

DEA-IFAD Tripartite Portfolio Review Meeting

18th December, 2018 , New Delhi

Summary of Discussions and Agreed Actions

1. General Observations:

The Tripartite Portfolio Review Meeting (TPRM) for IFAD assisted projects in India was held in New Delhi on 18th December, 2018. The meeting was jointly chaired by Mr. Prashant Goyal, Joint Secretary, DEA and Ms Rasha Omar, Representative, IFAD, India. The meeting was attended by representatives of all projects with the exception of JTELP.

In his opening remarks **Mr Prashant Goyal, JS, DEA** said that DEA looks at TPRM not only as an opportunity to review and support projects but also for learning more about the unique achievements and innovations in various projects. IFAD's assistance to India is not very big; however, the knowledge transfer is of critical importance. Outlining the fact that IFAD's lending terms for India have now changed to "ordinary", Mr Goyal said projects must ensure there are no delays in programme delivery and state governments play an important role in ensuring this. In the past, many extensions have been sought and granted but this must be avoided. DEA looks to IFAD to provide close monitoring support to the projects to ensure that delays are avoided and projects deliver optimally on their targets. On its part DEA stands ready to support the projects and IFAD in all possible ways to help resolve bottlenecks and challenges.

Ms. Rasha Omar, Representative, IFAD India presented an overview of the IFAD portfolio in India. The presentation is attached in annex 3.

Following the opening remarks, each project presented its physical and financial progress based on a set template shared with the projects. The list of the project presentations is in annex 4. The list of additional points that DEA would like to see included in the quarterly progress reporting submitted by IFAD and the presentations at the next TPRM is available in annex 5.

2. Specific Observations:

The specific observations discussed during the TPRM on the project performance, innovative features and agreed actions are reported below.

1. Integrated Livelihood Support Programme (ILSP) Loan No. 856-IN
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Summary of performance: Satisfactory project performance.
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The project continues to be a high performer in the India country portfolio. Cumulative expenditure as on 30 th Nov 2018 is INR 322.86 crores (59%). This is remarkable progress from 22.5% disbursement at MTR (May 2016). There are comprehensive efforts for marketing and a number of innovations are underway. After initial lag, the component 3 on livelihood financing has picked up during the year. As the Livelihoods Collectives and Production Clusters mature the
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project is prioritising both livelihood financing and marketing as reflected in its AWPB for 2019-20.

The project has developed a state-of-the-art M&E and MIS system which helps real time monitoring and reporting on all indicators. Having introduced a number of innovations the project has also been systematically studying the impact of these interventions through established institutions such as GB Pant University and the emerging results present a promising picture . For example, the portable chain linked fencing which was introduced by the project nearly 2 years ago has resulted in over 1166 ha area being protected from all ungulates & grazing animals, translating into income increase of 60 – 80 % and increase in cultivated area of vegetables, spices and fruits of 50 – 58% as farmers feel more assured of their crops' protection.

Update on implementation of last TPRM recommendations:

- *As recommended by the TPRM, the state government submitted a request for extension of the project to recover time lost due to the devastating flood situation that hit the state and the project area in 2013/14- The extension was approved by IFAD in May 2018 with the new project completion date of 31st March 2021 and closure date of 30th Sept 2021.*
- *The project was advised to modify the format of the presentation so that project locations are clearly specified, project activities and value added to state Government are clearly stated, outputs achieved are presented against project planned targets, and cost of project management is explicitly presented- This was done and the project used an innovative presentation template that presented all relevant information in a concise way.*

Innovations of national interest:

- **Promotion and Comprehensive management of agri technologies through community groups:** The project continues to innovate in a number of areas. The project has introduced 138 Farm Machinery Banks (FMBs) and 12 Custom Hiring Centers managed by the Livelihood Collectives leading to profits of approx. INR 8.6 lakhs; time saving for 70% households of upto 2 hours and 50-60 % reduction in drudgery. The state has included FMB maintenance under skill development programme. Impressed by the success of the initiative, the state Dept of Agriculture has agreed to allocate an additional 200+ FMB for ILSP LCs.
- **Comprehensive marketing strategies:** the project has made all round investments in marketing. Starting with preparing Cluster Business Plans, *the project has invested in 484 Small Collection Centers and 53 Collection Centers which have contributed in aggregation and short term storage. Government has handed over Unutilized Space / buildings to LCs for setting up processing units, outlets, storage and other business activities. Currently there are 11 major HILANS Kisan Outlets, 9 Nano-packaging units and 9 Cool Chambers at district head quarter, Weekly Haat Bazaar for perishable commodity. Product sale through Amazon has also started. Most importantly, the project developed an umbrella brand- Hilans- for all rural products. The common brand and marketing strategy of ILSP is being used by NRLM, JICA and others*
- **Prasad making using local crops:** As there are many temples and yatra routes in the state, the project trained women to prepare Prasad thereby *promoting local produce and at the same time providing employment and income to rural women. Temple Committee have started to give preference to women's groups for making Prasad. 14 LCs/ 94 PG/VPG and over 825 women are engaged in making Prasad using amaranthus. Additionally 7 Groups/ 55 women are using jatamashi, ogal, waste flower for making dhoopbatti. Women have so far made a profit of Rs 36.26 Lakh from laddus, Rs 19.26*

Lakh from dhoopbatti but most importantly the price of Amranthus has increased from Rs 6/kg to Rs 40/kg and more farmers are interested in growing this crop now.

	Agreed Actions	Responsibility	Timeline
1.	Expand market linkages and develop a brand, if needed, to enhance income of farmers	ISLP	ongoing
2.	Submit proposal to DEA for scaling-up the project to cover all hill blocks of the project districts. DEA to consider it for financing based on merit of the proposal and availability of funds.	ILSP/ GoUK and DEA	Mid 2019

2. Convergence of Agricultural Interventions in Maharashtra (CAIM) Loan No. 779-IN

Summary of performance: Moderately satisfactory project performance.

CAIM will be completing operations in December 2018 and closing in June 2019. The Project largely achieved its targets. However, implementation was severely disrupted in second half of 2017/18 by: a) delayed release of funds for the budget 2017-18 and for the budget 2018-19 ; b) delayed approval of the use of exchange rate gains; c) allegations of mis-procurement and corrupt practices identified in the audit report of FY 2016-17 and these allegations are under investigation by the State Government of Maharashtra. As several activities and MoUs/ Agreements were still on-going in December 2018 for big ticket activities, the project sought another 12 months for completion. Disbursement stood at 61.31% at the time of TPRM.

