mission agreed with the project to send a letter to IFAD in order to update the list of authorized persons to access ICP.



<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Update access to ICP and NOTUS</b>  Project to review list of authorized persons to access ICP and NOTUS and to update it according to the new organizational structure of the project	SPD	12/2019
<b>Regular submission of Withdrawal Applications</b>  Project should submit Withdrawal Application to IFAD according to the frequency set in the letter to the borrower.	SPD	

## **Fiduciary aspects**

### **Quality of Financial Management**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

Overall, GTWDP Financial Management is in line with IFAD requirement especially that for GTWDP most financial arrangements are outsourced to UNDP. However the mission noted that (i) a senior accountant at MoAF is not yet recruited, (ii) there is no proper mechanism of budget monitoring, and (iii) in the MoAF, there is no dedicated accounting software.

#### **Main issues**

**Staffing:** Project staffing was restructured in the first semester of 2019, and since July is working under a new head of department. The project finance team was reinforced since July by an agricultural engineer, having a technical background, with no previous experience in Finance. The mission highlighted that project design foreseen the staffing of a senior accountant and renew its previous recommendation to reinforce the team with an experienced finance staff or consultant. In the new organogram, a Head of Finance Specialist and an Accountant are proposed to reinforce the finance unit at the MoAF.

**Flow of funds:** Project Designated Account is open at the Central Bank of Turkey. Regarding the operating account, project do not have a dedicated operating account, and funds are transferred from the Designated Accountant to UNDP account. All payments are processed by UNDP based on official requests sent by government. UNDP Financial Management Unit creates payment requests under Atlas, by identifying the financier, the project and the expenditure based on payment requests received from the projects.

**Budget:** The mission noted that the AWPB execution is low at this stage of the year (36%). This low execution is mainly explained by the restructuring of the project team during the first semester of 2019, which resulted in a slowdown of activities during this period, as total payments during the first semester was EUR 0.3 Million and reached EUR 0.9 Million in the 4 months period between July and October. The mission noted that project is not monitoring payments against budget line and recommended the Project to implement a cross-referencing system that identifies each payment to the correspondent activity in the AWPB.

The AWPB for 2020 is still under preparation and should be submitted to IFAD by mid of December.

**Accounting:** On a monthly basis, UNDP and Ministry of Agriculture staff perform a reconciliation between excel file held by MoAF and an extraction from Atlas. This excel file serves as the base for the preparation of the financial statements of the project. MoAF is planning either to update the management portal within the ministry or to acquire a new accounting software in order to allow proper tracking of payments and monitoring of budget execution by category, component and financier.

**Internal Audit:** Project was not included in the internal audit work program. After the restructuring of the project, an official request was sent to the relevant department in the ministry, and project will be subject to an internal audit in December 2019.

**Review of transactions under Statement of Expenditure:** The mission reviewed a sample of transactions under WA5, representing 46% of the total amount of the withdrawal application. The review did not identify any ineligible expenditure. The mission noted that documents are properly archived and invited the project to keep true copies of all invoices as originals are sent to UNDP for payment. The mission also noted payments performed from GTWDP on behalf of URDP. Those payments were no objected by IFAD.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<p><b>CPMU to carry on the discussion with Internal Audit department about the possibility of including IFAD projects in the internal audit process. IFAD to receive an update about this by the agreed deadline.</b></p> <p>An official letter sent from General Director and an agreement within the ministry was done to perform an internal audit of the project in December 2019</p>	SPD	12/2019
<p><b>Implement budgetary follow up based on components, categories and financiers</b></p> <p>Project to follow budget execution by component, category and financiers. In addition, all payments should be clearly cross-referenced to a budget line in the AWPB.</p>	SPD	12/2019
<p><b>Preparation of six-monthly cash flow forecast and its monthly update.</b></p> <p>to be submitted to the period 1 July 2019 to 31 Dec 2019 --- Postponed until new finance staff are employed and the new accounting software is acquired.</p>	SPD	02/2020
<p><b>Preparation and approval of AWPB and its regular performance monitoring.</b></p> <p>Monitoring system is under development and should be ready before August 2019 --- Postponed until the end of Feb so the accounting software is acquired.</p>	SPD	02/2020
<p><b>Development of annual objectives and conducting annual performance evaluation of CPMU staff.</b></p> <p>postponed to end of Feb 2020 until recruitment of all staff is completed.</p>	SPD	02/2020
<p><b>Finalize implementation of the new portal</b></p> <p>The new portal should allow proper tracking of payments and to be used as project monitoring tool. It should allow the outputting of required reports, and the automatic preparation of WAs. Alternatively, prospect the procurement and setting up of dedicated FM software ( TOMPRO...) at the ministry</p>	SPD	02/2020
<p><b>Reinforce the Finance Team</b></p> <p>Recruit an experienced financial management specialist and an experienced accountant and set up an effective fiduciary team in the SPD in line with requirements of the Financing Agreement – relevant training will be provided by IFAD afterward</p>	SPD	02/2020
<p><b>Obtain IFAD No Objection on AWPB modification</b></p> <p>Any modification to the AWPB is subject to IFAD No Objection</p>	SPD	

**Quality and Timeliness of Audit**

**Rating: 5**

**Previous rating: 5**

**Justification of rating**

Timely submission and Informative financial statements

#### Main issues

Compliance with IFAD audit and financial reporting guidelines. Quality of reporting has improved taking into consideration almost all last year audit recommendations. Reports were submitted on time.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Further improvements on the financial statements (remove zero financial statements, include beginning balances and ensure all FS totals are indicative)</b>  More improvement is required to ensure full compliance with IFAD reporting and auditing guidelines.	SPD and Auditors	04/2020
<b>Ensure proper and complete information and documentation for procurement, contracts and payments</b>	SPD	

**Counterparts Funds**

**Rating: 5**

**Previous rating: 5**

#### Justification of rating

Counterparts funding is satisfactory, up to October 2019, 44% (equivalent to Euro 1.52 million) of government contributions (estimated in total at Euro 3.42 million) was sent to UNDP bank account and only Euro 300K has been utilized.

