RURAL ENTERPRISE FOR AGRICULTURAL DEVELOPMENT (READ)

UPDATE ON IMPLEMENTATION PROGRESS

PERIOD 1 January 2024 - 31 December 2024

General Information	
Project Title	Rural Enterprise and Agricultural Development (READ)
IFAD Division	East and Southern Africa Region
Country/Region	Repblic of South Sudan
Implementing Partners	United Nationa Development Programme, ILO and Cooperative Bank of South Sudan
Project/Activity Starting Date	1 August 2023
Project/Activity Closing Date	31 December 2031
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Administrative and Financial Information	
Project Number	2000004330
Total Project Budget	US$25,000,000
GAFSP Funding	US$20,000,000
Disbursement	N/A

Project Background:

The United Nations Development Programme (UNDP), in close collaboration with the Ministry of Agriculture and Food Security and with generous financial support from the International Fund for Agricultural Development (IFAD) and the Global Agriculture and Food Security Program (GAFSP), is implementing the Rural Enterprises for Agricultural Development (READ) project. The total project financing amounts to US$ 25 million, comprised of US$ 20 million from GAFSP as the primary sponsor, US$ 1.8 million in co-financing from the Cooperative Bank of South Sudan, and US$ 1.5 million from the United Nations Development Programme (UNDP). In addition, the project mobilized US$ 2.182 million through in-kind contributions,US$ 1.4 million from the Government of South Sudan and US$ 0.752 million from project beneficiaries. This transformative initiative is aimed

at enhancing food security, improving rural household incomes, and strengthening the resilience of vulnerable communities across South Sudan.

The READ Project is a seven-year investment designed to improve food security, incomes, and resilience among approximately 27,511 targeted rural households across selected locations in South Sudan. The Project Development Objective is to empower Rural Producers' Organizations (RPOs) as sustainable and resilient actors within the food value chain. The project strategy is centered on strengthening RPOs including Agricultural Producer Groups (APGs), marketing cooperatives, Village Savings and Loan Associations (VSLAs), Savings and Credit Cooperatives (SACCOs), and Micro and Small Enterprises (MSEs) to rebuild individual, household, and collective assets and capital, while contributing to enhanced social cohesion and peace consolidation.

READ development objectives will be achieved through the effective implementation of three interlinked and complementary technical components: (i) Rural Producers' Organizations Development; (ii) Inclusive Rural Financial Services; (iii) Policy and Regulatory Framework Development. The third component will seek to ensure that READ is effectively implemented, including support to the development of key policies and capacity building of MAFS at the central and local levels, as well as project support by the Government Project Coordination Unit (G-PCU) and the PMT of the FM.

The primary target groups of the project are poor smallholder producers, organized through various economic and social structures such as RPOs (including APGs, marketing cooperatives), VSLAs, SACCOs, and MSEs. The project will reach approximately 27,511 households, equivalent to 162,315 direct beneficiaries, through an established network of 29 cooperatives, 240 APGs, 300 VSLAs, and 24 SACCOs. Particular emphasis is placed on promoting inclusion, with targets of 50% women, 70% youth, and vulnerable groups prioritized in project outreach.

During Phase I, the project will be implemented in six counties across four states, selected to ensure balanced regional coverage: Aweil Centre, Magwi, Maridi, Nzara, Yambio, and Renk. A flexible programming approach has been adopted, with potential for phased geographic expansion. The decision to scale into Phase II will be informed by lessons learned from Phase I implementation and contextual factors, particularly the prevailing security situation.

Since the signing of the Financing Agreement between the Government of South Sudan and UNDP (October 24, 2024), notable progress has been made in meeting the preconditions for first disbursement, effective project implementation, and establishing the necessary institutional arrangements.

Status of Achievements

Gender and Targeting Strategy: A comprehensive Gender and Targeting Strategy was developed by UNDP, reviewed by MAFS, and formally approved by IFAD. The strategy mainstreams gender equality and social inclusion across all project interventions, with an explicit commitment to ensuring the active participation of women, youth, and vulnerable groups in project activities. This

aligns with IFAD's core commitment to inclusivity and sustainable rural transformation.

Financial Management Systems: An IFAD-approved accounting software was procured and installed at the Ministry of Agriculture and Food Security (MAFS), significantly strengthening project financial management capacity. This will enhance the accuracy, transparency, accountability, and timeliness of financial reporting in line with IFAD fiduciary standards.

Establishment of the Government Project Coordination Unit (G-PCU): The Government Project Coordination Unit (G-PCU) was formally established and operationalized to manage and coordinate project activities at the national level. Interim appointments have been made for key staff positions, including Project Coordinator, Financial Management Officer, and Accountant, while the full recruitment process is underway. This interim arrangement ensures that essential coordination functions are being executed during the start-up phase.

Finalization of Project Implementation Manual (PIM): The Project Implementation Manual (PIM) was finalized and received formal no-objection from IFAD. The PIM provides clear operational guidelines for project management, outlining procedures, institutional roles, responsibilities, and reporting arrangements to guide project execution.

Approval of Annual Work Plan and Budget (AWP/B) and Procurement Plan: A detailed Annual Work Plan and Budget (AWP/B) for 2024/245 was developed in accordance with project objectives and IFAD requirements. The plan, along with the accompanying Procurement Plan, received IFAD's no-objection, enabling the systematic and results-oriented execution of project interventions.

Systems Readiness – ICP Access: The project secured full access to IFAD's Integrated Corporate Platform (ICP), ensuring compliance with IFAD requirements for project reporting, data management, and monitoring through the digital platform.

