



**EMBASSY
OF DENMARK**



Rural Microenterprise Transformation Project Annual Progress Report

January to December 2021



Report prepared by
Palli Karma-Sahayak Foundation (PKSF)

Progress Report
Report No. 03
March 2022

Table of Contents

Acronyms	4
1 Project at a glance	5
2 Area map under RMTP Component – 1	6
3 Background	7
4 Brief Description of RMTP	7
4.1 Goal and Objectives	7
4.2 Project Components	7
4.3 Project Costs	8
4.4 Expected Outputs/Outcome	8
4.5 Project Management/Implementing Arrangements	9
5 Progress of Project Implementation	9
5.1 Component-wise Project Progress	9
Component 1: Value Chain Enhancement	10
Component 2: Financial Services	22
Component 3: Institutional Strengthening and Project Management	24
5.2 Mainstreaming	25
Gender / Youth	25
Nutrition	26
Environment / Climate Change	26
5.3 Financial Progress	27
5.4 Project Management	27
5.5 Procurement	27
5.6 Monitoring and Evaluation	28
5.7 Knowledge Management and Communication	28
6 Challenges/Risks	29
7 Lessons learned	29
Annex-1: Logical Framework Progress (January to December 2021)	30
Annex-2: DANIDA Indicators Report (January-December 2021)	34
Annex 3: AWPB Progress (January to December 2021)	36
Annex 4: Updated progress according to the agreed actions	44
Annex-5: IFR for January to December 2021	49
Annex 6: Financial: Actual financial performance by financier; by component and category	50
Annex 7: Integrated Project Risk Matrix	51

List of Tables

Table 1: Component wise project cost in USD millions.....	8
Table 2: Project achievement according to target.....	9
Table 3: List of livestock market system development of safe meat and dairy products sub-projects undertaken by RMTP	12
Table 4: Horticulture value chain sub-projects evaluated by VC Evaluation Committee	15
Table 5: Information on microenterprise program financial services at a glance.....	22

List of Figures

Figure 1: Project participant working in Tulip garden	11
Figure 2: A cattle rearer is in front of his farm.....	20
Figure 3: Hygienic milk products produced by project participant	20

Acronyms

ADB	Asian Development Bank
AWPB	Annual Workplan and Budget
BGAP	Bangladesh Good Agricultural Practices
CoP	Community of Practice
DFID	Department for International Development
ESDO	Eco Social Development Organization
FEDEC	Finance for Enterprise Development and Employment Creation
GDP	Gross Domestic Product
GGAP	Global Good Agricultural Practices
GJUS	Grameen Jono Unnavan Sangstha
GoB	Government of Bangladesh
GUK	Gram Unnavan Kendra
GYAP	Gender and Youth Action Plan
HACCP	Hazard Analysis Critical Control Point
ICT	Information and Communication Technology
IFAD	International Fund for Agricultural Development
IT	Information Technology
M&E	Monitoring and Evaluation
ME/SMEs	Micro, small and medium enterprise
MFSMF	Microfinance for Marginal and Small Farmers Project
MFTS	Microfinance and Technical Support Project
MIS	Management Information System
MoEWOE	Ministry of Expatriates' Welfare and Overseas Employment
NBFIs	non-banking financial institutions
NDP	National Development Program
PACE	Promoting Agricultural Commercialization and Enterprises
PDR	Project Design Report
PKSF	Palli Karma-Sahayak Foundation
PMU	Project Management Unit
PO	Partner Organization
RMTP	Rural Microenterprise Transformation Project
SLGA	Subsidiary Loan and Grant Agreement
SWOT	Strengths, Weaknesses, Opportunities and Threats
VC	Value Chain
VCD	Value Chain Development
YPSA	Young Power in Social Action