#### Main issues

However, and in breach of what was agreed during last supervision mission, in-kind contribution is not estimated. The mission prepared a table with the project to capture the government in-kind contribution. The mission agreed with the project to share with IFAD the methodology to be used for the estimation of in-kind contributions. The project will include this estimation in the Financial Statements of 2019 and this will be communicated to IFAD.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>In-kind contribution</b>  Prepare a list of in-kind contributions provided by the government and include it in the notes of the financial statements for 2019	SPD	12/2019
<b>Development and implementation of procedure for valuation, recording and reporting of contribution by UNDP.</b>  Extended	UNDP & CPMU	03/2020
<b>Development and implementation of procedure for recording and reporting of contribution by the Beneficiaries.</b>  Extended	UNDP & CPMU	03/2020
<b>Development and implementation of procedure for valuation, recording and reporting of In-kind contribution by the Government.</b>  Extended	Ministry of Agriculture and Forestry / CPMU	03/2020

**Compliance with Loan Covenants**

**Rating: 3**

**Previous rating: 4**

#### Justification of rating

Since its onset, GTWDP has been complying with some financing agreement covenants. However, there is still a number of others the project is struggling to comply with. This is unfortunate as the project has come to mid-term with these issues of compliance pending. The review mission has discussed with project management, and it is agreed that

covenants will be complied with in their entirety as project will soon be fully staffed. The project still needs to comply with a number of covenants which are listed below.

### Main issues

The re-structured Department within the Ministry of Agriculture and Forestry, called Survey and Project Department (SPD) which took over after CPMU, is actively working on making sure that compliance is developed with loan covenants. The mission has reviewed the loan covenants compliance checklist together with SPD. The detailed table of checklist is attached in the Annexes with mention of points where project must exercise compliance measures.

In particular, the project needs to ensure compliance with the following loan covenants:

- - Timely submission and approval of AWPB;
  - Submission of regular WAs;
  - Preparation and submission of Interim Financial Reports;
  - Obtaining insurance of project assets.
  - Register of contracts
  - Key project personnel

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Timely submission and approval of AWPB</b> Timely submission and approval of AWPB	SPD	01/2020
<b>Withdrawal Applications</b> Submission of WAs at least once per quarter	SPD	01/2020
<b>Financial Reporting</b> Preparation and submission of Interim Financial Reports as per Financing Agreement.	SPD	01/2020
<b>Developing mechanism to ensure compliance with loan covenants.</b> Developing mechanism to ensure compliance with loan covenants.	SPD	02/2020
<b>Obtaining insurance of project assets.</b> Obtaining insurance of project assets.	MoAF/SPD	06/2020

### Procurement

<b>Procurement</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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### Justification of rating

The Project Procurement is rated Moderately Satisfactory. Processes and procedures applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely.

### Procurement Review

Procurement Planning Process: Procurement activities under the Project are being handled by UNDP based on an agreement signed between MoFA, UNDP and MoAF. In addition to the current Procurement staffing, UNDP was required to assign an additional Administrative/Procurement Assistant (PAS) to the Project in Karaman in line with the requirements of the Project Document signed with the Borrower and in light of the work load envisaged under the Project. Since all procurement tasks are all centralised in Ankara the SPD has decided to strengthen the procurement capacity in the SPD in Ankara. A four member procurement team will be developed in the SPD comprising of a full time procurement officer, two procurement officers seconded by the Ministry and a part time procurement expert from UNDP.

The Procurement Plan (PP) is aligned with the AWPB. It has provisions to record both planned and actual progress. However, it is not prepared and updated consistently making it hard to analyze the time taken in the processing of

Procurement activities. It follows a template very similar to the IFAD one. The Project was trained on the use of the new template issued by IFAD and will use it in the preparation of the procurement plan for 2020. Overall, for 2019, 68% of the planned activities were launched and only 33% of these planned activities were signed.

Processes and Procedures from Prequalification to Bidding: Procurement activities are being conducted in accordance with UNDP procedures while the project LTB stipulates that "Procurement shall be carried out in accordance with the provisions of the Borrower/Recipient's Procurement regulations, to the extent such are consistent with the IFAD Project Procurement Guidelines". The UNDP and the Project are urged to abide by IFAD Procurement guidelines and Handbook. In addition, the Project needs to share with UNDP all the No Objections received from IFAD whenever applicable. However, bidding processes and procedures applied by the UNDP exhibit consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints.

Process and Procedures for Evaluation and Contract Award: Processes and procedures applied by the UNDP for evaluation and contract award exhibit consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints. Processes and procedures are consistent and comply with national procurement regulations and laws, as well as with IFAD Procurement Guidelines and Handbook, other policies and requirements. IFAD's right to audit, and provisions for prior review is not mentioned in the Contract.

The mission highlights the purchases currently done by the project which amounts to less than US\$ 1,000 and which are done based on one invoice. These purchases must stop immediately and purchases for such value must be done using the shopping method as described in IFAD's Procurement Handbook.

Contract Management and Administration: Sound process, procedures and systems are in place for administration, supervision and management of contracts. Contract formats are consistent with bid documents and/or other legal templates, and include provisions regarding prohibited practises but does not mention IFAD's right to audit. UNDP is maintaining an updated contract register, this template needs to be changed to be in accordance with IFAD's template and submitted to IFAD as stipulated in the LTB.