Partnership with UNDP: An Output Agreement between MAFS and UNDP was signed on 24 October 2024, formalizing the operational partnership and enabling the start of project implementation activities. This agreement facilitates coordinated delivery of outputs and leverages UNDP's comparative advantage in technical support and operational execution.

Establishment and Operationalization of the UNDP Project Management Unit (PMU): The UNDP Project Management Unit (PMU) was formally established and operationalized to oversee and coordinate project activities. Key staff onboarded include the Monitoring and Evaluation Analyst, Communications Analyst, and Driver. Interim appointments have also been made for critical positions, such as Project Manager and Finance Officer, while the full recruitment process for the PMU is ongoing. During this initial phase, strategic oversight and technical guidance continue to be provided by the Deputy Resident Representative – Programme, Chief Programme Adviser, and Team Leader. This interim arrangement has ensured the continuity of essential coordination, management,

and technical functions during the project's start-up phase, enabling the timely initiation of implementation activities.

Fulfilment of Disbursement and Withdrawal Conditions: The project has successfully fulfilled all IFAD disbursement and withdrawal conditions. A detailed cash flow projection covering the period 2024/2025 was submitted to IFAD, resulting in the transfer of project funds to the designated accounts. The project is now in a position to initiate full-scale implementation with funds readily accessible for withdrawal.

Inception Workshop: MAFS, IFAD, & UNDP, in collaboration with its implementing partners (ILO, & CBSS), successfully convened the inception workshop for the Rural Enterprise and Agricultural Development (READ) project on 16 December 2024 at the Pyramid Hotel in Juba. The workshop brought together 40 participants (female: 13; male: 27) representing key stakeholders from project implementation sites, including County Executive Directors, County Cooperative Development Officers, members of the State Chambers of Commerce, Project Management Units (PMUs) from UNDP and the Ministry of Agriculture and Food Security (MAFS), as well as service providers such as the International Labour Organization (ILO) and CBSS. The inception workshop served as a strategic platform for IFAD, UNDP, and MAFS to present the project's objectives, technical approaches, and implementation modalities, while fostering constructive dialogue with local stakeholders from the targeted states. The workshop enabled a participatory review and validation of the project design, clarified roles and responsibilities to ensure effective stakeholder engagement and ownership, and strengthened understanding of the project's scope and anticipated results. This collaborative engagement established a strong foundation for coordinated implementation and alignment with the project's development goals.

Project launch: The READ project was officially launched on 17 December 2024 in an event presided over by the Honourable Minister of Agriculture and Food Security. The launch ceremony convened 109 participants (male: 82; female: 27), including representatives from national and state governments, private sector actors, development partners, donors, heads of UN agencies, NGOs, and key project stakeholders, including national institutions and implementing partners. The event provided an opportunity to present the project's scope, objectives, intervention strategies, and implementation approach, thereby fostering a shared understanding and ownership among stakeholders. The strong government leadership and broad-based participation underscored the high level of commitment to achieving the project's goals. With this solid foundation of stakeholder engagement and partner collaboration, the READ project is well-positioned to deliver sustainable impacts on food security, income generation, and resilience in South Sudan. Moving forward, maintaining this collaborative momentum will be critical to ensuring effective implementation and the achievement of transformative results.

Technical support training: In collaboration with the Ministry of Agriculture and Food Security (MAFS), IFAD organized a five-day technical support training from 9 to 13 December 2024, bringing together 51 participants from the project's key implementing entities. Participants included staff from MAFS (SPCU, Directorate of Cooperatives and Rural Development, and Directorate of Agriculture Production and Extension Services), UNDP, and service providers such as the International

Labour Organization (ILO) and the Cooperative Bank of South Sudan. The training equipped participants with enhanced skills and knowledge across critical project management areas, including financial management, procurement, monitoring and evaluation (M&E), gender and social inclusion, rural finance, and nutrition. Additionally, the training covered essential IFAD policies and guidelines on ethics, fraud and corruption prevention, and Sexual Exploitation and Abuse (SEA). This capacity-building initiative has been instrumental in laying a strong foundation for the project's accelerated and efficient implementation, addressing initial delays, and fostering a shared understanding and compliance with the project's operational framework. Participants gained clarity on the application of the Financing Agreement, IFAD's legal and financial requirements, procurement procedures, ethical standards, and other technical components necessary for the effective delivery of project outcomes.

Challenges

Budgetary Constraints: Some of the activities under the approved COSTAB were initially under-budgeted, which posed challenges to the full and timely execution of certain planned interventions. The resulting budgetary shortfalls have affected the ability to mobilize necessary resources and services at the intended scale, leading to delays in the implementation of some of the project components. This situation highlights the importance of conducting periodic budget reviews and considering potential reallocations to ensure that key activities are sufficiently funded to achieve the project's intended outcomes within the established timeframe.

Planned activities (for the next 6 months)

#	Activities	Timeline
01	Recruitment of the project management team (Project Manager, Technical Officer-Public Finance Management, Technical Officer, Social Inclusion Officer, M&E Analyst, Communication Analyst, Logistics and Administrative Associate)	June 30, 2025
02	County Profiling and Selection of Payams/Bomas	June 30, 2025
03	Validation of selected Counties and selection of three Payams and five Bomas per County	June 30, 2025
04	Finalize the terms of reference for baseline survey, gender and nutrition assessment, peace and conflict analysis, engagement of CBSS, ILO, and service providers.	June 30, 2025
05	Finalize the contracting and onboarding of the Implementing Partners (ILO & CBSS)	June 30, 2025
06	Develop a costed social inclusion (Gender, Youth, & Nutrition) Action plan	June 30, 2025
07	Conduct state (Western Equatoria, Eastern Equatoria, Northern Bahr El Ghazel, and Upper Nile) inception workshops	June 30, 2025