

Project Document - Support to Enhance National Capacity for Agricultural Growth and Transformation

United Nations Development Programme

Country: Ethiopia

Substantive Project Document Revision

Substantial revision is required: (1) since output 1 and 2 of the earlier project agreement on Enhancing National Capacity for Agricultural Growth are fully accomplished, and (2) due to recent development and need for developing capacity of the newly established Agricultural Transformation Agency.

Project Title **Enhancing National Capacity for Agricultural Growth and Transformation**

UNDAF Outcome(s): *UNDAF Outcome (2007 -2011): By 2011, People income increased through agriculture-based and private sector driven industry development in selected potential areas and commodities, UNDAF Outcome (2012 – 2015) Improved institutional services, efficient marketing system, and adoption of appropriate technologies for sustainable increase in Agricultural Production and Productivity by 2015.*

Expected CP Outcome(s): *Solutions for low productivity found out, services and systems operationalized, and smallholders' agricultural productivity increased.*

Expected Output(s): ***Output 3:** Capacity of MOA and its decentralized structures to prepare and implement AGP and Policy Investment Framework strengthened
Output 4: Innovative Interventions with high potential for agricultural growth implemented and opportunities for up-scaling identified.*

Implementing Partners: *Ministry of Agriculture*

Responsible Parties: *Ministry of Agriculture/Agricultural Transformation Agency/
Bureaus of Agriculture/BoAs*

Coordinating Body: *Ministry of Finance and Economic Development (MoFED), UNDP and other development partners whose interest and effort will be ascertained and mobilized in the course of the project period.*

Development Partner:



Brief Description of the Substantive Revision

The accomplishment of output 1 and 2 of the earlier project agreement on 'Enhancing National Capacity for Agricultural Growth and the emergence of new architecture in transforming the Agriculture Sector has called for this substantive revision and extension of the project duration for another five years (2011 – 2015).

The Growth and Transformation Plan and the donor-supported Policy and Investment Framework of the CAADP reaffirm agriculture development as essential priority to Ethiopia's poverty reduction, human and economic development. While there has been impressive progress over the last decade, the agricultural system still faces substantial challenges, calling for stronger implementation support and effective performance management to pursue the objective of Ethiopia's agricultural development.

Recognizing the need, the Agriculture Transformation Agency (ATA) is established by the regulation of the council of Ministers on December 31, 2010. The Agency is created in support of the Government of Ethiopia's goals, strategies and plans, in service of the mission of the Ministry of Agriculture. Through its efforts, the Agency seeks to improve the livelihoods of small-holder farmers by fostering greater productivity and production, reducing food insecurity, and accelerating the growth and transformation of the Ethiopian economy while ensuring consideration of gender equality. It's ability to provide problem solving as well as implementation support capabilities to public sector partners at both national and sub-national levels provide a new model of practical capacity building while advancing the national agenda of growth and food security.

In line with UNDP's past cooperation and the forthcoming UNDAF and UNDP's CPD (2012 – 2015), UNDP will continue to support efforts to accelerate pro-poor economic growth, primarily targeting to increase productivity of smallholder farmers and small- and medium-scale enterprises. This document proposes an amendment to the UNDP's project to Enhance National Capacity for Agricultural Growth Programme, primarily due to the completion of the tasks under output 1 and 2, and continued interest to extend UNDP's support in line with output 3 and 4, stated (below) under the original project document. This revised project envisages significant improvement on the overall performance of Agriculture and will focus on the following key areas:

1. Up-stream Strategy and Programmatic Support
2. Institutional Capacity Development
3. Partnership and Resource mobilization

Those interventions related with ATA are primarily targeted to a) Seed sector development, (b) Input and output markets, (c) Value chain development, (d) cooperative development, (e) Soil fertility management, (f) Technology access and adaptation, and (g) Extension and research. The total estimated budget of the project is \$US 50 million of which \$US 16.03 million is already allocated. MOFED, UNDP and other development partners will mobilize resources to cover the unfunded balance.