Record Retention: Procurement records are kept orderly in file records in safe place. Bids and proposals submitted by bidders are also on file.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Procurement Plan to be advertised to the Public</b>	CPMU	07/2019
<b>Amendment of the current LTB to be in line with the Project requirements</b>	IFAD	07/2019
<b>Liquidated Damages to be applied whenever needed</b>	CPMU/UNDP	07/2019
<b>UNDP needs to assign an additional (PAS) to the Project in Karaman</b>	CPMU/UNDP	01/2020
<b>All Procurement activities to be conducted as per the Project LTB and IFAD's Procurement Guidelines and Handbook</b>	CPMU/UNDP	01/2020
<b>Proper Follow up by UNDP on IFAD's No Objection Requirement</b>	CPMU/UNDP	01/2020
<b>Maintain updated Procurement Plan and Contract register as per IFAD's template</b>  Maintain updated Procurement Plan and Contract register as per IFAD's template	CPMU/UNDP	01/2020

#### **e. Key SIS Indicators**

<b>Likelihood of Achieving the Development Objective</b>	<b>Rating: 4</b>	<b>Previous rating: 3</b>
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#### **Justification of rating**

The project struggled to take off since start up, because of incomplete staffing, and budget capping in line with a budget

limitation policy implemented by the Government for internationally funded projects. The pace of project implementation at midterm was therefore slow though an uptake is noted since July 2019. The outreach is only 4,234 HH or 13.2% of the targeted 32,000 HHs. Improved crop production technologies through disease resistant seeds distribution, demonstration plots, are areas of progress. 1 512 ha out of end target of 11 750 ha have benefited from improved production practices. 32 demonstrations were supported. The Matching Grant Program registered 500 applications until mid-2019. Following a restructuring in the Ministry, a Survey and Projects Department (SPD) was created to oversee implementation. The new administration took stock of the challenges, and initiated motivated steps to address the bottlenecks faced by the project. As a result, disbursement, which was 4.8% after 3 years of implementation, increased to 18.6% in just 5 months between July and December 2019. Furthermore, the Regional Director visited the country from 3- 5 February 2020, to engage in high-level bilateral meetings with Government officials and advocate for an increase of the budget allocated to IFAD projects. The ministry of Agriculture was afterward invited by the President of Strategy and Budget, to resubmit a motivated request for budget increase in 2020. The perspectives are therefore better to get the project on a satisfactory track by December 2020, with greater likelihood of achieving development results.

<b>Assessment of the Overall Implementation Performance</b>	<b>Rating: 3</b>	<b>Previous rating: 3</b>
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#### Justification of rating

The project was approved in December 2015, signed in March 2016, entered into force in May 2016. Since start up in April 2017, only 5 Withdrawals Applications were submitted to IFAD. Implementation was affected by institutional instability in the Ministry, in the management units at the central and provincial levels, which added up to the existing challenges of incomplete staffing and budget limitation.

Although a project board was established, it did not meet on a regular basis to provide oversight to project management and implementation. Significant delays were noted in the procurement of services notably for the preparation of the strategic investment plans, which were expected to outline the priority investments by district and by year, as well as the interconnection between demonstration activities and matching grants. In the absence of the plans, implementation proceeded with individual identification of investment opportunities in the villages, therefore undermining the overall strategic focus.

Out of 17 and 12 recommendations made by IFAD in 2017 and 2018 respectively, very few were implemented in 2017 and none was implemented in 2018.

A positive aspect of the Government's performance has been the capacity to devolve some implementation responsibilities to the provinces and to a partner like UNDP. The mission appreciated the renewed commitment of the current management team to turn around performance in 2020. In IFAD, a more stable Country team is also now in place to guide the new SPD and provide continuous close implementation support. A follow up meeting of this MTR is scheduled to take place in Istanbul on 20 February, with the Ministry, UNDP the service provider, and the IFAD Country Office.

## F. Relevance

<b>Relevance</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### Justification of rating

149. The project's objectives and design continue to support government and IFAD policy on poverty alleviation and remain relevant to the needs of the beneficiaries in the two provinces. The focus on natural resources management and market opportunities for smallholders in high value commodities is also well aligned with the strategic priorities of IFAD engagement in Turkey (COSOP 2016 – 2021). Relevance to beneficiaries vary by component and sub-component. While beneficiaries have overall positive feedback of the MG programme the mission questioned the relevance and sustainability of the procurement and distribution of chickpeas seeds, Hungarian vetch seeds, almonds seedlings, and walnuts seedlings by the project.

#### Main issues

**The relevance of objectives.** The project was designed under the Long Term Strategy (2001 – 2023), the Tenth Development Plan (2014 – 2018), and the National Rural Development Strategy (2014 – 2020) which aim at reducing rural-urban disparities, as well as the impact of out-migration on the rural areas. More recently, the country adopted the Eleventh National Development Plan (2019-2023) which focuses on achieving improvement in competitiveness and productivity in all areas. The project objectives are in direct alignment with the priorities set in the Plan for the Agriculture and Rural development sectors, notably i) the promotion of a sustainable agricultural sector with good infrastructure, high organizational and productive structure, and an increase in international competitiveness; ii) the improvement of

production capacities, rural employment, and quality of life with an approach to retain the population in rural areas. The mission confirmed that these priorities are highly relevant for addressing the needs of the mountainous regions of 11 districts and 238 villages in the Konya and Karaman provinces.

The focus on natural resources management and market opportunities for smallholders in high value commodities is also well aligned with the strategic priorities of IFAD engagement in Turkey (COSOP 2016 – 2021) which contribute to poverty reduction in uplands areas through the enhancement of market access and the mainstreaming of Climate Change and Natural Resources Management into agricultural production.

**Relevance to beneficiaries** varied by component and sub-component. The increased access to advisory services, technical skills, knowledge, modern inputs, and irrigation technologies is effectively helping producers to boost productivity and increase resilience to climate change. The mission questioned the relevance and sustainability of the procurement and distribution of chickpeas seeds, Hungarian vetch seeds, almonds seedlings, and walnuts seedlings by the project. Beneficiaries have overall positive feedback of the MG programme. Because of the upfront payment in full of the cost of the investment and reimbursement of the grant amount after completion, the MG programme seemed attractive to only one category of the priority target group, made of registered productive smallholders who practice mixed farming in the uplands as permanent residents. The MG programme was however less relevant to the poorest landless households who rely on social assistance and could not afford the 30% beneficiaries contribution plus the 18 % VAT nor the registration fees and related insurance payments. The mission established that market linkages of the small farmers are still on an individual basis. This finding confirmed the relevance of the market access enhancement component, to build on the untapped entrepreneurial capacity of the smallholders, through downstream investment and also capacity building to respond to the market requirement and synergise with the private sector.

Finally, the **project design** was found to include a good mix of components, sub-components, and activities that are complementary to achieve the objectives. The mainstreaming of climate, NRM, gender, youth are adequately reflected. However, the institutional arrangement suggested during the design for delivery, necessitated a careful examination and revision during implementation. The mission suggests adjustments to refine the physical targets as well as a methodological restructuring to increase the pace of implementation.