Update on implementation of last TPRM recommendations:

- *GoM to take decision regarding use of exchange rate gains by the project* - The GoM approved the use of exchange rate gains but released the funds only in November 2018, one month away from the completion date.
- *As part of its completion, CAIM was advised to document its various innovations and the potential for scaling them up in the State* - the project reported that an agency has been appointed to document the innovations and the final documents are expected by May 2019.
- *Project to document impact on the situation of farmers suicide* - the project has engaged an Agency to document the impact in the project. The agency will submit the final documents by May 2019.

Innovations of national interest:

- The project undertook innovative livelihood ideas such as freshwater fishery with over 690 beneficiaries and Coleus cultivation with over 340 farmers in 40 villages generating profit of Rs.80000/Acre; wet and dry mushrooms with 400 beneficiaries in 29 villages generating Rs. 15000/cycle (for dry mushroom)
- The project achieved very good convergence with the Jalyukt Shivar Abhiyan of the government of Maharashtra around soil and water conservation in 1166 villages representing 97% of the project target.
- Partnership with Better Cotton Initiative continues to yield impressive gains for 150,000

farmers. The average increase in farmers' profit from cotton is about 22%.

	Agreed Actions	Responsibility	Timeline
1.	Explore if the project funds could be cancelled and reallocated to another project (ILSP)	IFAD	IFAD reported to DEA that as per IFAD procedures, funds could not be cancelled during the last year of project implementation, and re-allocated to another project. The unutilized balance will be cancelled at loan closing.
2.	Review the request for CAIM one year extension submitted by Government of Maharashtra	DEA and IFAD	DEA and IFAD reviewed GOM request and concluded that the project does not qualify for extension. DEA informed GOM accordingly vide letter dated 31/12/2018 to Principal Secretary (Marketing), GOM.
3.	Ensure that endline study captures data from control group to demonstrate impact vis a vis non-project area.	CAIM	15 th May 2019
4.	Ensure submission of the audit report for FY 2017-18 by 31 st December 2018	CAIM	Audit report received and transmitted to IFAD HQ by 31 Dec 2018.

3. Meghalaya Livelihoods and Access to Market Project (Megha-LAMP) Loan No.2000000648

Summary of performance: Unsatisfactory project performance.

LAMP is now in the 5th year of implementation and past the Mid Term Review (MTR) stage. So far, the project has been able to cover only 21% of its outreach target and disburse INR 43.66 Cr (3.97% of IFAD loan). With the exception of Component 2- Rural Finance- the project has been lagging on its other components, namely Natural Resource Management & Food Security and Inclusive Supply Chains and Market Access. The project is classified as a problem project.

In view of its all-round slow progress, IFAD advanced the MTR to mid-2018 and together with the state government and project authorities significant restructuring was done. The MTR has laid out a roadmap for action including simplification of the complex Programme management

structure and it will take a sustained intensive effort from management and project staff over the next 12 months to turnaround the project. The state government has taken the MTR report seriously and has initiated close and frequent review at very senior level.

Update on implementation of last TPRM recommendations:

- *It was proposed that given the low pace of project implementation and the complexity of the management set-up, the mid- term review of LAMP planned in 2018 should look into re-structuring the activities of the project and consider partial cancellation of the IFAD loan if required* - The MTR mission was organized from 25th June to 11th July 2018. MTR suggested major modifications in project components , logframe and revised cost tables.
- *It was proposed that LAMP is promoting farmers' one stop shops (FOSS) and this is also a concept adopted in APDMP. Both projects can schedule exposure visits to review, compare and draw lessons to improve the performance of the FOSS* - Currently LAMP is promoting FBS in collaboration with CIP under an IFAD Grant. Exchange visits between LAMP and APDMP are yet to be organized.

Innovations of national interest:

- **Integrated Village Co-operative Societies (IVCS):** Home-grown community led institutions in the villages to address the challenges of financial inclusion and delivery of financial services in the State. Besides provision of savings & credit services and other financial services, IVCS are also gearing up to undertake other economic and income generating activities to improve the welfare and livelihood of its members.
- **Integrated Knowledge Management for effective programme implementation:** The project has developed a model approach to Knowledge management which is fully integrated into programme delivery. It is built on three pillars of internal communication, external communication and community communication using a mix of regular (video, print) and innovative tools (community dialogue).

	Agreed Actions	Responsibility	Timeline
1	Ensure frequent review and bring any major problems to the attention of DEA	IFAD	Continuous
2	Ensure timely action on MTR recommendations	Megha LAMP / Govt of Meghalaya	Immediate

4. Andhra Pradesh Drought Mitigation Project (APDMP) Loan No. 2000001749

Summary of Performance: Moderately satisfactory project performance

The project became effective in September 2017 and the start-up workshop took place from 29 January to 1 February 2018, signalling implementation readiness. The project has just entered into its second year of implementation and has kick started crop production and livestock related activities. The target for FPO formation and registration has been achieved. Cumulative expenditure is INR 21.46Cr (13.92%). Project has initiated a number of innovations through convergence. Notably, protective irrigation whereby farmers get one life saving irrigation to secure crops from the dry spell is being facilitated through convergence. Similarly sprinklers/ rain guns & Diesel pumps are mobilised through convergence.

One of the key challenges the project is facing is the lack of timely fund flow which is hampering the pace of work. As the state government is facing a situation of resource crunch, this situation could be addressed by increasing the amount of IFAD's advance for the project from the current level of USD 3 million to USD 10 million. This will resolve issues of liquidity.

Update on implementation of last TPRM recommendations:

- *Re-assess the development of grazing land based on understanding of livestock feeding practices in project area and potential gains from the rehabilitation of grazing land* – The project is replicating the regeneration of rangelands based on successful experience in this domain in State of Andhra Pradesh. The project identified 520 Ha out of total 40,000 Ha targeted by the project. The rehabilitation of the rangelands targets the wasteland held under the Revenue Department. When regenerated/ vegetated through soil and water conservation and seeding of different varieties of grass/shrubs/trees, it can produce up to 4 tons fodder/ha.
- *Organize sharing of knowledge and good practices so that successful initiatives can be quickly replicated and generate positive results.*- The project prepared manuals, flip charts, posters and pamphlets for knowledge dissemination among project beneficiaries and the manuals are farmer user friendly. The project is yet to prepare a Knowledge Management Strategy.