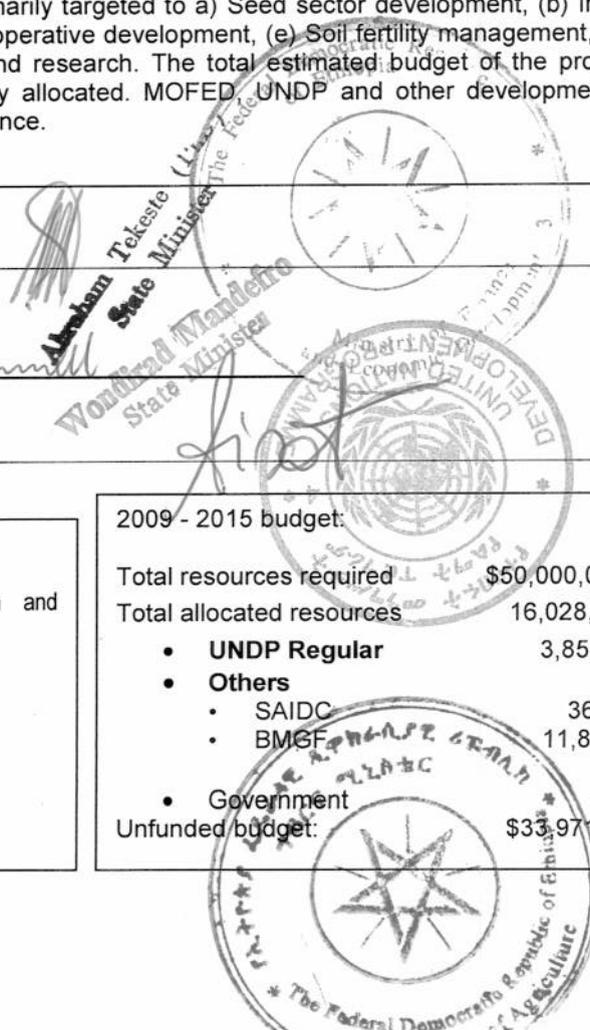
Agreed by Coordinating Body-MoFED: _____

Agreed by Implementing Partner-MoA: _____

Agreed by Development Partner-UNDP: _____

Programme Period:	2009-2015
Key Result Area (Strategic Plan):	Poverty Reduction and Achievement of MDGs
Atlas Award ID:	_____
Start date:	March 2011,
End Date	December 31, 2015
Management Arrangements	NEX/PIM

2009 - 2015 budget:	
Total resources required	\$50,000,000
Total allocated resources	16,028,908
• UNDP Regular	3,858,995
• Others	
• SAIDC	369,913
• BMGF	11,800,000
• Government	-
Unfunded budget:	\$33,971,092



1. Background

Agriculture sector provides employment to 85% of the population (total -73.9 million of which women constitute 49.5% based on CSA 2007 census data)¹, contributes 44% to the country's GDP and 85% of its export earnings (APR 2007/08)². The success in terms of achieving overall economic growth is largely attributed to the performance of the agriculture sector.

The sector requires substantial transformation to sustain the economic growth, reduce poverty and ensure food security. To this effect, the Government of Ethiopia has established the **National Agricultural Transformation Agency (ATA)** with the mandate of identifying systemic constraints to agricultural development and growth, design solutions that will help achieve sustained structural transformation and support the coordination and integration of agricultural development projects among various institutions.

In the context of the successful accomplishment of output 1 and 2 (developing Policy and Investment Framework for Agricultural Development; and Agricultural Growth Programm-AGP) of the original project proposal on **enhancing national capacity for agricultural growth** and considering the new development, and the need to building the capacity of, this project is designed to support broad interventions to achieve various targets under two outputs (3 & 4).

The implementation of this project entails collaboration with other development partners such as Bill & Melinda Gates Foundation, FAO and others in the field. The identification of best practice intervention pays attention to the needs of women and youth and priorities identified in the AGP project document. Furthermore, the documented knowledge will feed to the ongoing RED&FS policy dialogue process to further improve future support in the sector.