1 Project at a glance

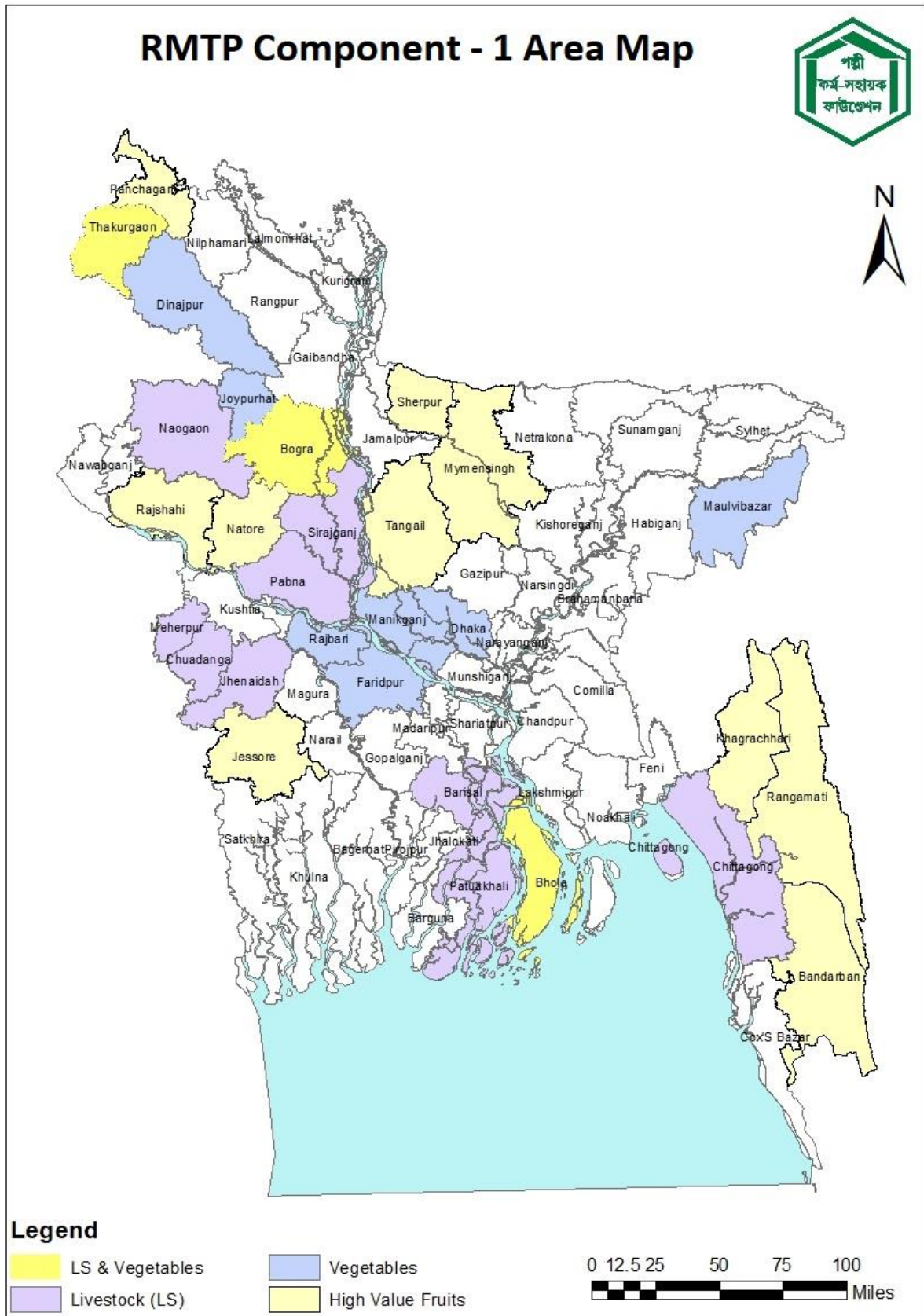
General Information

IFAD Division:	Asia and The Pacific Division
Project Implementing Agency:	Palli Karma-Sahayak Foundation (PKSF)
Country:	Bangladesh
Starting Date:	3 December 2019 (Date of signing financing agreement)
Expected Closing Date:	31 December 2025
Contact person (e-mail address):	arafiq66@gmail.com

Administrative and Financial Information

Activity number:	2000002356
Amount approved:	US\$ 200,000,000
Amount disbursed:	US\$ 135,140,000
Amount to be refunded:	N/A
Co-financing (source/amount/rate):	Domestic Co-Financing -
	Beneficiaries US\$ 877,000
	Private Sector Local US\$ 96,859,000
	Palli Karma-Sahayak Foundation US\$ 12,965,000
	IFAD US\$ 81,000,000
	International Co-Financing -
	Denmark US\$ 8,299,000
	Total US\$ 200,000,000

2 Area map under RMTP Component – 1



3 Background

Palli Karma-Sahayak Foundation (PKSF) is an apex development organization established by the government in 1990 for poverty alleviation through sustainable employment generation. Since its inception, PKSF has been implementing development programs and projects supported by the Government of Bangladesh (GoB) and international development partners, including the ADB, DFIF, IFAD, and World Bank. PKSF has successfully implemented four IFAD-financed projects, including MFTS, MFSMF, FEDEC, and PACE. Based on the successful implementation of PACE, PKSF launched the Rural Microenterprise Transformation Project (RMTP) in January 2020, which is aimed at expediting poverty reduction through promoting microenterprises. The microenterprise sector significantly contributes to the GDP of Bangladesh and is crucial to economic growth by creating self and wage employment.

4 Brief Description of RMTP

Designed for six years, RMTP aims to support small farmers and microentrepreneurs (or their organizations) and agribusinesses to improve their operations and integrate contractually within selected value chains. In this perspective, commodity selection is fundamental. Commodities that respond to growing demand from domestic, regional, and global markets, ensure nutritional benefits for producers and consumers, and comply with food quality and safety standards will be prioritized under RMTP. It should be noted that the robust macroeconomic growth experienced by Bangladesh over the past decades has led to the sharp growth of the middle class. This has rapidly increased the demand for meat, vegetables, fruit, and milk products. These consumers' quality and food safety concerns are growing, creating a rising demand for certified high-quality food. In this context, the project has determined the following goal and objectives:

4.1 Goal and Objectives

The project goal of RMTP is to sustainably increase the income, food security, and nutrition of marginal and small farmers and microentrepreneurs across selected value chains. The development objective is the sustainable growth of the selected rural commodity value chain.

4.2 Project Components

RMTP will carry out various activities under three complementary components to achieve the goal mentioned above and objectives. The components are as follows:

Component 1: Value Chain Enhancement. This component will enable 445,000 microenterprises to sustainably expand their activities by adopting efficient production methods, compliance with internationally recognized food safety and traceability standards, and strong market linkages. It will contribute to creating an enabling environment that promotes the growth of micro and small enterprises and strengthens their linkages with the agribusinesses and other value chain actors. It has five sub-components: (i) organization of producers; (ii) provision of technical and business services (including GGAP compliance) to producers through private advisory services; (iii) integration of actors across selected value chains; (iv) strengthening of downstream agribusinesses (including GGAP and HACCP compliance as required); and (v) policy dialogue with Government.

Component 2: Financial Services. This component will provide sustainable financial services to micro-enterprises and growing/ larger enterprises and agribusinesses. It has three sub-components: (i)

provision of financial services to microenterprises through partner organizations (microfinance institutions); (ii) provision of commercial finance to larger microenterprises as well as small/ medium agribusiness companies through Micro Finance Institutions (MFIs); and (iii) optimal utilization of remittances through training to the family members of overseas workers¹.

Component 3: Institutional Strengthening and Project Management. This component aims to strengthen PKSF's and partner organizations' (PO) capability as development organizations by leveraging trends in Information Communication Technology (ICT), financial services, commercial platforms, and new technologies and to ensure that the project is managed satisfactorily. It has three sub-components: (i) PKSF capacity building, (ii) POs capacity building, and (iii) project management (see organization and management section).