## G. Project Modifications

Responsibility	Modification type	Description
SPD	Reallocation	The reallocations of the IFAD financed expenditures were done based on cost restructuring carried out by the project to reflect the MTR mission recommendations. As a result of the reallocations the IFAD loan supported works budget has increased from EUR 0.79 million to EUR 5.84 million mainly to overcome the irrigation infrastructure related challenges which have affected the progress of the project in several districts. The IFAD local allocation to consultancies has also increased from EUR 0.320 million to EUR 1.59 million reflecting the greater emphasis on providing FOs and target households with access to technical services, mentoring and business development support. Likewise, the IFAD supported salaries budget has increased from EUR 0.57 million to EUR 1.12 million to underscore the importance of the revamped staffing structure to accelerate implementation progress. The increase in the budget in the above has been met through the utilization of the unallocated budget, and the reduction in the budget for equipment and materials, goods and services, grants and subsidies reflecting the mission recommendations to stop or downscale project activities such as free seeds distribution and demonstrations. To make the reallocated budget effective the project must submit a formal request for reallocation to IFAD approved by the Ministry of Treasury and Finance and with detailed justification for each line of reallocation.
SPD	Logical Framework	SPD in consultation with PPMU during the AWPB-2020 workshop. to review and refine the physical targets in the log frame in line with the strategic reorientation of the project - Action by 31 December 2019.

## H. Lessons Learned

**Conditions to carry out cumbersome studies and assessments prior to implementing value chain projects can lead to inordinate delays in implementation.**

The implementation of value chain investments should not be made conditional to cumbersome studies and assessments. Completing these studies can take time and the capacity to reflect the desired results in these studies may be lacking in the service providers hired to conduct these studies. These factors can lead to delays in implementation.

**The geographical characteristics and production basins in the project area should be carefully evaluated before restricting value chain development projects to specific crops.**

Value chain development projects implemented over a very large geographical areas with varying ecological conditions should not be restricted only to specific crops as this can obstruct the project from being inclusive in those areas where the eligible crops are not grown

**Determination of counterpart contribution payable by beneficiaries should take into consideration taxes payable and in kind contributions to make project interventions more inclusive**

In order to make project interventions more inclusive and attractive to poor beneficiaries the determination of counterpart contribution required from beneficiaries (specially for matching grant programmes) should take into consideration taxes payable by the beneficiaries. Additionally, in-kind contributions by beneficiaries should be allowed to account for beneficiary. Specially so, when the activities financed through matching grant programmes are costly and the real size of beneficiary contribution is relatively high. Savings schemes should be supported and rural finance institutions should be engaged in designs to enable beneficiaries to save up or borrow formally to meet their cash contribution needs;

## **I. Agreed Actions**

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Overview and Project Progress</b>		
<b>District Investment Plans</b> Develop District Investment Plans during the AWPB 2020 workshop planned in mid-December in Antalya	SPD in coordination with the PPMUs	12/2019
<b>MG and PIM revision</b> Revise the MG manual and the PIM based on the finding of the mission to make the conditions to access project funding more inclusive.	SPD	01/2020
<b>Staff Recruitment</b> Complete the recruitment of project staff planned in the organisational structure agreed with the mission	SPD in coordination with UNDP	01/2020
<b>Development Effectiveness</b>		
<b>- Discontinue free distribution of all types of improved planting material.</b> - Discontinue free distribution of all types of improved planting material.	SPD	11/2019
<b>Successful demonstrations should be up-scaled and giving more visibility</b> Successful demonstrations should be up-scaled and giving more visibility	SPD in coordination with PPMUs	11/2019



<b>Endorse Gender Mainstreaming Strategy</b> Endorse Gender Mainstreaming Strategy	SPD in coordination with PPMUs	12/2019
<b>Collect and document sex-disaggregated data in all interventions and activities</b> Collect and document sex-disaggregated data in all interventions and activities	SPD in coordination with PPMUs	01/2020
<b>Ensure that the district investment plans are pro-poor and gender-sensitive</b> Ensure that the district investment plans are pro-poor and gender-sensitive	SPD in coordination with PPMUs	01/2020
<b>Enhance grant applications and contracts through direct mentoring of women and male smallholder farmers with special needs</b> Enhance grant applications and contracts through direct mentoring of women and male smallholder farmers with special needs	SPD in coordination with PPMUs	01/2020
<b>Cost gender-relevant activities in AWPB</b> Cost gender-relevant activities in AWPB	SPD in coordination with PPMUs	01/2020
<b>Recruitment of Gender Advisor</b> Fill the position of the Junior Gender Advisor, responsible for the Operationalization of the Gender Mainstreaming Strategy (Gender Action Plan) and direct project implementation support	SPD	01/2020
<b>Apply gender mainstreaming principles in the DIPs</b> Apply gender mainstreaming principles in the DIPs	SPD in coordination with PPMUs	01/2020
<b>- Revise the MG manual to make the conditions more inclusive of poor target groups</b> Revise the MG manual to make the conditions more inclusive of poor target groups	SPD in coordination with PPMUs	01/2020
<b>Recruitment of Climate Specialist (short term)</b> Hire a short-term consultant to promote NRM and climate change adaptation measures.	SPD in coordination with PPMUs	01/2020
<b>Incentivise lead farmers to mobilise and support MG beneficiaries during start-up stages</b> Incentivise lead farmers to mobilise and support MG beneficiaries during start-up stages	SPD in coordination with PPMUs	03/2020
<b>Sustainability and Scaling up</b>		
<b>Revision of MG Manual</b> Revise the MG manual and the PIM based on the finding of the mission to make the conditions to access project funding more inclusive.	SPD	12/2019