2. Objective and intended outcome

The overall objective of the revised project is to contribute to increased agricultural productivity and commercialization in a sustainable manner through creating a favourable policy environment and facilitating additional knowledge and investment to the sector. The expected outcome is to increase people income through agriculture based development in selected high potential areas and commodities by 2015.

3. Strategy

The project will employ the following core strategies:

- **Institutional Capacity Development:** Provision of demand-driven support to operational systems and processes, facilitating innovative solution for institutional capacity development,
- **Partnership and Resource mobilization:** developing a multi-donor pooled mechanism geared at creating an enabling environment that will facilitate the flow of additional resources to the agricultural sector.
- **Up-stream Strategy and Programmatic Support:** Provision of substantive evidence based analytical studies, global knowledge sharing on good practices, analytical tools and models and demand-driven technical assistance interventions,

¹ Summary and statistical report of the 2007 population and housing census, December 2008. CSA.



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The above interventions are broadly focused on:

- a) Strengthening the seed sector by expanding the availability and adoption of improved seeds in hybrid, open and self-pollinating varieties of cereals and high value-crops,
- b) Improving output market value chains by strengthening the link between smallholder production systems and local and export markets for priority commodities,
- c) Enhancing input markets by improving farmers' access to high quality inputs such as seeds, fertilizer and financial services,
- d) Strengthening of cooperative and union structures to enable farmers associations to function effectively in high priority commodities, purchase and distribute inputs, and support the provisioning of extension services,
- e) Enhancement of strategies related to integrated soil fertility management, watershed management, environmental sustainability and land use strategies, cropping practices and other critical natural resource priorities,
- f) Facilitating the identification, sourcing, importation and multiplication of new and proven agricultural technologies, and
- g) Exploring innovations that create a more market-oriented, agro-ecologically adaptive, financially sustainable and gender-sensitive extension system that meets the needs of smallholder farmers by closely aligning extension services with market opportunities and with cooperatives and research institutions.
- h) Enhancing the capacity of MOA, ATA and regional structures to properly implement GTP, PIF and AGP

4. Outputs, Targets and Indicative activities

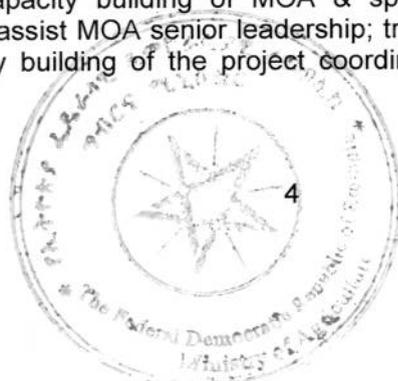
Project Output 3: Capacity of MOA and its decentralised structures to prepare and implement Agricultural Growth Programme (AGP) & Policy and Investment Framework (PIF) strengthened.

Output Targets

Enabling environment improved; substantive analytical studies conducted; innovative interventions identified and shared; capacity assessment study of MOA and regional structure completed; knowledge sharing forums and platforms established and become functional; all participating woredas implemented good practices; opportunities for up-scaling within the large scale AGP identified; 9710 staff trained at federal regional and woreda level; 83 AGP woreda level plans produced; 100% of the selected woredas implement the AGP; comprehensive project plan for national implementation of agricultural products quality monitoring and testing laboratories developed; Ethiopian coffee quality promoted; substantive analytical studies conducted; innovative interventions identified and shared; support the realization of irrigation potential through introduction and scaling up of irrigation scheme; knowledge sharing forums and platforms established and become functional; all participating woredas implemented innovative interventions and opportunities for up-scaling within the large scale AGP identified.