4.3 Project Costs

The details of the project cost as per the components are given below:

Table 1: Component wise project cost in USD millions

SI no.	Components	IFAD	PKSF	DANIDA	Private Sector	POs	Large MFI	Beneficiaries	PKSF Tax	Total
1.	Value Chain Interventions	14.39	0.39	8.30	4.65	5.81		0.87	0.80	35.21
2.	Financial Services	58.22	10.76	-	-	76.4	10.00	-	-	155.38
3.	Institutional Strengthening and Project Management	7.39	0.89	-	-	-	-	-	0.13	8.41
4.	Capacity building of remittance earners. (grant) for proper use of remittances ² .	1.00	-	-	-	-	-	-	-	1.00
Total		81.00	12.04	8.30	4.65	82.21	10.00	0.87	0.93	200.0

4.4 Expected Outputs/Outcome

The project's direct target groups are marginal and small farmers and microentrepreneurs. It indirectly supports all value chain actors (input suppliers, traders, processors, advisory services). In terms of poverty, the project targets the (i) poor, (ii) transitional poor, and (iii) enterprising poor. An estimated 445,000 households will be the direct beneficiaries of the project, of which 100,000 microenterprise borrowers and 345,000 will be benefitted from value chain development activities. The benefits include enhanced financial and social service delivery; improved technical capacities of livestock para professionals and para extension service providers; food safety in the project area and beyond; better awareness of food safety and nutrition intake among beneficiaries; improved animal health; and value chain development through improved market access, and development and expansion of rural businesses.

¹ This subcomponent will be implemented by the Ministry of Expatriates' Welfare and Overseas Employment (MoEWOE). PKSF does not have any responsibility regarding the implementation and monitoring of this subcomponent

² This component will be independently implemented by MoEWOE.

4.5 Project Management/Implementing Arrangements

PKSF works through around 200 licensed microfinance institutions (known as POs) with 9,500 branches across the country. Through this network, PKSF provides inclusive finance and other services to over 14 million poor households. PKSF's aggregate assets amount to approximately USD 815 million, including its active loan portfolio, which currently stands at USD 271 million, with a recovery rate exceeding 99%. PKSF is supervised by the Financial Institutions Division of the Ministry of Finance.

The PMU works with PKSF's Loan Operations Division to implement the financial service program through POs as per established processes and norms. The division assists with selecting qualified large MFIs for financing larger enterprises and agribusinesses and works with POs and selected service providers to implement the value chain component. Besides, PKSF's support divisions, including Audit, Administration, Agriculture, Human Resources, Accounts and Finance, Livestock, Research, Training, M&E, MIS, and IT, provide relevant services to the project.

5 Progress of Project Implementation

On the 3rd December 2019, the financing agreement of the project was signed between the GoB and IFAD. Subsequently, the Subsidiary Loan and Grant Agreement (SLGA) was signed between PKSF and the Ministry of Finance on 2nd January 2020.

COVID-19 situation was worsening from March to June 2021. The pandemic is spreading now with a record number of infections and deaths. The government imposed a strict lockdown across the country to prevent infection from 01 July 2021 to 10 August 2021. This situation hampered the implementation of project activities. However, PKSF continued loan disbursement to POs, and POs continued providing financial services to the microentrepreneurs under the project. PMU finalized the necessary tools and formats for implementing VC sub-projects. Until December 2021, PMU received a number of preliminary VC sub-project proposals from the selected POs. Despite the interruption caused by the Covid-19 pandemic, the project made good progress in all three components. Value chain interventions have been started at the field level, loan disbursement for microenterprises is going on, and PMU has become fully staffed with required project officials. This report states component-wise progress and cumulative achievements during the reporting period (January to December 2021).

5.1 Component-wise Project Progress

The following table shows the achievement as of December 2021 according to the project targets:

Table 2: Project achievement according to target

Components	Indicators	Targets	Achievement
Component-1: Value Chain Enhancement			
Sub-component 1.1: Organization	2.1.4 Supported rural producers that are members of a rural producers' organization	345,000	-
	1.1.8 Households provided with targeted support to improve their nutrition	200,000	-
Sub-component 1.2: Technical and business services	Training days provided to farmers on GLOBAL GAP and HACCP		
	2.1.2 Persons trained in income-generating activities or business management	4,200	-
	Persons trained in IGAs or BM (total) – Number	9,000	-
	Persons trained in Global/Bangla GAP and HACCP	20,028	-
Sub-component 1.3: Value chain integration	1.1.4 Persons trained in production practices and/or technologies	276,000	-

Components	Indicators	Targets	Achievement
	Persons paid partially or fully for training or advisory services in selected value chains	9,000	-
Sub-component 1.4: Enterprise Strengthening	2.1.1 Rural enterprises accessing business development services	20,000	-
Sub-component 1.5: Policy dialogue	Policy 1 Policy-relevant knowledge products completed	5	-
Component-2: Financial Services			
Sub-component 2.1: Sustainable financial services offered through Partner Organizations	1.1.5 Persons in rural areas accessing financial services	100,000	52,185
Sub-component 2.2: Commercial finance	Enterprises supported by non-bank financial institutions	550	-
	Increase in PKSf ME loan outstanding to large MFIs/Commercial Banks (in million BDT) - Money (USD' 000)	1,600	-
Sub-component 2.3: Utilisation of remittances	Number families of overseas workers trained on capacity building	4,500	-
	Support to families of expatriate workers		
Component-3: Institutional Strengthening and Project Management			
Sub-component 3.1: PKSf's institutional strengthening through ICT based solutions	ICT solutions developed	4	-
Sub-component 3.2: PKSf's Human Resources Development	People trained in various capacity building courses	145	27
Sub-component 3.3: Partner organizations institutional strengthening	1.1.6 Financial service providers supported in delivering outreach strategies, financial products and services to rural areas	25	-

Component 1: Value Chain Enhancement

With 17.6% of the total budget allocated, value chain enhancement is the most important component of this project. This component covers making value chain interventions in the high-value agricultural products under three major categories: horticulture, livestock, and fisheries. COVID-19 highly affected the project's overall progress from January to December 2021. Field activities were limited during this time. However, RMTP's PMU has organized a virtual meeting with the POs to share ideas with the POs to design VC sub-projects on some potential agro-products. The value chain enhancement components include five sub-components:

Sub-component 1.1. Organization

The project has undertaken 27 sub-projects in two major agricultural sectors, livestock and horticulture. These sub-projects will organize informal producers groups within them. The formation of informal producers groups is in progress. The 27 VC sub-projects extend support to 326,010 project participants. A total 22 of POs of PKSf are implementing mentioned VC sub-projects in different country regions (see RMTP Component 1 Map, p.7).