<b>Capacity Building of FOs</b>  Engage technical service providers (individual, technical firm, agribusiness) for capacity building of FOs in areas such as institution development, post-harvest value addition, marketing and business development areas.	SPD in coordination with PPMUs	01/2020
<b>Capacity Building needs assessment</b>  Capacity building needs assessment and action plan in gender, marketing and NRM	SPD in coordination with PPMUs	01/2020
<b>Natural resources diversification</b>  Plan the development of the clusters in the DIPs through diversified crops, e.g. non-timber forest produce, MAPS, walnut, almonds.	SPD in coordination with PPMUs	01/2020
<b>District Development Plans</b>  Develop District Investment Plans during the AWPB 2020 workshop planned in mid-December in Antalya.	SPD	12/2020
<b>Project Management</b>		
<b>Recruitment of staff</b>  Complete the recruitment of project staff planned in the organisational structure agreed with the mission	SPD in coordination with UNDP	01/2020
<b>Increase of project budgetary allocation</b>  Advocate sufficient budgetary allocation for the project through increased visibility, consultations with high level delegation and other measures	IFAD country team and GDAR	01/2020
<b>Compliance with SECAP</b>  Compliance of the technical project activities with the latest IFAD SECAP guidelines and requirements	SPD in coordination with PPMUs and UNDP	01/2020
<b>Conduct and share the findings of the outcome survey.</b>  Conduct and share the findings of the outcome survey.	SPD	03/2020
<b>Assessing availability of water sources during summer season</b>  With regard to the proposed off-farm irrigation development, a thorough assessment of the availability of water at the sources, during hot summers with higher need for water, is required, to ensure sustainability and also in light of the potential gradual reduction in annual rainfall level	SPD	11/2020
<b>Financial Management &amp; Execution</b>		
<b>Procurement Plan to be advertised to the Public</b>	CPMU	07/2019
<b>Amendment of the current LTB to be in line with the Project requirements</b>	IFAD	07/2019
<b>Liquidated Damages to be applied whenever needed</b>	CPMU/UNDP	07/2019

<p><b>CPMU to carry on the discussion with Internal Audit department about the possibility of including IFAD projects in the internal audit process. IFAD to receive an update about this by the agreed deadline.</b></p> <p>An official letter sent from General Director and an agreement within the ministry was done to perform an internal audit of the project in December 2019</p>	SPD	12/2019
<p><b>Update access to ICP and NOTUS</b></p> <p>Project to review list of authorized persons to access ICP and NOTUS and to update it according to the new organizational structure of the project</p>	SPD	12/2019
<p><b>Implement budgetary follow up based on components, categories and financiers</b></p> <p>Project to follow budget execution by component, category and financiers. In addition, all payments should be clearly cross-referenced to a budget line in the AWPB.</p>	SPD	12/2019
<p><b>In-kind contribution</b></p> <p>Prepare a list of in-kind contributions provided by the government and include it in the notes of the financial statements for 2019</p>	SPD	12/2019
<p><b>UNDP needs to assign an additional (PAS) to the Project in Karaman</b></p>	CPMU/UNDP	01/2020
<p><b>All Procurement activities to be conducted as per the Project LTB and IFAD's Procurement Guidelines and Handbook</b></p>	CPMU/UNDP	01/2020
<p><b>Proper Follow up by UNDP on IFAD's No Objection Requirement</b></p>	CPMU/UNDP	01/2020
<p><b>Timely submission and approval of AWPB</b></p> <p>Timely submission and approval of AWPB</p>	SPD	01/2020
<p><b>Withdrawal Applications</b></p> <p>Submission of WAs at least once per quarter</p>	SPD	01/2020
<p><b>Financial Reporting</b></p> <p>Preparation and submission of Interim Financial Reports as per Financing Agreement.</p>	SPD	01/2020
<p><b>Maintain updated Procurement Plan and Contract register as per IFAD's template</b></p> <p>Maintain updated Procurement Plan and Contract register as per IFAD's template</p>	CPMU/UNDP	01/2020
<p><b>Developing mechanism to ensure compliance with loan covenants.</b></p> <p>Developing mechanism to ensure compliance with loan covenants.</p>	SPD	02/2020

<b>Preparation of six-monthly cash flow forecast and its monthly updation.</b>  to be submitted to the period 1 July 2019 to 31 Dec 2019 --- Postponed until new finance staff are employed and the new accounting software is acquired.	SPD	02/2020
<b>Preparation and approval of AWPB and its regular performance monitoring.</b>  Monitoring system is under development and should be ready before August 2019 --- Postponed until the end of Feb so the accounting software is acquired.	SPD	02/2020
<b>Development of annual objectives and conducting annual performance evaluation of CPMU staff.</b>  postponed to end of Feb 2020 until recruitment of all staff is completed.	SPD	02/2020
<b>Finalize implementation of the new portal</b>  The new portal should allow proper tracking of payments and to be used as project monitoring tool. It should allow the outputting of required reports, and the automatic preparation of WAs. Alternatively, prospect the procurement and setting up of dedicated FM software ( TOMPRO...) at the ministry	SPD	02/2020
<b>Reinforce the Finance Team</b>  Recruit an experienced financial management specialist and an experienced accountant and set up an effective fiduciary team in the SPD in line with requirements of the Financing Agreement – relevant training will be provided by IFAD afterward	SPD	02/2020
<b>Development and implementation of procedure for valuation, recording and reporting of contribution by UNDP.</b>  Extended	UNDP & CPMU	03/2020
<b>Development and implementation of procedure for recording and reporting of contribution by the Beneficiaries.</b>  Extended	UNDP & CPMU	03/2020
<b>Development and implementation of procedure for valuation, recording and reporting of In-kind contribution by the Government.</b>  Extended	Ministry of Agriculture and Forestry / CPMU	03/2020
<b>Further improvements on the financial statements (remove zero financial statements, include beginning balances and ensure all FS totals are indicative)</b>  More improvement is required to ensure full compliance with IFAD reporting and auditing guidelines.	SPD and Auditors	04/2020

<b>Obtaining insurance of project assets.</b> Obtaining insurance of project assets.	MoAF/SPD	06/2020
<b>Ensure proper and complete information and documentation for procurement, contracts and payments</b>	SPD	
<b>Regular submission of Withdrawal Applications</b> Project should submit Withdrawal Application to IFAD according to the frequency set in the letter to the borrower.	SPD	
<b>Obtain IFAD No Objection on AWPB modification</b> Any modification to the AWPB is subject to IFAD No Objection	SPD	