Indicative activities

Strengthening agricultural products quality monitoring and testing laboratories infrastructure; institutional support/capacity building of MOA & special support provided to emerging regions; deploy TA to assist MOA senior leadership; training on the various AGP guidelines and manuals; capacity building of the project coordination unit for AGP; experience and



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knowledge sharing of best practices; in-depth capacity assessment for continuous capacity building of MOA & regional structures to implement AGP & PIF; systematic identification and documentation of innovative interventions/best practices with high potential for agricultural growth; demonstrate innovative interventions; publicize best practices for knowledge sharing; support Ethiopian coffee trade mark and mobilize the society through farmers festival; publicize lessons learnt to intensify scaling up of best practices through knowledge sharing forum, printing and electronic media; deploy irrigation engineers, agronomists, agro-economist and other relevant technical personnel to support the emerging regions; train irrigation agronomists and other relevant technical personnel on the planning and M&E; conduct quality assurance for accomplished water resources works; deliver the necessary equipment for field work and management of the project.

Project output 4: Innovative interventions with high potential for agricultural growth identified and implemented and opportunities for scaling up identified; transformation in agriculture achieved through the establishment of and leadership of the Agricultural Transformation Agency (ATA).

Output targets

Build a strong ATA organizational structure and leadership team; facilitate resource mobilization for effective implementation of ATA objectives; support activities of ATA focused on problem solving and implementation.

Indicative activities

Innovative interventions introduced, institutionalized and scaled up in the agricultural sector: four senior staff recruited and seconded to ATA; operational system and procedures developed, and multi-donor fund facility in place to channel resources in the form of sub-grants for the operating and programme costs of the ATA; quick solution provided to fill knowledge gaps in each of the high priority programme areas; seed sector, output market value chains, inputs market, cooperatives, soil fertility management, technology access and adoption, extension and research; implementation and performance management enhanced in key areas including: monitoring performance metrics, addressing implementation obstacles, building capacity and enhancing leadership implementation teams, mobilizing resources and additional partners, offering implementation support at regional and local levels, coordinating partners and stakeholders, provide resources to the participating woredas to identify and implement high impact interventions, support the implementation of innovative water shade management, create a knowledge sharing platform among practitioners and participating regions and woredas, augment the capacity gap through the provision of demand-driven technical assistance and management of the project.

5. Project Cost

The total cost of the project over a period of five years (2011-2015) amounts to USD 50 million of which 3.86 million is expected to be covered by UNDP, USD 11.8 million by BMGF and 0.37 million by SAIDC. The remaining resource is unfunded budget that will be mobilized from various donors. As per the project's annual work plan USD 5 million is required to implement the project in year one.

The detail breakdown of both outputs will be developed and outlined in the annual work plans.



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I. RESULTS AND RESOURCES FRAMEWORK

Intended Outcome as stated in the Country Programme Results and Resource Framework:

By 2015, people income increased through agriculture based development in selected high potential areas and commodities.

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:

- 1.1. Level of improvement in capacities at all level to implement the AGP programme
- 1.2. % increase in technology adoption though improved knowledge and incentives.
- 1.3. % increase in the level of investment.

Applicable Key Result Area (from 2009-2015 Strategic Plan): Poverty Reduction and Achievement of the Millennium Development Goals

Partnership Strategy: the project is implemented in partnership with Government; Bill & Melinda Gates Foundation and other development partners which are actively engaged in Agriculture and Food Security; research institutions; Civil Society Organizations

Project title and ID (ATLAS Award ID):

INTENDED OUTPUTS	OUTPUT TARGETS FOR (YEARS)	INDICATIVE ACTIVITIES	RESPONSIBLE PARTIES	INPUTS
<p>Output 3 Capacity of MOA and its decentralized structures to prepare and implement AGP & PIF strengthened.</p> <p><i>Baseline:</i> no coordinated team exists</p> <p><i>Indicator:</i> AGP implementing unit is in place and actively taking over the responsibility of coordinating the implementation of AGP and PIF.</p>	<p>Target Year 2009 - 2015</p> <p>Enabling environment improved</p> <p>Substantive analytical studies conducted,</p> <p>Innovative interventions identified and shared,</p>	<ul style="list-style-type: none"> • Strengthening agricultural products quality monitoring & testing laboratories infrastructure • Institutional support/ capacity building of MOA & special support provided to the emerging regions • Deploy TA to assist MoA senior leadership • Training on the various AGP guidelines & manuals • Capacity building of the project coordination unit for AGP • Experience and knowledge sharing of best practices 	<p>MOA/ Other relevant partners</p> <p>MOA/ Other relevant partners</p> <p>MoA/other relevant</p>	<p>\$ 500,000</p> <p>\$ 1,850,000</p> <p>\$ 450,000</p> <p>\$ 1,050,000</p> <p>\$720,000</p> <p>\$280,000</p>