Sub-component 1.2. Technical and business services

PKSf has prepared some sub-sector-wise booklets during the reporting period, which are used as training modules for most of the value chains initially selected for project support. PKSf has such booklets in most VC sub-projects implemented under the PACE project. HACCP and BGAP have been incorporated into the VC sub-projects. PMU oriented project officials on GGAP, HACCP, and market system development through a virtual platform. Besides, the professional organizations and experts are being identified by PMU for receiving technical and business services as required.

Sub-component 1.3. Value chain integration

The Value Chain Evaluation Committee (VCEC) has evaluated 27 VC subprojects; eight for livestock and 19 for horticulture. Assisting the establishing of commodity-level multi-stakeholder platforms



Figure 1: Project participant working in Tulip garden

(value chain committees), the project will bring together microenterprise groups, agribusinesses, input suppliers, transporters, researchers, public advisory services, private advisors, and end-market representatives to promote linkages among buyers, producers, and service providers as well as contract farming and similar mechanisms. Further, the platforms will serve as a mechanism to directly liaise with line ministries to ensure cooperation among value chain actors and the government.

RMTP focuses on a number of sub-sectors and commodities that have a comparative advantage, market demand, and growth potential; that are produced by small farmers and microentrepreneurs; that are aggregated in geographical clusters to ensure economies of scale and the possibility of private sector linkages; and that have potential to improve food and nutrition security for both producers and consumers. The value chains the project support fall into three broad categories:

- *Crops/horticulture/legumes*: i) high-value cereal crops (e.g., aromatic and fine rice); ii) high-value fruits and vegetables (including dark green leafy vegetables); iii) pulses (e.g., lentils, *mung* bean, chickpeas), beans, and seeds; and iv) related trading and processing.
- *Livestock*: i) dairy production; ii) red meat (e.g., cattle, goats, sheep, and buffalo); iii) poultry (including water birds and turkey) and eggs; iv) related trading and processing.
- *Aquaculture*: i) technology-based aquaculture (e.g., mud crab, carp and tilapia, crayfish, and high-value local species, particularly small fish); ii) related trading and processing.

The 27 selected sub-projects support appropriate production technology, market linkage, product branding/marketing, and information technology for promoting microenterprises within the respective value chains. Details of VC sub-projects are provided in *Table 3*:

Table 3: List of livestock market system development of safe meat and dairy products sub-projects undertaken by RMTP

Sl. No.	Respective POs	Sub-project Location	Tentative Project Participants		Date of commencement	Budget (BDT million)	Major activities
			Male	Female			
1.	Dabi Moulik Unnayan Sangstha	Naogaon Sadar, Raninagar and Atrai under Naogaon, Adamdighi and Dhupchanchia under Bogura	3,865	21,135	09 December 2021	62.5	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local livestock service providers (LSP) through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Development and Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development.
2.	Eco Social Development Organization (ESDO)	Thakurgaon Sadar, Ranisankail and Pirganj under Thakurgaon	1,870	23,130	02 December 2021	60.0	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local LSP through training. • Cool chain development through LSP. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development. • Development of buffalo, cow, goat, sheep, and garole collection points.
3.	Family Development Authority (FDA)	Charfassion, Lalmohan and Manpura under Bhola	4,993	20,007	02 December 2021	60.0	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local LSP through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows.

Sl. No.	Respective POs	Sub-project Location	Tentative Project Participants		Date of commencement	Budget (BDT million)	Major activities
			Male	Female			
							<ul style="list-style-type: none"> • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and milk processing plant development.
4.	Grameen Jono Unnayan Sangstha (GJUS)	Bhola Sadar and Borhanuddin under Bhola, Bauphal and Dashmina under Patuakhali, Bakerganj under Barisal	16,992	8,008	02 December 2021	62.5	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local LSP through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development. • National level workshop on development of char land use policy for buffalo breeders.
5.	Gram Unnayan Kendra (GUK)	Bogura Sadar, Sherpur, Shahjahanpur, Sariakandi and Gabtali under Bogura	10,660	14,340	02 December 2021	62.5	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local livestock service providers (LSP) through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development. • National Level Workshop on 'Introduction of Meat Breeding Varieties in Bangladesh, Stopping Meat Imports, Opening Bangla GAP and Obtaining OIE Certificate'.
6.	National Development Program (NDP)	Sirajganj Sadar, Kamarkhand, Ullapara and Belkuchi under	6,590	18,410	02 December 2021	62.5	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local livestock service providers (LSP) through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market.