## Goksu Taseli Watershed Development Project

### Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Outreach</b> Number of persons (males and females) receiving services promoted or supported by the project.	1.b Estimated corresponding total number of households members							project M&E reports and impact survey	BL, annual	PMU	
	Household members			128 800	7 614	13 848	10.8				
	1.a Corresponding number of households reached							impact survey and M&E reports	BL, annual survey	PMU	
	Households			32 000	2 908	4 234	13.2				
	1 Persons receiving services promoted or supported by the project							impact survey, annual reports.			
	Females			38 400	350	463	1.2				
	Males			86 900	4 747	5 295	6.1				
	Young										
	Not Young				1 772	1 772					
	Total number of persons receiving services			125 300	5 097	5 758	4.6				
<b>Project Goal</b> Reduced rural poverty by supporting economic diversification.	Percentage increase in the average annual income of targeted Households							BL, MT and final impact survey	BL, MTR, PCR	PMU	Stable macroeconomic atmosphere and poverty reduction remains a priority agenda.
	Households		10	20							
	Males										
	Females										
	Percentage of HHs with improvement in Assets ownership index							BL, Final Impact survey	BL and PCR		
	Households		10	20							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Development Objective</b> Increased farmers' income from improved agricultural production and marketing activities in targeted areas with strengthened resilience to climate shocks.	Percentage of farmers in targeted areas reporting increased net farm income through improved access to productive infrastructure, financial services and markets.							Beneficiaries impact survey	BL, MTR and PCR	PMU	Programme outcomes stimulate economic growth.
	farmers		10	20							
<b>Outcome</b> 1. Farm productivity sustainably is increased and climate resilient are adopted for natural resources management.	1.2.4 Households reporting an increase in production							Beneficiary impact survey	BL, MTR, PCR	PMU	Climate change is in line with current predictions. Availability of qualified service providers.
	Households		5	25							
	Total number of household members										
	Males										
	Females										
	Households		2 500	8 000							
	Percentage increase in soil moisture is reported.							Specific impact survey	BL, MTR, PCR		
	increase in soil moisture	0	10	25							
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices							Beneficiary survey	MTR, PCR	PMU	
	Households			2 000	991	991	49.6				
	Total number of household members										
	Males										
	Females										
Households											

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Agriculture productivity and quality is improved.	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated							Progress reports	annual	PMU	Farmers are willing to invest in development of the farm production capability.
	Hectares of land	0	420	1 000		42.9	4.3				
	1.1.4 Persons trained in production practices and/or technologies							Training reports	annual	PMU	
	Men trained in crop			42 000	3 388	3 936	9.4				
	Women trained in crop			18 000	458	571	3.2				
	Young people trained in crop			2 720	1 254	1 341	49.3				
	Not young people trained in crop				2 592	3 179					
	Total persons trained in crop			60 000	3 846	4 507	7.5				
<b>Output</b> Improved natural resources management	2.1.5 Roads constructed, rehabilitated or upgraded							project progress reports	quarterly/annual	PMU	
	Length of roads	0	95	150							
	Individuals engaged in NRM and climate risk management activities										
	Males			21 000							
	Total		24 000	30 000							
	Females			9 000							
	3.1.4 Land brought under climate-resilient practices							FST	annual	PMU	
	Hectares of land		1 350	3 250							
	3.1.3 Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions							FST	Annual	PMU	
	Females										
	Males		2 500	5 000							



Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Outcome</b> 2. Smallholder producers receive higher product prices.	Percentage increase in farm gate product value in the selected Value Chains							impact survey, TARBIL statistics	BL, MTR, PCR	PMU	
	increase in farm gate prices	0	15	30							
	Percentage reduction in post harvest losses for smallholder farmers							impact survey, TARBIL statistics	BL, MTR, PCR	PMU	
	reduction of post-harvest losses	0	10	20							
	2.2.1 New jobs created										
	Job owner - men										
	New jobs		150	200							
	Job owner - women										
	Farm										
	Non-farm										
<b>Output</b> Improved value chain processes are functional.	2.1.3 Rural producers' organizations supported							FO reports, progress reports	annual	PMU	Competitiveness of local products are maintained.
	Rural POs supported		10	10							
	Total size of POs										
	Males										
	Females										
	Young										
	Not Young										
	Women in leadership position										
	2.1.2 Persons trained in income-generating activities or business management										
	Females										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	Males		10 000	10 000							
	Young										
	Not Young										
<b>Output</b> Investments in value chains are operational	2.1.6 Market, processing or storage facilities constructed or rehabilitated										
	Processing facilities constructed/rehabilitated		2	4							
	Storage facilities constructed/rehabilitated										

## **Turkey**

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### **Goksu Taseli Watershed Development Project**

#### **Mid-term Review**

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

Mission Dates: 18 November - 3 December 2019  
Document Date 11/02/2020  
Project No. 2000000812  
Report No. 5342-TR

Near East, North Africa and Europe Division  
Programme Management Department

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

Table 1a: Financial performance by financier (EUR '000) as at 31 October 2019

Financier	Appraisal (Original)	Disbursements (Allocated)	Per cent disbursed
IFAD Loan	15 950	1 597	10%
IFAD Grant	350	71	20%
Government	3,429	300*	9%
Beneficiaries	2,539	558	22%
UNDP	1 236	0**	0%
<b>Total</b>	<b>22,269</b>	<b>2 525</b>	<b>11%</b>

\*Government received contribution in UNDP bank account is Euro 1.5 million however only Euro 300K was utilized.

\*\*No data were collected regarding the UNDP in kind contribution at the mission date. This is yet under estimation by UNDP.