Innovations of national interest –

- **Navdhanya:** this is a model of mixed cropping done in a planned pattern to ensure that farmers are able to harvest crops at regular intervals. It is planned to have three main divisions-Main crop, Inter crop and Mixed crop and include a wide range of crops from cereals, legumes to vegetables and oilseeds. So far the project has supported 15,260 farmers.
- **Community Managed Seeds Systems** involves timely supply of quality seeds at affordable prices managed by FPOs as well as decentralized production and distribution of locally required seed. This helps in achieving local self-sufficiency in seeds to meet drought contingencies and brings purified indigenous seed into seed chain. Project has presently started this with Groundnut and Redgram seeds.

	Agreed Actions	Responsibility	Timeline
1.	Increase Initial Advance from 3 Million USD to 10 Million USD (As requested by Finance: Dept., GoAP)	APDMP PMU with support from IFAD and DEA	March 2019
2.	Accelerate fund flow	Govt of AP	Immediate and ongoing
3.	Submit the withdrawal applications in a periodic manner	APDMP	Continuous

5. Fostering Climate Resilient Upland Farming Systems in the North East – Nagaland
loan no is 2000002173 and the grant no is 2000002174

Summary of performance: N/A (first year of implementation)

The project was approved by the IFAD Executive Board in December 2017 and the financing and

project agreements were signed on 25 January 2018. FOCUS Nagaland addresses the issues facing jhum cultivation through: (i) better jhum cultivation practices; and (ii) supporting jhumia households to adopt alternative farming systems, particularly, sedentary farming. Both of these approaches will contribute to enhance farmers' incomes, reduce pressure on natural resources and increase resilience to climate change. As farmers move to more market-orientated production, the project will support improved market access and value chain development.

Following a temporary delay owing to the legislative assembly elections the project started work in full earnestness. All staff have been recruited and the project has rolled out the Free and Prior, Informed Consent (FPIC). Trail run for Participatory Land Use Planning in 28 villages (3 villages each from each district) has been conducted. Cumulative expenditure as on 30th Nov is INR 3.07 crores (4.97%).

There have been delays in the engagement of FAO and ICAR for provision of technical support to the project and this needs to be expedited as field level activities have started.

Update on implementation of last TPRM recommendations:

- *It was agreed that DEA would respond to the two State Governments regarding their request to release the initial deposit from the IFAD loan- Necessary action has been taken in this regard and Rs 13.13 Cr (USD 2 million) was released on 3rd July 2018.*

Innovations of national interest:

- In its first year of implementation the project is rolling out a comprehensive bottom up planning process which includes utilizing Traditional Ecological Knowledge (TEK) to enhance benefits of the community. The project is also proposing intergenerational transfer of TEK by involving the youth.
- Additionally, some of the agriculture related innovations planned by the project are: (i) use of remote sensing capacities to facilitate Village Councils to identify lands appropriate for cultivation and to avoid using steeply sloping lands for *jhum* cultivation, as is prevalent currently; (ii) introduction of fertility management practices using both biological measures and introduction of “nano-nutrient delivery systems”; (iii) use of traditional knowledge in erosion control for ensuring extension of cultivation period from currently one year to at least three years; and (iv) use of better agronomic practices to introduce agroforestry, linear planting, cereal and pulse cultivation; (v) improved livestock feeding practices using locally available materials such as roots and tubers, banana stalks etc; (vi) value chain development around selected spices, horticultural crops and livestock to diversify livelihoods and enhance incomes of their rural population. These will be documented and presented in subsequent TPRM meetings.

	Agreed Actions	Responsibility	Timeline
1.	Follow up with FAO to ensure prompt signing of Grant agreement so that project can receive technical assistance/ support for Baseline survey and Training of Trainers on technical topics related to shifting cultivation and settled agriculture	IFAD	Jan 2019
2.	Finalise MoU with ICAR for provision of technical support	SoCRAN and IFAD	March 2019

3.	Complete staff recruitment and organise project start up workshop	SoCRAN and IFAD	Jan 2019 – The start-up workshop was held from 14-18 January 2019
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6. Fostering Climate Resilient Upland Farming Systems in the North East – Mizoram
loan no is 2000002119 and the grant no is 2000002123

Summary of performance: N/A (first year of implementation)

The project was approved by the IFAD Executive Board in December 2017 and the financing and project agreements were signed on 25 January 2018. FOCUS Mizoram like FOCUS Nagaland addresses the issues facing jhum cultivation through: (i) better jhum cultivation practices; and (ii) supporting jhumia households to adopt alternative farming systems, particularly, sedentary farming. Both of these approaches will contribute to enhance farmers' incomes, reduce pressure on natural resources and increase resilience to climate change. As farmers move to more market-orientated production, the project will support improved market access and value chain development.

The project is implementing start up activities: so far, the deployment of government officials from Agri/ Horti/ Veterinary Dept to SCRAM is almost 75% done; vehicle purchase is underway; staff recruitment has had a delayed start and is expected to be completed by January end; 30% land use mapping has been completed through MIRSAC. Cumulative expenditure of the project is 1.0348 Cr.

The project is dealing with a few initial challenges- (1) the IFAD Fund (initial deposit) released to the State Govt is still lying with the Finance Department and (2) The Directorate Building which was assigned for the FOCUS office is being dismantled and reconstructed so it could not house the project team. Consequently, office space now needs to be rented.

Update on implementation of last TPRM recommendations:

- *It was agreed that DEA would respond to the two State Governments regarding their request to release the initial deposit from the IFAD loan - Necessary action has been taken in this regard and Rs 13 Cr (USD 2 million) was released to the state government.*

Innovations of National Interest:

- The project has just started field implementation and will be undertaking the Free Prior Informed Consent to engage the communities.
- Additionally, some of the agriculture related innovations planned by the project are: (i) use of remote sensing capacities to facilitate Village Councils to identify lands appropriate for cultivation and to avoid using steeply sloping lands for *jhum* cultivation, as is prevalent currently; (ii) introduction of fertility management practices using both biological measures and introduction of “nano-nutrient delivery systems”; (iii) use of traditional knowledge in erosion control for ensuring extension of cultivation period from currently one year to at least three years; and (iv) use of better agronomic practices to introduce agroforestry, linear planting, cereal and pulse cultivation; (v) improved livestock feeding practices using locally available materials such as roots and tubers, banana stalks etc; (vi) value chain development around selected spices, horticultural crops and livestock to diversify livelihoods and enhance incomes of their rural population. These will be documented and