<p>Adequately trained Regional focal persons fully owned the AGP programme disaggregated by gender.</p> <p>Woreda AGP plans consistent with the woreda development plan produced.</p>	<p>irrigation potentials identified and utilized, Capacity assessment study of MOA and regional structure completed,</p> <p>Knowledge sharing forums and platforms established and become functional, All participating woredas implemented good practices.</p> <p>Opportunities for up-scaling within the large-scale AGP identified.</p> <p>9710 staff trained at federal, regional and woreda level.</p> <p>83 AGP woreda level plans produced.</p> <p>100% of the selected woredas implement the AGP.</p> <p>Comprehensive project plan for national implementation of agricultural products quality monitoring and testing laboratories developed. Substantive analytical studies conducted,</p>	<ul style="list-style-type: none"> • In-depth capacity assessment for continuous capacity building of MOA & regional structures to implement AGP & PIJ • Systematic identification & documentation of innovative interventions/best practices with high potential for agricultural growth • Demonstrate innovative interventions with high potential for agricultural growth • Publicize best practices for knowledge sharing to intensify scaling up of best practices through knowledge sharing forum • Support Ethiopian coffee quality promotion • Deploy irrigation engineers, agronomists, agro economist & other relevant technical personnel to support the emerging regions • Train irrigation, agronomists, agro economist & other relevant technical personnel on the planning, M&E. • Conduct quality assurance for accomplished water resources works • Deliver the necessary equipment for field work • Management of the project³ 	<p>partners. MoA/other relevant partners.</p> <p>MOA/ Other relevant partners</p> <p>MOA/ Other relevant partners</p> <p>MOA/ Other relevant partners</p> <p>MOA</p> <p>MOA/ Other relevant partners</p> <p>MOA/ Other relevant partners</p> <p>MOA/ Other relevant partners</p> <p>Sub-total: <u>10,000,000</u></p>	<p>\$100,000</p> <p>\$600,000</p> <p>1,000,000</p> <p>\$1,850,000</p> <p>\$500,000</p> <p>\$350,000</p> <p>\$250,000</p> <p>\$275,000</p> <p>\$200,000</p> <p>\$25,000</p>
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³ Includes UNDP 7% administrative rate for the resources mobilised from development partners.

	<p>Output 4: Innovative interventions with high potential for agricultural growth identified and implemented and opportunities for scaling up identified: Transformation in agriculture sector achieved through the establishment and leadership of the ATA</p> <p>Baseline: No such mechanism exists</p> <p>Indicators: knowledge sharing platform developed to share knowledge within and out of AGP wordas</p> <p>ATA strengthened & actively engaged in problem solving</p> <p>% of identified problems solved</p>	<p><u>Target Year 2009 - 2015</u></p> <p>Build a strong ATA organizational structure and leadership team,</p> <p>Facilitate resource mobilization for effective implementation of ATA objectives,</p> <p>Support activities of ATA focused on problem solving</p> <p>Support activities of ATA focused on Implementation</p>	<p>Innovative interventions introduced, institutionalized and scaled up in the agricultural sector,</p> <ul style="list-style-type: none"> • Four senior staff recruited/hired and seconded to ATA • Operational system and procedures developed, • Multi-donor fund facility in place to channel resources in the form of sub grants for the operating and program costs of the ATA <p>Quick solution provided to fill knowledge gaps in each of the high-priority program areas:</p> <ul style="list-style-type: none"> • seeds sector • output market value chains • input markets • cooperatives • soil fertility management • technology access and adoption • extension and research) <p>Implementation and performance management enhanced in key areas including:</p> <ul style="list-style-type: none"> • monitoring performance metrics • addressing implementation obstacles • building capacity and enhancing leadership of implementation teams • mobilizing resources and additional partners • offering implementation support at regional and local levels 	<p>TAs 5,000,000</p> <p>50,000</p> <p>MOA/ATA/UNDP</p> <p>MOA/ATA/UNDP</p> <p>MOA/ATA/UNDP</p> <p>16,000,000</p> <p>18,950,000</p>
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	<ul style="list-style-type: none"> coordinating partners and stakeholders Provide resources to the participating woredas to identify and implement high impact interventions, Support the implementation of innovative watershed management, Create a knowledge sharing platform among practitioners, and participating regions and woredas to share knowledge and experience. Augment the capacity gap through the provision of demand-driven technical assistance Management of the project⁴ 	Sub-total: 40,000,000
Grand total		50,000,000