Republic of Turkey  
Goksu Taseli Watershed Development Project

**Table 1b: Financial performance by financier by component (EUR '000) as at 31 October 2019**

	Component	IFAD Loan			IFAD Grant			Government			Beneficiaries			UNDP			Total		
		Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1	Improved Agricultural Productivity & Natural Resource Mgt.	11 120	1 094	10%	73	71	97%	3 051	162	5%	1 975	558	28%	-	-	0%	16 220	1 885	12%
2	Market Access Enhancement & Value Chain Development	3 523	4	0%	36	0	0%	90	0	0%	564	0	0%	-	-	0%	4 222	4	0%
3	Project Management	1 298	499	38%	241	0	0%	288	137	48%	-	-	0%	1 236	0	0%	3 063	636	21%
	<b>Total</b>	<b>15 950</b>	<b>1 597</b>	<b>10%</b>	<b>350</b>	<b>71</b>	<b>20%</b>	<b>3 429</b>	<b>300</b>	<b>9%</b>	<b>2 539</b>	<b>558</b>	<b>22%</b>	<b>1 236</b>	<b>0</b>	<b>0%</b>	<b>23 504</b>	<b>2 525</b>	<b>11%</b>

Republic of Turkey  
Goksu Taseli Watershed Development Project

**Table 1c: Financial performance by financier by category (EUR '000) as at 31 October 2019**

	Category	IFAD Loan			IFAD Grant			Government			Beneficiaries			UNDP			Total		
		Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1	Works	785	0	0%				1 235	12	1%	196	0	0%				2 215	12	1%
2	Equipment & Materials	860	32	4%				1 472	55	4%	415	0	0%				2 748	87	3%
3	Goods, Services & Inputs	5 700	1 093	19%				250	87	35%	1 366	558	41%				7 315	1 738	24%
4	Consultancies	320	73	23%	110	0	0%	89	1	1%							519	74	14%
5	Training & Workshops	2 840	159	6%	240	71	29%	20	4	21%							3 100	234	8%
6	Grants & Subsidies	3 000	0	0%				68	0	0%	562	0	0%				3 629	0	0%
7	Salaries & Allowances	570	239	42%				261	62	24%							831	302	36%
8	Vehicles and Operating Costs	285	0	0%				34	77	227%							319	77	24%
	Unallocated	1 590	0	0%				0	0	0%				1 236	0	0%	2 826	0	0%
	<b>Total</b>	<b>15 950</b>	<b>1 597</b>	<b>10%</b>	<b>350</b>	<b>71</b>	<b>20%</b>	<b>3 429</b>	<b>300</b>	<b>9%</b>	<b>2 539</b>	<b>558</b>	<b>22%</b>	<b>1 236</b>	<b>0</b>	<b>0%</b>	<b>23 504</b>	<b>2 525</b>	<b>11%</b>

Republic of Turkey  
Goksu Taseli Watershed Development Project

**Table 1d: IFAD loan disbursements (EUR, as at 31 October 2019)**

Category	Category description	Original Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Works	785,000	0	-	785,000	0%
II	Equipment & Material	860,000	32,016	-	827,983	3.72%
III	Goods, Services & Input	5,700,000	120,069	-	5,579,930	2.11%
IV	Consultancies	320,000	542	-	319,457	0.17%
V	Training & Workshops	2,840,000	63,461	-	2,776,538	2.23%
VI	Grants and Subsidies	3,000,000	0	-	3,000,000	0%
VII	Salaries and Allowances	570,000	82,407	-	487,592	14.46%
VIII	Vehicles	285,000	0	-	285,000	0%
	Unallocated	1,590,000	0	-	1,590,000	0%
	Authorized Allocation	-	1,640,000	1,031,373	(1,640,000)	0%
	<b>Total</b>	<b>15,950,000</b>	<b>1,938,496</b>	<b>1,031,373</b>	<b>14,011,500</b>	<b>12.15%</b>

**Table 1e: IFAD grant disbursements (EUR, as at 31 October 2019)**

Category	Category description	Original Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
IV	Consultancies	110,000	-	-	110,000	0%
V	Training & Workshops	240,000	-	-	240,000	0%
	Authorized Allocation	-	90,000	-	(90,000)	0%
	<b>Total</b>	<b>350,000</b>	<b>90,000</b>	<b>-</b>	<b>260,000</b>	<b>25.71%</b>

## **Turkey**

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### **Goksu Taseli Watershed Development Project**

#### **Mid-term Review**

#### **Appendix 2: Physical progress measured against AWP&B**

Mission Dates: 18 November - 3 December 2019  
Document Date 11/02/2020  
Project No. 2000000812  
Report No. 5342-TR

Near East, North Africa and Europe Division  
Programme Management Department



## Appendix 2: Physical progress measured against AWP&B

### Physical and Financial Execution

Components	Physical			
	Target	Actual	%	
<b>Component1- Agricultural Productivity and Natural Resource Management</b>				
Distribution of almond, walnut and olive seedlings (ha)	795	1 343	169%	
Establishment of New Vineyards	151	34	23%	
Rehabilitation of the Existing Vineyards	84	43	51%	
Establishment of New Cherry Orchards	9	1	11%	
Establishment of Strawberry Orchards	58	2	3%	
Postharvest Drying equipment and tools	42	4	10%	
Establishment of Greenhouses	225	135	60%	
Geomembrane Water Ponds	85	18	21%	
Solar Irrigation System	66	78	118%	
Drip Irrigation	268	29	11%	
Electrified Fencing	645	45	7%	
<b>Total</b>	<b>2 428</b>	<b>1 732</b>	<b>44%</b>	
<b>Component 2- Market Access Enhancement</b>	0	0	0	

Components	Physical Execution	Financial Execution
C1: 1. Improved Agricultural Productivity & Natural Resource Mgt.	44%	13%
C2: Market Access Enhancement & Value Chain Development	0%	0%
C3: Project Management	0%	21%
<b>Total</b>	<b>44%</b>	<b>12%</b>

## **Turkey**

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### **Goksu Taseli Watershed Development Project**

#### **Mid-term Review**

### **Appendix 3: Compliance with legal covenants: status of implementation**

Mission Dates: 18 November - 3 December 2019  
Document Date 11/02/2020  
Project No. 2000000812  
Report No. 5342-TR