presented in subsequent TPRM meetings.			
	Agreed Actions	Responsibility	Timeline
1.	Complete staff recruitment and organise start up workshop	SCRAM and IFAD	End Jan/ early Feb 2019
2.	Pursue the release of funds from the state government (Finance Dept) to the project account	PD & DEA	Jan 2019
3.	Follow up with FAO to ensure prompt signing of Grant agreement so that project can receive technical assistance/ support for Baseline, Training of Trainers etc.	IFAD	Jan 2019
4.	Finalise MoU with ICAR for provision of technical support	SCRAM and IFAD	March 2019
7. Jharkhand Tribal Empowerment & Livelihoods Project (JTELP) Loan No. 879-IN			
Summary of performance: Moderately unsatisfactory performance			
<p>This project is rated as a problem project by IFAD: JTELP has largely achieved its output targets but the outcomes on livelihoods still slow to materialize. One year after the project mid-term review in 2017, the IFAD supervision mission in September 2018 assessed the project progress as unsatisfactory. As a result, the State Government is taking proactive measures to redress the performance of the project. In addition, DEA and IFAD are conducting periodic reviews of the project physical and financial progress.</p>			
Update on implementation of last TPRM recommendations:			
<ul style="list-style-type: none"> - <i>It was agreed the project would ensure to develop the required support services at community level and that these are sustainable</i> – The project is developing the support services but their management needs to be significantly strengthened from a technical and business point of view (farmer service centres, livestock breeding centres, paraveterinary services, village extension). The project is hiring two technical support agencies to assist in the development of effective and sustainable crop and livestock related services. - <i>It was agreed to undertake cross learning with Tejaswini MP which has good initiatives to address malnutrition</i> – JTELP did not undertake this cross learning in FY 2018-19 and as a result, the nutrition gardens that JTELP established were much less effective than those of Tejaswini MP. 			
Innovations of national interest:			
<ul style="list-style-type: none"> • The project was planning to launch the poverty graduation approach in PVTG villages in FY 2018/19. But it did not get the necessary government sanctions in time. This is now postponed to FY 2019-20. 			
	Agreed Actions	Responsibility	Timeline
1.	Periodic update on the implementation of supervision recommendations, physical and	JTELP	Continuous

	financial progress		
8. Odisha PTG Empowerment and Livelihoods Improvement Programme (OPELIP) Loan No. 2000000695			
Summary of performance: Moderately Unsatisfactory project performance			
<p>OPELIP became effective on 18 March 2016 and the project is now in its third year of implementation. Project implementation has accelerated in this third year since the appointment of a new Project Director. So far, the project gave priority to PVTG coverage (71% of the PVTG households living in the project area have been reached). The Entry Point Activities are in various stages of completion in 1115 project villages (100% of the project target at design) and 910 Village Development Associations (89% of the project target at design) have been registered and their accounts opened and the funds transferred for Rabi activities. In order to compensate for the slow start up in the first two years, the project has frontloaded the livelihood enhancement activities for the PVTG and other tribal populations around the concept of commodity clusters, and ensuring market for niche products. OPELIP is however facing a challenge of rolling out its activities in the project area : 31 villages in 2 districts are affected by LWE and the project has so far not been able to mobilize the communities and establish the village development associations and committees. This will delay implementation in these villages. The project management feels that the positive results in the villages where OPELIP is implemented will help overcome initial resistance of these communities.</p> <p>The main factors responsible for a moderately unsatisfactory performance are : (i) the significant delay in the land survey and allocation for landless households in the PVTG communities. This undermines the benefits accruing to PVTG from INRM and livelihoods development; (ii) the low disbursement rate which stands at 9.9% of the IFAD loans; (iii) delayed submission of the combined audit report for FY 2016-17 and 2017-18; (iv) weaknesses in procurement.</p> <p>DEA and IFAD are conducting periodic reviews of the project performance. There is approx. 15 million USD of savings under the IFAD loan and this can be used to bridge the financing gap appearing in the project (as a result of more limited access of the project to financing from CCD, Art 275 and SCA to TSP) but would require prior approval by the GoO and DEA, of the amendment of schedule 2 of the financing agreement.</p>			
Update on implementation of last TPRM recommendations:			
<ul style="list-style-type: none"> - <i>DEA requested IFAD and OPELIP PMU to ensure that the IFAD loan resources do not substitute for Government investments and clearly provide added value to the State-IFAD loan resources shall not be substituted in case of any activity which can be met out of Govt. fund. The programme shall ensure convergence with the schemes applicable to the beneficiary of programme areas.</i> - <i>Project requires a high performing and dedicated management team and Govt of Odisha to ensure that this is done on priority - A full time Project Director has been appointed by the Govt of Odisha in May 2018 and she currently holds multiple charges. The Deputy Project Director was appointed in November 2018.</i> 			
Innovations of national interest: N/A			
<ul style="list-style-type: none"> • Participatory Patch Planning: this is being done as part of the village development plan 			

to identify appropriate soil and water conservation as well as afforestation works. The FNGOs responsible for social mobilization and village planning, develop a draft GIS Map, carry out Geographical Transect and Land use planning survey with the local communities. Based on the current land use, problems of land productivity/ erosion/ irrigation are identified and solutions proposed to make the land more productive especially those lands allocated to landless PVTG households. Potential investments in soil and water conservation, irrigation, afforestation are then reflected in the village development plan.

- **Entry Point Activities (EPAs)** to build trust of PVTGs in the project. PVTGs are usually closed groups and it takes a lot of effort and time to build their trust. The project is implementing EPAs in 1115 villages and this has built confidence with the PVTGs. The cost of EPAs are on average 2 lakhs INR/ village, implemented with in-kind participation of the community (namely labour), and the asset thus created is managed by the village development committee. Examples of EPAs include : repairing drains, dug well desilting and repair, maintenance of irrigation channels, bore well repair and maintenance, repair and maintenance of places of worship, solar lights, etc.

	Agreed Actions	Responsibility	Timeline
1.	Submission of Audit Report which has been delayed beyond the due date of 30 th Sept.	OPELIP PMU	By 27 th Dec, 2018 – Report submitted to IFAD
2.	Expedite the completion of allocation of land titles to landless PVTG households	OPELIP PMU	31 January 2019
3.	Submit request to DEA for amendment of the schedule 2 of the financing agreement to expand the scope of eligible expenditures for the IFAD loan under the 2 categories of works and goods/services/inputs and as a result absorb approx. 15 million USD in savings.	OPELIP PMU/ ST&SC Development Dept	31 March 2019

9. Tejaswini Rural Women’s Empowerment Programme – Madhya Pradesh (TRWEP-MP)
Loan No. 682-IN

Summary of performance: Satisfactory project performance.