Sl. No.	Respective POs	Sub-project Location	Tentative Project Participants		Date of commencement	Budget (BDT million)	Major activities
			Male	Female			
		Sirajganj, Santhia and Bera under Pabna					<ul style="list-style-type: none"> • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development.
7.	Wave Foundation	Meherpur Sadar, Mujibnagar/Gangni under Meherpur; Chuadanga Sadar/Damurhuda under Chuadanga, Jhenaidah Sadar under Jhenaidah	981	25,499	12 December 2021	60.0	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local livestock service providers (LSP) through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development.
8.	Young Power in Social Action (YPSA)	Chattogram Sadar, Sitakundu and Mirsharai under Chattogram	5,059	19,941	12 December 2021	60.0	<ul style="list-style-type: none"> • Training on livestock rearing technology and management. • Develop efficient local livestock service providers (LSP) through training. • Arrange vaccination and de-worming camp. • Develop local meat and milk market. • Exhibition on the effectiveness of feeding succulent raw grass and silage to cows. • Training of Sub-Dealers on Supply Chain Strengthening of Ready Meat and Cuff Starter • Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider. • Meat and Milk Processing Plant development.
Total			51,010	150,470		490.0	

Table 4: Horticulture value chain sub-projects evaluated by VC Evaluation Committee

Sl. No.	Name of the Product	Sub-Sector	Sub-project Location	POs	Project Participants		Budget (BDT million)	Major activities
					Male	Female		
Fruits sub-sector								
1.	High Value Fruits	Fruit (Horticulture)	Fatikchori under Chattogram, Ramgarh under Khagrachari	OPCA	3,371	1,629	24.16	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
2.	High Value Fruits	Fruit (Horticulture)	Mirsorai and Sitakunda under Chattogram	YAPSA	3,371	1,629	24.66	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
3.	High Value Fruits	Fruit (Horticulture)	Matiranga under Khagrachari, Kaptai under Rangamati, Bandarban Sadar under Bandarban	IDF	4,620	1,380	30.66	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
4.	High Value Fruits	Fruit (Horticulture)	Sapahar and Nojipur under Naogaon	DABI	3,371	1,629	24.66	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers

SI. No.	Name of the Product	Sub-Sector	Sub-project Location	POs	Project Participants		Budget (BDT million)	Major activities
					Male	Female		
								<ul style="list-style-type: none"> • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
5.	High Value Fruits	Fruit (Horticulture)	Sherpur Sadar and Jhinaigati under Sherpur	Pidim Foundation	3,371	1,629	24.66	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
6.	High Value Fruits	Fruit (Horticulture)	Potia under Rajshahi, Natore Sadar under Natore	Uddipon	3,371	1,629	24.16	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
7.	High Value Fruits	Fruit (Horticulture)	Boda and Tentulia under Panchgarh	ESDO	3,371	1,629	24.66	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers

SI. No.	Name of the Product	Sub-Sector	Sub-project Location	POs	Project Participants		Budget (BDT million)	Major activities
					Male	Female		
								<ul style="list-style-type: none"> • Partial grant to get certification from BSTI
8.	High Value Fruits	Fruit (Horticulture)	Chougacha under Jashore, Mohespur under Jhenaidah	SNF	3,371	1,629	24.16	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
9.	High Value Fruits	Fruit (Horticulture)	Valuka and Fulbaria under Mymensingh, Modhupur and Ghatail under Tangail	SSS	4,365	635	26.16	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
10.	High Value Fruits	Fruit (Horticulture)	Parbotipur and Nababganj under Dinajpur	GBK	3,371	1,629	24.16	<ul style="list-style-type: none"> • Training on high value fruit and crop cultivation at entrepreneurial level • Provide training GGAP among Master Training and Farmers • Improve of fruit collection centres • Organize meeting on Production, sales and planning (PSP) • Organize linkage workshops with nursery owners to connect farmers to the market • Market Promotion Campaign through Machinery Suppliers • Partial grant to get certification from BSTI
Sub total					35,953	15,047	252.05	
Vegetable sub-sector								
1.	High value vegetables	Vegetable (Horticulture)	Bogura Sadar, Shahjahanpur, Dhunot and	TMSS	8,300	1,700	24.55	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production

Sl. No.	Name of the Product	Sub-Sector	Sub-project Location	POs	Project Participants		Budget (BDT million)	Major activities
					Male	Female		
			Shibganj under Bogura					<ul style="list-style-type: none"> • Products Traceability and Certification • Quality Input Availability
2.	High value vegetables	Vegetable (Horticulture)	Faridpur Sadar, Boalmari, and Alphadanga under Faridpur, Rajbari Sadar and Baliakandi under Rajbari	SDC	8,500	1,500	27.95	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production • Bio-Fertilizer Production from Urban Waste • Products Traceability and Certification • Quality Input Availability
3.	High value vegetables	Vegetable (Horticulture)	Parbatipur under Dinajpur	GBK	8,500	1,500	24.35	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production • Products Traceability and Certification • Quality Input Availability
4.	High value vegetables	Vegetable (Horticulture)	Panchbibi and Akkelpur under Joypurhat	JAKOS Foundation	8,500	1,500	24.55	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production • Products Traceability and Certification • Quality Input Availability
5.	High value vegetables	Vegetable (Horticulture)	Thakurgaon Sadar and Baliadangi under Thakurgaon	ESDO	8,500	1,500	26.95	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production • Bio-Fertilizer Production from Urban Waste • Products Traceability and Certification • Quality Input Availability
6.	High value vegetables	Vegetable (Horticulture)	Charfassion and Lalmohan under Bhola	FDA	4,590	410	15.32	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production • Products Traceability and Certification • Quality Input Availability
7.	High value vegetables	Vegetable (Horticulture)	Savar and Keraniganj under Dhaka, Singair under Manikganj	SUS	8,500	1,500	27.05	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production

SI. No.	Name of the Product	Sub-Sector	Sub-project Location	POs	Project Participants		Budget (BDT million)	Major activities
					Male	Female		
								<ul style="list-style-type: none"> • Products Traceability and Certification • Quality Input Availability
8.	High value vegetables	Vegetable (Horticulture)	Komolganj under Moulvibazar	Patakuri Society	8,500	1,500	25.65	<ul style="list-style-type: none"> • Ecology Farming Introduction • Vegetable Production • Vegetable Export Production • Products Traceability and Certification • Quality Input Availability
Sub total					63,890	11,110	196.33	
Floriculture sub-sector								
1.	High Value Floriculture	Floriculture (Horticulture)	Tentulia under Panchagarh	ESDO	0	8	3.95	<ul style="list-style-type: none"> • Farmer selection (enthusiastic and risk taker) • Prepare Tulip Flower Exhibition Plot • Marketing Workshop with Tulip Farmers and Wholesalers • Training on Tulip Flower Cultivation • Tulip Bulb Distribution • Organize Tulip Flower Field Day
Grand Total					99,843	26,165	452.33	