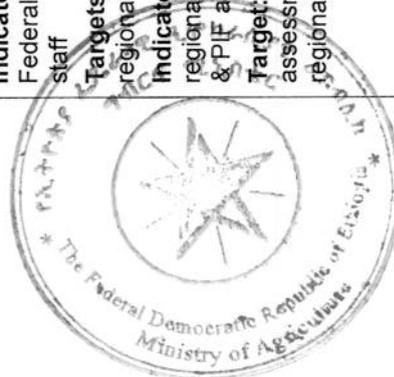

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⁴ Includes UNDP 7% administrative rate for the resources mobilised from development partners.

II. ANNUAL WORK PLAN

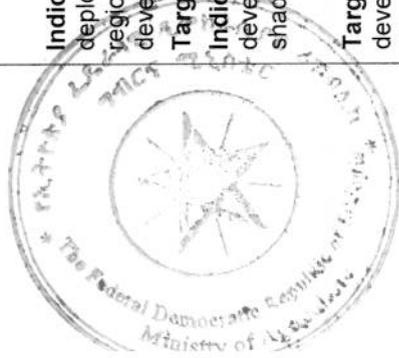
Year: 2011

EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME		RESPONSIBLE PARTY	PLANNED BUDGET	Budget description	Amount \$USD
		Q1 Q2	Q3 Q4				
Output 3: Capacity of MOA and its decentralized structures to implement AGP and PIF strengthened Baseline: No strong coordination team exists. Indicator 1: AGP coordination unit established and actively taking over the responsibility of implementing AGP. Targets: Three additional technical assistants and 3 support staff are recruited and positioned Indicator 2: No. of adequately trained Federal and regional implementing staff Targets: 1710 staff trained at federal, regional and woreda level Indicator 3: Capacity of MOA and regional structures to implement AGP & PIF assessed Target: One in-depth capacity assessment study of MOA and regional structure completed	Capacity building of the project coordination unit	X	X	MOA	None-core	Equipment, personnel, operation & maintenance	20,000 50,000 50,000
	Training on the various AGP guidelines and manuals	X	X	MOA/BOAs	None-core	Training costs	150,000
	In-depth capacity assessment for continuous capacity building of MoA & Regional structures to implement AGP & PIF	X	X	MOA	None-core	National consultant	50,000
	Deploy Technical Advisor to assist MoA senior leadership to effectively lead the agricultural growth.	X	X	MOA	TRAC	International consultant	150,000
	Strengthening the quality monitoring and testing laboratories infrastructure	X	X	MOA	TRAC	Contractual service	200,000
	Provide institutional support to MOA and developing regions	X	X	MOA	TRAC	Travel equipment miscellaneous	100,000 150,000 50,000
	Experience and knowledge sharing of best practices	X	X	MOA	None-core	travel	80,000