Tejaswini project reached completion on 30th Sept 2018 and is now in the final stages of preparation for closure on 31st March 2019. The project received two loans (i) an initial loan of USD 13 million for an 8 year period and (ii) an additional financing of USD 15 million for a 3 year period. The initial loan is fully disbursed whereas the additional loan is 76% disbursed. This includes an exchange rate gain of approx. INR 20 crores on the first loan. There is expected to be some cancellation at closure.

Tejaswini–MP has achieved most output targets with the major exception of bank linkage related targets. In absence of bank support, MVVN supported the federations to start financial intermediation through Revolving Fund. In the closing year, the project focused on institution building and livelihoods promotion. Towards sustainability, MVVN has (i) set up a range of market linkages, mostly institutional markets, for the various products of Federations (ii) proposed the formation of District level Apex organisation (iii) mobilised funds from other government departments to finance activities beyond project period. Most notably, 9 tribal

federations have received INR 1.39 crore each for Conservation of traditional Agriculture through enhancement of technical knowledge, productivity enhancement of traditional crop, agri-processing & market Linkages” for 3 years (iv) set up strong linkages with district administration for ongoing support.

The institutions created under the project are vibrant and would still need handholding beyond project period. There is an emergent need to equip MVVN for such handholding and the state government is exploring various possibilities in this regard.

Update on implementation of last TPRM recommendations:

- *Project should ensure that all activities are completed by September 2018 and should launch the impact assessment studies of the project-* Most of the project activities have been completed.; endline survey and case studies have been completed and the draft Project Completion Report was awaited at the time of the TPRM.
- *Project to send samples of Kodo bars to the ICDS/ Ministry of Women and Child Development, Govt of India to discuss scope for replication of this model in other states -* The Samples of Kodo Bars have been sent to Ministry of Women & Child Development. Supply of Kodo Bars was piloted in one of the projects in Dindori. Now this has been replicated in 3 other locations in Dindori. Also, on the same lines, the State Government has ordered supply of Gud Chikki in one project in Chhattarpur.

Innovations of national interest

- Implementation of Shaurya Dal (Courage brigades) which have systematically addressed deep rooted mindsets and violence against women in the project area. This model was scaled up across the whole state in 2014-15.
- Implementation of low cost, simple, innovative strategies to improve the situation of nutrition: “7Day -7 Plots” ; Tiranga Thali or Tri-colour Plate. Additionally, the project is promoting production of minor millets like kodo and kutki and is supplying kodo bars to Anganwadi centres thereby generating income for women members of the Federations and better nutrition for the children and pregnant women at the Anganwadi centres. The project is also promoting nutri-bakeries that are making nutritious baked products for the market.
- Promotion of Government financed “Custom Hiring Centres” through Tejaswini Federations.
- Developing Federation as Implementing Partner, accessing Funds from the State Govt. for Conservation of Traditional Agriculture.
- Federations entering into a wide range of institutional partnerships for marketing, including two Years Agreement for supply of Spices and Vegetables to Tribal Hostels.

	Agreed Actions	Responsibility	Timeline
1.	Project to finish PCR related studies and reports in time end ensure timely closure of the project	PMU	January 2019 – All studies undertaken by project are now completed
2	Govt of India to write to Govt of Madhya Pradesh to extend handholding support to Federations post closure	DEA	March 2019

10. Post-Tsunami Sustainable Livelihoods Programme for Coastal Communities of Tamil Nadu (PTSLP) Loan No. 662-IN, 691-IN and Additional loan no 2000001433

Summary of performance: Moderately satisfactory project performance.

PTSLP is on track to achieve many of its physical targets in the 6 initial districts (Kancheepuram, Villupuram, Cuddalore, Nagapattinam, Kanyakumari, Thiruvallur). The rate of physical achievement across various outputs exceeds 80% in these districts. The main priority now is the sustainability of project activities and benefits. For additional districts (Thoothukudi, Tirunelveli, Ramanathapuram, Pudukottai, Thanjavur and Thiruvarur) in which PTSLP activities are funded through an additional IFAD loan, the main priority is managing the 18 months delay in implementation. The PTSLP submitted a request for project extension for one year to complete the activities planned in 6 additional districts, under the additional financing.

In terms of increasing resilience to shocks, the programme is doing well in rolling out a number of insurance products where most of the uptake is for life and accident insurance ; and an asset insurance for fisher folk was launched in 2017. The project is also operating the Vulnerability Reduction Fund (VRF) and Debt Redemption Fund which help women and fishers respectively repay high interest debt obtained from moneylenders at usurious rates.

Artisanal fishers continue to report declines in fish catches as a result of rapid increase in fishing activity by commercial boats, and use of banned fishing gear such as ring seines and bottom trawling in most of the districts. As a result of these intensive fishing activities, average catches and incomes for artisanal fishers are falling in affected areas and is the main reason why fishers are not able to service their loans in time. As a result of the large damage inflicted by cyclones Okchi in 2018 and Gaja in 2018, the continuous weather warning to fishers is dissuading them from going out to sea and this is affecting the total catch and income thereof.

The Project is closely engaging with the State Department of Fisheries, which has the legal mandate for enforcing regulations against the use of banned fishing gear. The Project is also in discussion with the Fish Marketing Societies to re-schedule the fishers' repayment of the debt redemption fund.

The project is now facing a new challenge which is the MFIs extending individual financing, and this is creating competition with the group guaranteed loans that the Panchayat Level Federations (PLF) and Fish Marketing Societies (FMS) are providing to their members, and which constitute the main source of earnings for these organizations supported by the project. The project is looking at options for the PLF and FMS to provide more attractive financial products to their members following simplified and effective procedures.

Update on implementation of last TPRM recommendations:

- *PTSLP to Coordinate with Fisheries Department on issue of use of banned gear and its impact on artisanal fishers* - Department of Fisheries has organized 95 Village wise awareness campaigns in 12 coastal districts on the ill effects of using banned fishing gears which is building up peer pressure in abandoning the practice. A follow up meeting was held with Director of Fisheries on 16.11.2018. He has assured to take action and penalize the defaulters under the provisions of Tamilnadu Marine Fisheries Act 1983.
- *With 14 months left for implementation, the loan resources may not be fully utilized and the State Government of Tamilnadu may consider partial cancellation of the loan resources* - IFAD has been requested by Government of Tamil Nadu through Government

of India, vide letter no. 2310/A2/PTSLP/2014 dated 28.11.2018 to extend the Project activities for one more year beyond 31.03.2019.