Sub-component 1.4. Enterprise strengthening

The project intends to engage GGAP/HACCP assurer firms/individuals to assist in introducing BGAP related protocols and the training of master trainers in BGAP. Currently, there is an acute shortage of Bangladeshi assurers. Therefore, the project will explore opportunities to support the training of qualified Bangladeshi in-country or abroad to serve the initial purpose. Yet, in a longer-term perspective, the international GAP organization is to be approached to set up training facilities in collaboration with, for example, Bangladeshi universities.

Besides training BGAP/HACCP assurers for downstream agribusinesses, other sector-specific trained persons will assist producer groups in achieving national quality and safety standards. With assistance from the technical mission, the project has developed three sectoral strategies for guiding subprojects in three sectors and completed a national sector analysis for livestock, fisheries and horticulture. These documents have been the basis for designing sub-projects.

Livestock Sector

The livestock sector analysis identified six major constraints ranging from poor quality concentrated feed and lack of green grass, inadequate livestock services, limited application of farm management technologies, narrow dairy product range, weak marketing, unsafe animal husbandry to inadequate applications of ICT in the entire value chain. The selected eight subprojects will address these constraints.



Figure 2: A cattle rearer is in front of his farm

A common challenge in dairy farm management includes poor waste management practices due to lack of knowledge, limited physical space for drainage, and lacking knowledge of technologies for waste management. Among others, a cost-effective solution is to convert waste into bio-fertilizer, which can be used for crop production. These considerations will be addressed as an integral part of enterprise development.



Figure 3: Hygienic milk products produced by project participant

Thakurgaon district has 25 small cheese factories that cater to Dhaka, which, however, suffer from several challenges, including i) poor quality, ii) lack of product diversification, iii) products are sold to low-end very price-sensitive buyers; d) poor marketing, product design and packaging; and e) practically no local market. These findings indicate the need for comprehensive business development assistance for each enterprise, ranging from quality improvement and product diversification to mechanized and hygienic production floor, packaging, and marketing in cities and local markets.

Assurance of vaccination and curative service has been identified as crucial for livestock farming, as on most smallholder farms (one to four animals), such services are sporadic and unreliable. Accordingly, the project is planning to launch a pilot initiative. Trained vets and necessary para-vets will provide a separate animal health service to offer commercial vaccination and curative services to all animals within the command area. Additionally, a risk fund will be created to reimburse farmers in case of the death of an animal due to diseases.

Role of ME/larger farms in the value chain. Large farms (more than ten animals) play an important role in the value chain as they: i) employ poor persons, ii) buy young animals, grass, ingredients for feed from smallholders, and iii) provide advisory services due to more knowledge and experience. The value chain sub-projects will organize farmers of all sizes, especially small farms, to facilitate sustainable services, technologies, and marketing assistance. The ME Unit of PKSf collects information bi-annually on employment (family and external persons) that provides an increase/decrease in employment. Besides impacts, studies also estimate employment created by MEs.

Poultry as a subsector has high potential in local and national markets that will directly benefit poor and small producers due to the short duration of the business cycle, the profitability of the small operation, and growing demand. Accordingly, RMTP will focus on chicken production, supply, and processing.

Horticulture Sector

The project has developed subprojects for the horticulture sector, with opportunities found for small-scale fruit processing of mango and pineapple pulp and tomato puree. In this view, the challenge is to identify small-scale production and opportunities for commercializing processed horticulture items, such as dried bitter melon (that can be marketed as herbal medicine), dried leafy vegetables (jute leaf), dried roots (kochu) and seeds at a small level, that are traditionally produced for consumption. It is suggested that the project engages with POs to identify more opportunities to commercialize local produces.

Aquaculture and Fishery Sector

The project will be supporting i) production and productivity-enhancing technologies, ii) processing of fisheries (dried fish and cooked dried fish products) and aquaculture products, iii) supply of good quality inputs, and iv) supply of fingerlings.

The VC sub-projects initiated under the project include specific activities for enterprise strengthening, such as business training, production technology, certification, and market linkage. A detailed overview of the interventions planned under the livestock VC sub-projects can be seen in *Table 3*.

Sub-component 1.5. Policy/practices dialogue

Throughout implementation, RMTP identifies policy constraints in the value chains of different agricultural products and subsequently aims to organize policy dialogues among stakeholders, including public and private sector organizations. Since the beginning of the project, seven areas of policy interest have been identified in the value chain of meat and dairy products, including i) introduction and extension of insemination services for goat, sheep, and buffalo in Bangladesh, ii) solution for using char pasture land by poor farmers for feeding buffalo, iii) introduce meat-type livestock breed and BGAP and ban on importing meat in Bangladesh, iv) introduce rural infrastructure facilities for selling livestock and livestock produces, v) introduce regional testing facilities for ensuring safe food production, vi) introduce unique numbering of livestock, and vii) prospect of commercial ready feed for sheep and goat to meet the future feed crises in Bangladesh.

The progress of these activities will be followed up regularly. Likewise, the VC sub-projects in horticulture and fisheries will include specific policy interventions as per the requirement in their value chains.

Component 2: Financial Services

The outcome of this component is to provide sustainable financial services for microenterprises and growing/larger enterprises and agribusinesses. It has two outputs related to PKSf: 2.1: Microfinance through POs; and 2.2: Commercial finance through large MFIs.