Near East, North Africa and Europe Division  
Programme Management Department

### Appendix 3: Compliance with legal covenants: status of implementation

Description	Target/Action Date	Due	Compliance status
<b>Financing Agreement</b>			
<b>Section B Para 6 - Designated Accounts for IFAD Loan and Grant</b> Two designated accounts in EUR shall be opened and maintained in the Central Bank of Turkey	Start of Project		Complied.
<b>Section B Para 8. - Counterpart Funding</b> The Borrower/Recipient shall provide counterpart financing for the Programme in the amount of USD 3.85 million for project financing and forgone taxes.	Throughout the Project		Ongoing /Compliant
<b>Schedule 1 - Part II - Para 5 - Financial Management</b> The CPMU shall have overall responsibility for financial management of the Project and shall be supported by PPMUs. The CPMU will be staffed with a Senior Accountant recruited competitively and each of the PPMUs shall have an accountant seconded from within the PDAs.	Start of Project		Financial Management, Procurement and HR functions have been outsourced to UNDP.
<b>Schedule 1 - Part II - Para 6 - Project Implementation Manual</b> CPMU will develop a draft PIM covering all areas of implementation which shall be submitted to IFAD for no objection. The LPA shall adopt the PIM.	Start of Project		Complied - 7 April 2018
<b>General Conditions</b>			
<b>Section 7.01 (b) (ii) - AWPB</b> Before each Project Year, the LPA shall submit the draft AWPB to the Oversight Body for review. After the review, the LPA shall submit the draft AWPB to IFAD for comments no later than 60 days before the beginning of the Project Year. If IFAD does not comment on the draft AWPB within 30 days of receipt, the AWPB shall be deemed to be acceptable to IFAD.	31 January 2020		Complied with procedure but delayed substantially. Expected to submit to IFAD in January 2020
<b>Section 7.08 - Insurance</b> The Borrower / LPA shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practice.	Ongoing		Not compliant
<b>Section 7.11 - Key Project Personnel</b> The Borrower/LPA shall appoint the Project Director and all other key Project personnel in the manner specified in the Agreement or otherwise approved by the Fund. Key Project personal shall have insurance against health and accident risks to the extent consistent with sound commercial practice or its customary practice in respect of its national civil service, whichever is appropriate.	Ongoing		Not fully compliant as recruitment of key staff not completed still – Deadline: February 2020
<b>Section 8.01 - Implementation Records</b> The Borrower/Recipient shall ensure that Project Parties maintain records and documents adequate to reflect their operations in implementing the Project until the Project Completion Date and shall retain such records and documents for at least ten (10) years thereafter.	Ongoing		Complied and ongoing

Description	Target/Action Date	Due	Compliance status
<b>Section 9.01 - Financial Records</b> The Project Parties shall maintain separate accounts and records in accordance with consistently maintained appropriate accounting practices adequate to reflect the operations, resources and expenditures related to the Project until the Financing Closing Date and shall retain such accounts and records for at least ten (10) years thereafter.	Ongoing		Complied and ongoing
<b>Section 9.02 - Financial Statements</b> The Borrower/Recipient shall deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in accordance with standards and procedures acceptable to the Fund and deliver such financial statements to the Fund with four (4) months of the end of each Fiscal Year.	Ongoing		Partially compliant
<b>Section 9.03 - Audit of Accounts</b> The Borrower / Recipient shall within six (6) months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report.  The Borrower / Recipient shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof.	Ongoing		Complied
<b>Section 11.01 (c) - Taxation</b> The use of any proceeds of the Financing to pay for Taxes is subject to the Fund's policy of requiring economy and efficiency in the use of its financing.	Ongoing		Complied and ongoing
<b>Letter to the Borrower and Amendment to LTB</b>			
<b>Para 6 - Withdrawal Application</b> WA for Advance withdrawal and reimbursements may be submitted once ninety days have lapsed from the submission of the previous withdrawal application. If however, the requested withdrawal amount is at least thirty percent (30%) of the advance, advance application may be submitted even if ninety days have not lapsed.	Ongoing		Not Complied
<b>Para 12 - Designated Accounts &amp; Amendment to LTB - UNDP Account</b> The Borrower / Recipient is required to open and maintain two bank accounts (the Designated Accounts) denominated in Euro in the Central Bank of Turkey in order to receive IFAD loan and grant resources.  UNDP would use its own corporate account denominated in USD to receive financing proceeds in EUR from the Designated Accounts for Project operations (the UNDP account). The EUR proceeds will be converted to USD applying the prevailing UN exchange rate at the date when the EUR proceeds is received by UNDP.	Condition Withdrawal	for	Complied
	Upon Amendment to LTB	to	Complied
<b>Para 13 - Initial Advance and Amendment to LTB</b> Under impress arrangements, the maximum authorized allocation to the Designated Accounts will be EUR 1,000,000 and EUR 100,000 for the loan and grant respectively.  The maximum amount of Loan authorised allocation to the Designated Account has been increased to EUR two million.	Initial WA		Partially Complied
	Upon Amendment to LTB	to	Euro 640,000 and Euro 90,000 withdrawn for loan and grant respectively.

Description	Target/Action Date	Due	Compliance status
<b>Para 14 - Designated Accounts</b> Documents evidencing the opening of the Designated Accounts, with details of the names and titles of the persons authorized to operate these accounts, must reach IFAD before withdrawal from the loan and grant accounts can begin.	Condition Withdrawal	for	Complied
<b>Para 16 - Counterpart Funding</b> Counterpart funding for Project financing and forgone taxes will be according to the Annual Work Plan and Budget attributed to this funding source.	Ongoing		Complied.
<b>Para 17 - Beneficiaries Cash Contribution</b> Beneficiary Cash Contribution on matching grant activities shall be deposited in advance into suppliers', contractors' and service providers' bank accounts.	Ongoing		Complied
<b>Para 21 &amp; Amendment to LTB - Register of Contracts</b> All contracts must be listed in the Register of Contracts, which should be updated and submitted to IFAD Country Programme Manager on a monthly basis.	Monthly		Not compliant
<b>Para 23 - Interim Financial Reports (IFR)</b> Summary Interim Financial Reports must be submitted to IFAD at half yearly intervals within 45 days after the period-end.	Ongoing		Not Complied
<b>Para 25 - Audit Log</b> A copy of Audit Log should be maintained and updated regularly by the Borrower / Recipient.	Ongoing		Complied