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EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	PLANNED BUDGET	Amount \$USD
		Q1	Q2	Q3	Q4			
Output 3: Capacity of MOA and its decentralized structures to implement AGP and PIF strengthened				X	X	Funding source	50,000	
Indicator 4: No of innovative interventions identified for agricultural growth Target: 4 innovative interventions identified	Systematic identification & documentation of innovative interventions/best practices with high potential for agricultural growth. Preparatory work to demonstrate innovative projects Support the promotion of Ethiopian coffee quality				X	MOA	50,000	
Indicator 5: No of technical staff deployed to support developing regions in water resource development Targets: 15 technical staff deployed Indicator: No of technical staff of the developing regions trained on water shade management (NRM) Target: 60 technical staff of developing regions trained on the planning, implementation and monitoring of water shade management.	Publicize best practices & mobilize the society through farmers festival forum		X			MOA	150,000	
	Deploy irrigation engineers, agronomist, agro economist(NRM) Training irrigation engineers, agronomist, agro economist & other relevant personnel (NRM) Conduct quality assurances for the accomplished water resources works (NRM).	X	X	X	X	MOA	46,800	
		X	X	X	X	MOA	50,000	
		X	X	X	X	MOA	60,000	



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	Deliver the necessary equipments, instruments for field work (NRM).	X	X	MOA	TRAC	Equipment, miscellaneous	73,600
Sub Total							2,030,400

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES List activity results and associated actions	TIMEFRAME				Responsible Party	PLANNED BUDGET	Budget description	Amount \$USD
		Q1	Q2	Q3	Q4				
Output 4: Innovative interventions with high potential for agricultural growth identified and implemented and opportunities for scaling up identified: Transformation in agriculture sector achieved through the establishment and leadership of the ATA							Funding source		
Baseline: No such mechanism exists									
Indicator 1: Establishment of knowledge sharing forum	Build a strong ATA organizational structure and leadership team,		X	X	X	UNDP/ATA	TRAC & None-core	TAs	1,000,000
Target: ATA strengthened & actively engaged in problem solving, knowledge sharing platform developed to share knowledge within and out of AGP woredas,	Facilitate resource mobilization for effective implementation of ATA objectives		X	X	X	UNDP/ATA	TRAC	Setting up fund management structure	30,000
Indicator 2: Best practices identified and scaled up,									
Target: Problems identified, solutions proposed and implemented for the 7 identified ATA initial focus	Support activities of ATA focused on problem solving			X	X	ATAMOA	TRAC None-core	Knowledge transfer	970,000




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6. IMPLEMENTATION AND MANAGEMENT ARRANGEMENTS

National Implementation Modality (NIM) will be used for the implementation of the above activities. The Ministry of Finance and Economic Development (MoFED) will be the coordinating body for the project. Whilst the Ministry of Agriculture (MoA) is the primary implementing partner in this project and it is responsible for the achievements of the results, at regional and woreda level, the respective bureaus and offices will be the direct implementing partners.

The implementation arrangements will include:

1. Steering Committee, which will provide overall guidance in project implementation. The existing AGP steering committee including ATA CEO will serve as the steering committee for this project. In addition, donors who are willing to support ATA will be part of the steering committee.

2. Technical Committee The existing AGP Technical committee including ATA deputy CEO will serve as a technical team for this project. In addition, donors who are willing to support ATA will be part of the technical committee This committee have the following responsibilities :

- Ensure the project is implemented as per the work plan;
- Providing guidance and agree on possible countermeasures/management actions to address specific risks;
- Reviewing the Project Progress Report and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans.
- Review Combined Delivery Reports (CDR) prior to certification by the Implementing Partner;
- Appraise the Project Annual Review Report, make recommendations for the next AWP, and inform the Outcome Board about the results of the review.
- Provide ad-hoc direction and advice for exception situations when project manager's tolerances are exceeded;
- Assess and decide on project changes through revisions;

3. A UNDP Programme Analyst, focal point for this project will be responsible for the following:

- Ensure that funds are made available to the project;
- Ensure that risks and issues are properly managed, and that the logs in Atlas are regularly updated;
- Ensure that critical project information is monitored and updated in Atlas, using the Activity Quality Assessment page in particular;
- Ensure that Project Progress Reports are prepared and submitted on time, and according to standards in terms of format and content quality;
- Ensure that financial reports are submitted to UNDP on time, and that CDRs are prepared and submitted to the Project Board;
- Perform oversight activities, such as periodic monitoring visits and "spot checks".
- Ensure that the Project Data Quality Dashboard remains "green"