Sub-component 2.1: Microfinance through POs

Since the start of the project, 52,185 households (52% of the total target) have been provided with financial services, of which 78% of the beneficiaries are women, and 16% are youth. Given the high demand, it is anticipated that PKSf will disburse the ME loan under this component faster than planned, which will allow PKSf and its POs to reach significantly more MEs than determined as the project target. Since lending resources will revolve at the PO level, it is envisaged that these new borrowers will receive several cycles of loans. PKSf applies its existing business model, standard operating procedures, and lending terms and conditions to administer financial services under the project. PKSf lends to POs for lending to microentrepreneurs. Similarly, POs apply their standard operating procedure and lending terms and conditions. Repayments from borrowers to POs will be revolved around similar investments for the project duration.

From June 2020 to December 2021, PKSf to POs disbursement under the ME program (Agrosor) was BDT 15,776.5 million (USD 184.12 million), the cumulative recovery was BDT 12,578.98 million (USD 146.8 million), and the cumulative outstanding was BDT 3,197.52 million (USD 37.37 million). During the reporting period (Jan to Dec 2021), PKSf to POs disbursement was BDT 10,962.0 million (USD 121.18 million), the recovery was BDT 8,405.74 million (USD 93.58 million), with a total outstanding of BDT 2,556.26 million (USD 27.6 million).

Table 5: Information on microenterprise program financial services³ at a glance

Subject Level	As per Jun'20	As per Dec'20	As per Jun'21	As per Jul'21	As per Dec'21	Change ('+' / '-')
1	2	3	4	5	6	7=(6-4)
PKSF to PO Level						
No. of districts	64	64	64	64	64	0
No. of POs	166	166	166	178	178	12
Cumulative loan disbursement (USD in million)	501.98	564.97	619.45	619.46	686.15	121.2
Cumulative recovery (USD in million)	323.64	376.86	424.71	432.44	470.43	93.57
Cumulative outstanding loans with POs (USD in million)	178.35	188.12	194.74	187.02	215.72	27.6
Cumulative Recovery Rate (CRR)	99.49	99.64%	99.56%	99.56%		
POs to Field level						
7=(5-4)						
No. of borrowers						
Total	1,585,953	1,573,309	1,642,836	1,708,726		135,417
Female	1,232,145	1,225,356	1,285,009	1,348,200		122,844
Male	353,808	347,953	357,827	360,526		12,573

³ The data source is MIS of PKSf where the data is updated as of July 2021

Subject Level	As per Jun'20	As per Dec'20	As per Jun'21	As per Jul'21	As per Dec'21	Change ('+' / '-')
Cumulative loan disbursement (USD in million)	11,643.7	12,803.0	14,102.4	14,118.2		1,315.2
Cumulative Recovery (USD in million)	10,104.9	11,270.7	12,446.6	12,515.6		1,244.9
Outstanding with borrowers (USD in million)	1,538.8	1,532.2	1,655.8	1,602.6		70.36
Average loan size in USD	1,501.0	1,639.9	1,742.4	1,651.0		11
Cumulative Recovery Rate (CRR)		98.36	98.54	98.52		0.02

Leasing and start-up loans will be encouraged for investments in power tillers, tractors, mechanical/motorized rice planters, solar-powered drip/micro-irrigation systems, automatic poultry slaughterhouses, and other assets. Moreover, PKSf considers start-up capital loans for new microenterprises to specifically target young people.

In terms of loan use, an analysis shows the following: agriculture/agribusiness (35%), rural trade/shops (31%), rural processing (19%), and rural services (15%). Regarding the size the analysis shows the average ME loans to remain around BDT 100,000 with the following percentages: less than BDT 100,000 (51.47%), between BDT 100-300,000 (32.22%), BDT 300-500,000 (10.32%) and more than BDT 500,000 (5.99%). The interest rate is 24%

Sub-component 2.2: Commercial finance through Large MFI

The objective of this sub-component is to develop a new channel of financing for larger microenterprises and small/medium agribusiness companies (the 'missing middle'), which are currently neither clients of microfinance institutions nor commercial banks.

The Governing Body of PKSf decided not to disburse ME loans through NBFIs in light of the poor performance of the NBFi sector. Instead, the financing will be administered by large MFIs, which are also POs of PKSf. These POs will offer larger loans (between BDT 1 to 5 million) at a reduced interest rate. Accordingly, PKSf is preparing the policy for providing this particular type of financial service. Selected large MFIs of PKSf will provide commercial financing as per the requirements. The small producers will be linked with the relatively larger processing enterprises.

Sub-component 2.3: Optimal utilization of remittances

In FY2019-2020, a total of USD 18.205 billion in remittances have been sent to Bangladesh using formal channels. These remittances are used primarily for consumption, house improvements, and land purchase. Due to a lack of skills, its receivers often do not invest these funds in sustainable economic activities. Against this background, sub-component 2.3 will provide business and technical training to expatriate family members (mainly women and youth) to start viable micro-enterprises and link them with microfinance institutions. The mission met with the Ministry of Expatriates' Welfare and Overseas Employment (MoEWOE) to discuss the way forward. To strengthen the capacity to implement the sub-component 2.3 and ensure efficient use of the investment, an internal seminar with MoEWOE focal points, the PMU, and IFAD Specialists is planned.

Component 3: Institutional Strengthening and Project Management

This component is designed to strengthen the capability of PKSF and POs as development institutions by leveraging emerging trends in financial services, e-commerce platforms, and new technologies. Several technologies such as distributed digital ledger technology (blockchain), e-commerce platform, crowdfunding (fraternity funding), and microenterprise ICT are considered. During the reporting period, the project has completed a feasibility study on crowd-funding and basic training on GGAP/HACCP for PKSF officials. Moreover, online training for POs on value chain analysis and project implementation is as planned.