Innovations of national interest

- Fish Marketing Societies (FMS)** : The FMS were created to address the indebtedness of the artisanal fishers due to non-availability of formal credit, the exploitative terms and practices in fish marketing. The FMS are formal entities, registered under the Tamil Nadu Societies Registration Act and they have a membership of 30 to 100 artisanal fishermen. The FMS provide the following services : (i) debt redemption loans to members ranging from Rs. 38,000 to Rs. 70,000; (ii) compulsory savings; (iii) auctioning the fish catch of the members; (iv) providing Insurance products; (v) supplying fishing equipment. As a result, 5433 artisanal fishers redeemed their debt from the middle men and traders; the value of fish marketed through FMS's auctions reached INR 1197 million and leading to 20 to 30% increase in prices of fish in favour of the fishers; the savings of FMS members reached INR 66 million; all FMS members are covered under life and accident insurance. Currently, 62% FMS are generating a surplus in revenues.
- Community managed Fishing Asset Insurance:** covering loss of boat and motor due to natural calamities in the sea. It was launched in 2017. Insurance coverage for claims for losses occurred due to natural disaster is covered by the mainstream insurance company (UIIC). There is also an exclusive Risk Management Fund to provide compensation for the individual loss of equipment of the members due to collision, capsized and accident. Premium is low at 1% value of the asset and 60% loss / damage is treated as total loss. All type of risks are covered with limited exclusions, and the claim settlement procedures are easy. A total of 10,100 small scale fishing units worth INR 633 million have been protected from total loss at a premium of INR 6.33 million. 8 claims of INR 0.42 million were settled for individual accidents. 37, 060 households of small scale fishers including the crew member's families are covered under the scheme. The PTSLP is working with the Fisheries Dept of Government of Tamil Nadu to extend the fishing asset insurance to all artisanal fishers in the State.

	Agreed Actions	Responsibility	Timeline
1.	IFAD to respond to DEA request for PTSLP extension	IFAD	Immediate – IFAD responded favourably on 22 Feb 2019

3. Concluding remarks

Delivering the closing remarks **Mr Vishal Pratap Singh**, Deputy Secretary DEA, said that as loans from IFAD are now on ordinary terms, every party involved has to be more accountable in the way the funds are spent and the results are measured. He specifically stressed that:

- Projects should do meaningful comparisons with non- project area to assess real impact of the project on the lives of the poor and small holders.
- There should be a mapping of the key performance indicators with the "action owners", especially the Management, Finance, Procurement teams within the project.
- DEA's role is to step in whenever there is a problem. This should not wait till TPRM. There should be real time resolution of problems and DEA is ready to actively engage where needed.

In response to the issues above, DEA provided IFAD with a list of points that should be reflected in subsequent quarterly progress reports as well as in the presentations during the next TPRM (annex 5).

Mr Singh also updated the participants about the changes happening within IFAD. IFAD has set new targets for domestic co-financing and has made its norms more stringent for example first disbursement has to take place within 18 months failing which the project would be cancelled. Project pre-financing facility has been made available and should be used to avoid any start up delays.

In conclusion, he said that DEA is planning up to 3 projects in IFAD 11 of which 1 is already approved. DEA is actively following up with states for innovative concept notes.

The TPRM ended with a vote of thanks from Ms Omar and Mr Singh.

Annex 1 : List of Participants

Name	Designation	Organisation
Mr. Prashant Goyal	Joint Secretary	Dept of Economic Affairs, MoF
Mr. Sukhbir Singh	Controller of Aid, Accounts & Audit	Dept of Economic Affairs, MoF
Mr. Vishal Pratap Singh	Deputy Secretary	Dept of Economic Affairs, MoF
Mr. J.K. Choudhury	Under Secretary	Dept of Economic Affairs, MoF
Mr. Himanshu Singh	Assistant Section Officer	Dept of Economic Affairs, MoF
Mr. Arup Kumar Das	Section Officer	Dept of Economic Affairs, MoF
Ms. Mridula Pandey	Consultant	Dept of Economic Affairs, MoF
IFAD		
Ms. Rasha Omar	Country Representative	IFAD
Ms. Meera Mishra	Country Coordinator	IFAD
Mr. S. Sriram	Associate CPO	IFAD
Projects		
Mr. Gladstone Pushparaj	Additional Project Director	PTSLP
Mr. Subhash Nagre	Additional Project Director	CAIM
Ms. Rupali Dabhane	Agri. Business Expert	CAIM
Mr. D. Senthil Pandiyan	Chief Project Director and Secretary Agriculture	ILSP
Mr. Kapil Lall	Project Director, WMD	ILSP
Mr. Sanjay Saxena,	Programme Manager Agriculture-Horticulture	ILSP
Mr. Kapil Upadhyay	PM - Market Access	ILSP
Mr. Rajeev Singhal	Manager, KM	ILSP
Mr. Ajay Purohit	Manager MIS	ILSP
Ms. Mansi Nimbhal	Project Director	OPELIP
Mr. V.D.V. Krupadas	Chief Operating Officer	APDMP
Mr. D. Vijay Kumar	Secretary, Planning	GOM
Mr. Sushilesh Sahai	CEO, MBMA & Project Director	M-LAMP
Mr. Jun Joshias Momin	OSD	M-LAMP
Mr. Arindam Pachani	Manager, M&E	M-LAMP
Mr. R.K. Nithanga -	State Project Director, FOCUS	FOCUS Mizoram
Ms. Hmangaihzuali Khawlhing	Deputy Director, Horticulture	FOCUS Mizoram
Ms. Anjelina Tagen	State Project Director, FOCUS	FOCUS-Nagaland
Mr. Roko Chase	Knowledge Manager	FOCUS-Nagaland
Ms. Tini Pandey	Manager, GI	Tejaswini MP
Ms. Seema Raghuvanshi	Communications Manager	Tejaswini MP