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7. MONITORING FRAMEWORK AND EVALUATION

The monitoring of the project will be based on monitoring plan to be developed by the project management team based on the Programme Implementation Manual (PIM) and approved by the technical committee. The project will be monitored through the following:

Within the Quarterly cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Project Progress Reports (PPR) shall be submitted by the AGP coordination unit to the technical committee through MoFED to UNDP.
- a project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events
- The TC for AG would review the performance of the project and submit the status of implementation to RED &FS SWG.
- RED & FS SWG will review the project implementation status quarterly.
- Quarterly review meeting in the presence of the MoFED to be undertaken.

Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the management team and shared with the Technical committee and RED &FS SWG to be submitted to MoFED and UNDP. As minimum requirement, the Annual Review Report shall consist of the standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year under the leadership of MOFED. In the last year, this review will be a final assessment. This review is driven by the technical committee and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.



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III. FINANCIAL PROCEDURES/ FUNDS FLOW

In line with the HACT procedures, this project implementation follows the funds flow mechanism, as follows:

- In line with the signed Annual Work Plan (AWP) and funds allocation, IPs, by copying to MoFED, requests UNDP for the required funds as advance for the implementation of their respective activities on a quarterly basis. The requests should be submitted by using FACE formats that have to be duly filled in, signed and sealed by the requesting organization.
- IPs could request funds to UNDP as an advance or direct payment or reimbursement of expenses, incurred by the IPs, in line with the approved AWP. All the financial requests and reporting must be done by using FACE formats.
- Based on the request, UNDP reviews the submitted request and supporting document (FACE format). Once the request is in order, UNDP transfers the funds to the IPs bank account, and sends a Funds Transfer Notification letter to IPs.

IV. LEGAL CONTEXT

This substantive revision will be amended as per the background and rationale stated above and signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) Assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

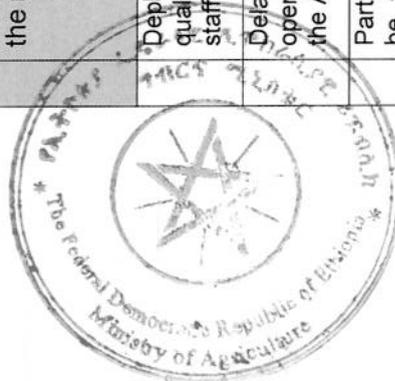


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Program Coordinator

ANNEXES 1

Risk Analysis (Support to the formulation of AGP)

#	Description Enter a brief description of the risk	Date Identified	Type	Impact & Probability Describe the potential effect on the project if this risk were to occur	Countermeasures / Management response (What actions have been taken/will be taken to counter this risk)	Owner Who has been appointed to keep an eye on this risk	Submitted, updated by (Who submitted the risk)	Last Update When was the status of the risk last checked	Status
	Deploying highly quality senior staff for the ATA.	Beginning of the project	Operational	P: Low I: High	Start the recruitment process as early as possible	UNDP	Project developer	During project formulation	N/A
	Delays in operationalizing the ATA	Beginning of the project	Operational	P: Low I: High	Start the sensitization as early as possible and on continuous basis,	UNDP and ATA	Project developer	During project formulation	N/A
	Partners may not be able to work together effectively, and Relationships with stakeholders may be unclear or inconsistent	Beginning of the project	Operational	P: Low I: High	Start the sensitization as early as possible and on continuous basis,	MOA, ATA	Project developer	During project formulation	N/A
	Management Transition Plan	Beginning of the project	Operational	P: Low I: High	Develop the management transition plan with clear timeline and build consensus at all levels,	MOA and ATA	Project developer	During project formulation	N/A
	Fail to identify a practical solution to systemic bottlenecks	Beginning of the project	Program	P: Low I: High	Ensure the application of sound methodology, analysis & interpretation of studies and devise a	MoA and ATA	Project developer	During project formulation	N/A



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