Annex 2 : Agenda

DEA-IFAD Tripartite Portfolio Review Meeting

Amaltas Hall, India Habitat centre, New Delhi

18th December, 2018

- 9:30 – 10:00** **Registration of participants. Share Fair Set-Up and Coffee/tea**
- 10:00 – 10:15** **Opening remarks** by Mr. Prashant Goyal, Joint Secretary, DEA, GoI
- 10:15 – 10:30** **Overview of country portfolio** by Ms Rasha Omar, Country Representative, IFAD
- 10:30 –12:30** **Presentation by projects and discussion** (10 mins for ppt; 10 mins for discussion) – by thematic areas
- Climate resilient agriculture and improved smallholders' access to markets
 - 856-IN Integrated Livelihoods Support programme in Uttarakhand (ILSP)
 - 779-IN Convergence of Agricultural Interventions in Maharashtra (CAIM)
 - 200000648-Meghalaya Livelihoods and Access to Markets Programme (Megha-LAMP)
 - 2000001719 Andhra Pradesh Drought Mitigation Project
 - Fostering Climate Resilient Upland Farming Systems in the Northeast (FOCUS) in Mizoram and Nagaland
- 12:30 – 14:00** **Lunch**
- 14:00 - 16:45** **Presentation by projects and discussion** by thematic areas - Contd
- Tribal Development
 - 879-IN Jharkand Tribal Empowerment and Livelihoods Project (JTELP)
 - 200000695 Odisha PTG Empowerment and Livelihood Improvement Project (OPELIP)
 - Social and economic empowerment of women
 - 682-IN Tejaswini Women's Empowerment and Livelihoods Programme in Madhya Pradesh
 - 662-IN Post Tsunami Sustainable Livelihoods Programme (PTSLP)
- 16:45 - 17:00** **Closing remarks** by Mr Vishal Prashant Singh, Deputy Secretary, DEA, GOI

Annex 3. Presentation on the IFAD supported Country Programme in India



Tripartite Portfolio Review Meeting
18 December 2018, New Delhi



Outline

- Performance in 2018:
 - Overview of project portfolio
 - Main achievements
 - Disbursement
 - Release of funds
 - Projects at risk and performance management
- Looking ahead
 - COSOP 2018-2024
 - PBAS
 - Lending terms
 - Scaling up

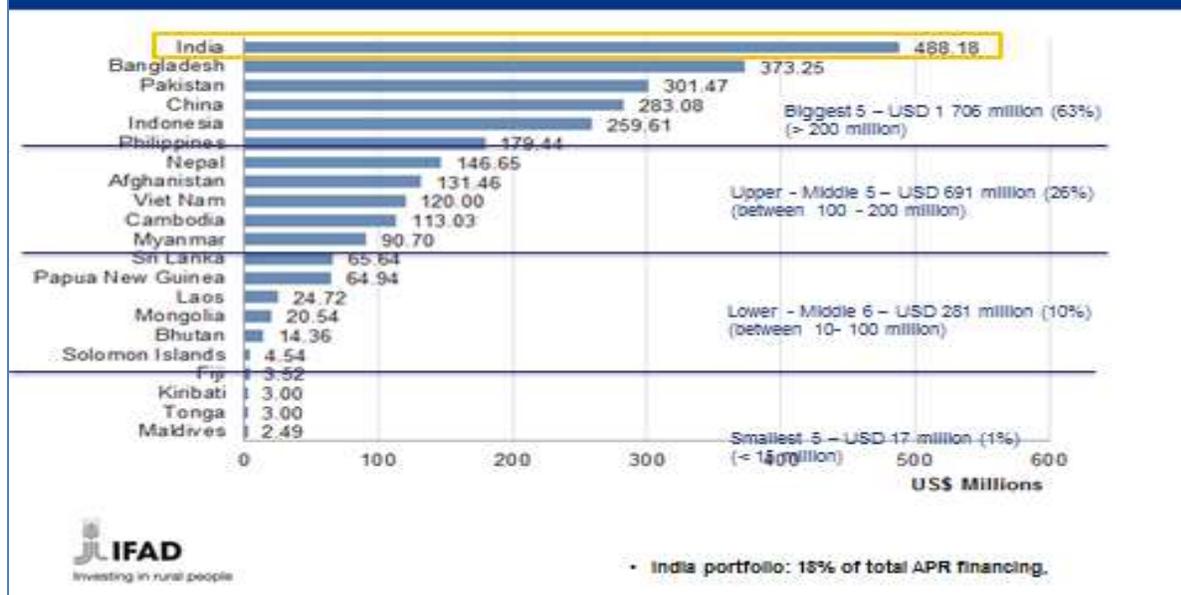


Key portfolio data for loan funded projects

Project name	Project sector	EB Approval Date	Entry into Force	Current Completion Date	IFAD Current Financing (US\$ million)	Domestic Current Financing (US\$ million)	Total cost (US\$ million)	Leverage of IFAD funds	Beneficiaries (Direct Household)	Approved cost per beneficiary-IFAD Financing (US\$)
PT-Tamil Nadu	CREDI	19/04/2005	09/07/2007	31/03/2019	52.8	60.6	113.5	1.1	230 000	45.95
C-AIM	AGRIC	30/04/2009	04/12/2009	31/12/2018	41.1	77.5	118.6	1.9	286 800	28.75
ILSP	AGRIC	13/12/2011	01/02/2012	31/03/2021	89.9	168.9	258.8	1.9	143 400	125.40
JTELP	AGRIC	21/09/2012	04/10/2013	31/12/2021	51.0	64.6	115.6	1.3	136 000	100.00
LAMP	RURAL	08/04/2014	09/12/2014	31/12/2022	50.1	119.8	169.9	2.4	191 070	50.06
OPELIP	RURAL	22/04/2015	18/03/2016	31/03/2024	51.2	79.2	130.4	1.5	62 356	164.24
APDMP	RURAL	14/12/2016	07/09/2017	30/09/2022	75.5	73.3	148.8	1.0	165 000	117.33
FOCUS	MIRKTG	11/12/2017	25/01/2018	31/12/2023	76.6	92.0	168.5	1.2	201 500	76.00
Average					61.0	92.0	153.0	1.5	177 016	88.5
Total	\$				488.2	735.9	1 224.1		1 416 126	



APR total current financing by country (31 Oct 2018)



Main achievements

- From completed projects (Tejaswini MH and MPOWER)
 - **Gender transformative Tejaswini:** cohesive and financially sustainable federations of self-help groups → effective women entrepreneurship
 - **Integrated support to crop and livestock production from MPOWER** –major benefits from simple PoP around seed and from veterinary care for livestock
- From on-going projects
 - Vibrant federations and Livelihood Collectives (Tejaswini and ILSP)
 - Simple and effective nutrition education (Tejaswini)
 - Sustaining Better Cotton Initiative in Maharashtra
 - Promoting PoP for rabi cultivation (JTELP, OPELIP)
 - Fishing asset insurance (PTS LP)
 - Plastic cell technology for road construction (LAMP)

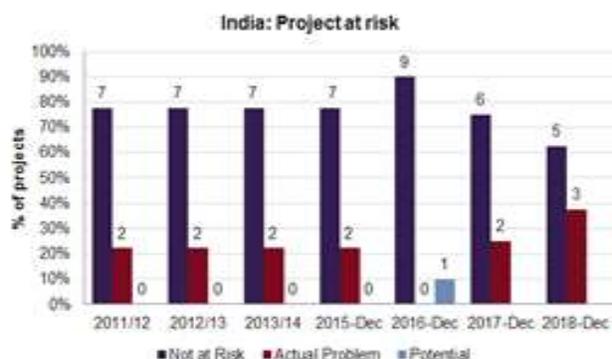
Yearly disbursement by country (Jan-Dec)



Release of Funds against Budget 2018-19 In Crore INR – as of 31 October 2018

Project	BDGT IFAD+GVT	Q1		Q2		Q3		% budget released	% budget execution
		Amt	%	Amt	%	Amt	%		
FOCUS-Mizoram	44	2	5%					5%	0.40%
FOCUS - Nagaland	91.8	2	2%	7.85	9%			11%	12%
APDMP	154	10	6%	100	65%			71%	30%
OPELIP	86.9	10.3	50%	49.5	50%			100%	13.5%
LAMP	154.6							0%	4%
ILSP	170	44	26%	43	25%			51%	42%
JTELP	72.5			54	74%			74%	25%
CAIM	104	20	19%			83	80%	99%	19%
Tejaswini MP	43	11	26%					26%	36%
PTSLP	90.3	50	55%	11	12%			68%	21%

Projects at Risk of Not Achieving Objectives



Rating of the Projects at Risk

- **Implementation progress** : delayed start-up; quality and cost of implementation; non adherence to PIM.
- **Project management** : inadequate team organization; lengthy administrative procedures.
- **Financial management** : weak internal controls; non customization and synchronization of Tally; delayed submission of claims; ineligible expenditures.
- **Procurement** : non compliance with procurement guidelines.
- **Audit** : delayed submission; poor quality of audit report.

Performance management

- **Turn around plan for projects at risk** :
 - change non effective activities, strengthen institutional arrangements, increase/change staffing, modify project targets, reimbursement of ineligible expenditures
 - Partial cancellation of the loan, proposed where savings generated
 - in extreme cases – early closure of the project (1 case)
- **Support from IFAD** : periodic implementation support missions, training on M&E
- **Monitoring by DEA** : quarterly progress reports
- **Proactivity index** : projects move out of at risk classification within 12 months from endorsing the turn around plan



COSOP for 2018-2024

STRATEGIC OBJECTIVE : Smallholder food and production systems are remunerative, sustainable and resilient

Remunerative

- Technologies and practices to reduce production costs, improve productivity, reduce post-harvest losses
- Pro-poor value chain development
- Diversification into higher value crops and allied activities
- Market access for the smallholders

Sustainable

- Participatory natural resources planning and management with focus on water and soil conservation
- Agroforestry
- Low External Inputs Sustainable Agriculture
- Precision farming

Resilient

- Diversified livelihoods/ agri-related activities
- Climate resilient varieties
- Renewable energy/low carbon footprint
- Access to financial services and government social protection schemes



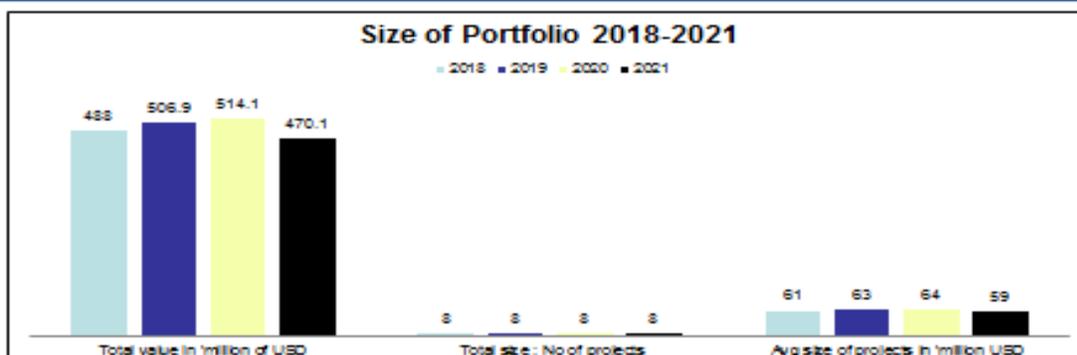
PBAS allocation

Rank	Country	IFAD 8	IFAD 9	IFAD 10	IFAD 11
		(2010-2012)	(2013-2015)	(2016-2018)	(2019-2021)
US\$ million					
1	India	140.9	131.4	152.0	166.3
2	China	141.0	131.4	152.0	135.0
3	Bangladesh	113.9	108.7	124.0	119.7
4	Pakistan	70.9	69	120.9	111.5
5	Indonesia	76.9	68.8	95.2	84.4



Source: 2017 country scores and annual allocations for 2016-2018
<https://webapps.ifad.org/members/gc/41/docs/GC-41-L-5.pdf>

Portfolio size (2019-2021)



Year	Project in pipeline	Current Status
2019	ICAR proposal on agri-mechanization	Design report to be finalized
2019	To be identified	To be screened by DEA
2020	To be identified	To be screened by DEA

Thank You for your attention!



Annex 4: The Project presentations

See zipped file accompanying the minutes of the TPRM.

Annex 5: List of points that DEA would like to include in project reporting

Points to be Highlighted in IFAD's Tripartite Review Meeting (the points below should be an essential part of the TPRM template)

1. What are the time-linked deliverables and KPIs agreed by IFAD and the Project authorities to monitor the progress of project .
2. On principle of 'Control Area', compare the parameters of output/ outcome from project with that of an area that is without IFAD supported project – Did IFAD create any value addition?
3. How self-sustainable is the project and will it survive once the IFAD's project ends?
4. What are the knowledge management, and other finance plus additions because of IFAD's intervention?
5. IFAD loan is sent on State Government on back to back basis by the Central Government (except for 8 NE and 3 Himalayan States). Will the money be passed on to beneficiary as loan, as grant or part subsidised basis?
6. What is the financial contribution from each beneficiary and what is per beneficiary total expenditure in the project?
7. Challenges faced by the project, including delays in initiation, lack of dedicated team, delay in fund release from the State, exchange rate impact, delay in seeking fund release from IFAD, State Government support, etc.
8. Creation of MIS report and data on critical parameters
9. IFAD's critical comments and observations on report from the State
10. Is the project expected to be completed in time and cover the entire scope of work?