Sub-component 3.1. PKSF's institutional strengthening through ICT based solutions

RMTP/PKSF has completed a study on crowdfunding by a Bangladeshi financial sector expert. The study provides background research and analyses the country's opportunities and regulatory situation. Two types of crowdfunding might be feasible: i) grant-based initiatives and ii) debt-based initiatives. Going forward, the launch of a grants-based crowdfunding pilot project to fully understand the issues around crowdfunding, such as the development and management of a technological platform, responses from donors ('crowds'), application of funds for financing of various projects targeting the poor using grants funds, which are critical for future expansion. A debt-based crowdfunding pilot might follow this. PKSF has approved the indicative ToR for grants-based crowdfunding solutions, and the finalization of the ToR is in progress.

Moreover, the project has organized two orientation sessions for 27 PMU officials. Two experts shared the fundamentals of blockchain technologies and their global application, especially in the financial sector, and presented potential business cases in the MFI and ME/VCD sectors. To date, the project could not identify a clear business case where blockchain technology can be effectively applied.

However, the project is planning to review two possible business cases. Firstly, pilot the application of blockchain technology to manage ME loan of multiple POs of PKSF in one Upazila, to develop insights into the usefulness of blockchain technology in ME operations, development of a common platform to learn about lending behaviors of MFIs, and borrowing behavior ME borrowers, challenges of development, and management of a common platform using blockchain. An indicative ToR has been developed. Secondly, a pilot on traceability of various stages of selected supply chains where numerous MEs are involved to ensure food safety and monitor business performance is recommended.

Besides, and in addition to the MIS, the project identified the management of each subproject with appropriate technologies such as ICT and other monitoring software applications as key. An example under Component 1 includes all livestock (e.g., cattle-fattening, dairy farms) projects should use software to monitor individual cattle. Farmers will provide basic input such as feed, vaccination, and weight to enable PO specialists to provide technical services to respective producers. Moreover, its usage will allow the connection of vets, LSPs, input sellers, and buyers with producers. Also, it will facilitate the management of sub-projects, which is challenging relying on physical field visits only. This also applies to other sectors such as aquaculture and high-value horticulture, where technical assistance to farmers/producers is essential.

For Component 2, the project will consider a simple, innovative smartphone-based accounting software for MEs, which can initially be introduced as a pilot to digitalize bookkeeping and supports the automatic generation of quarterly/annual financial statements.

The project plans to conduct a pilot program to test the feasibility of such an application with available software in Bangladesh, formalize MEs, and support the presentation of business information to financial institutions (MFIs/banks) – a critical step in accessing finance. Currently, lending by MFIs is based on estimates and informal information provided by MEs. This approach bears higher risks for the lender and eventually raises the interest rate.

Sub-component 3.2. PKSF Human Resources Development

PKSF has established its full PMU for the project, consisting of 24 staff members. The PMU staff has been oriented the project. So far, training on business management, nutrition, value chain analysis, GGAP/HACCP, and orientation on blockchain technology has been completed for PKSF officials. Additional training on business management, financial and value chain analysis, project and subproject design, management, M&E systems, and financial services are to be organized.

Moreover, the PMU is finalizing ME policies, nutrition, gender strategies, and M&E framework for institutional strengthening. Moreover, RMTP has started implementing ICT-based solutions to PKSF mainstream components.

Sub-component 3.3. PO Institutional Strengthening

Similarly, the project will train PO officials and staff in value chain management, contract intermediation, and nutrition-sensitive value chain design. The value chain subprojects include training for project staff members. In 2021, RMTP's sector specialists facilitated a number of training to 20 POs in developing sub-project proposals for the livestock and horticulture sectors.

Under the livestock sub-projects, the staff of the eight selected POs has received the following:

- Orientation on project management and implementation
- Training on AIS MIS for implementing VC sub-projects
- Training on participants' selection criteria under the VC sub-projects
- Hands-on training to develop the logframe of the VC sub-projects

Besides, a series of online training has been provided to the POs staff while developing the livestock sub-projects, including livestock sub-sector analysis, market system value chain analysis, value chain development, business model canvas, and marketing plan. Continuous capacity building activities as planned as per approved AWPB of the current financial year.

5.2 Mainstreaming

Gender / Youth

The project puts a strong emphasis on gender equity and youth employment, which implementation is supported by a Gender and Social Inclusion Officer (GSIO). During the reporting period, the project has started integrating gender content in all relevant training sessions and carried out focus group discussions with women to identify their interests and challenges. These have confirmed the need for clean mechanization that reduces workload, improves nutrition content and food safety, and increases profits, which will be prioritized. The VC strategic plans and the more detailed analyses for dairy and horticulture have specified that they will pay special attention to women's and youth participation and have already analyzed the likely percentage of women and youth per VC and plans to do so for each stage of the VCs as implementation progresses. The GSIO is working with the VC specialists to identify more concretely the measures based on a clear understanding of the barriers and opportunities.

Moreover, the Gender and Youth Action Plan for RMTP is currently under review and is expected to be approved by March 2022.

The value chain sub-projects include an almost equal number of male and female participants. The VC sub-project design process also emphasizes including youth within the 18 to 35 age range. Currently, 78% of members of the ME program are women, and 16% are youth. The participant's profile format has been designed to collect gender and age disaggregated data from the field. PKSf has developed MIS tools to capture information related to age groups, ethnic groups, and persons with disability, supported under different programs and projects.

Nutrition

The project applies a nutrition lens to select value chains and project activities along value chains and micro-enterprise interventions to improve the nutrition status of communities. Throughout the project scope and in partnership with relevant agencies, nutrition-sensitive value chain activities will be promoted, including commodity-specific nutrition education, nutrition-sensitive extension, safe storage, and the introduction of food safety standards.

All products of the value chains selected are considered nutrition-sensitive, and the project is geared towards increased availability of nutritious food in households and the local markets. A Nutrition Specialist has been appointed to oversee, support, and implement nutrition activities at RMTP and PO levels. As per IFAD guidelines, two nutrition sensitive core indicators are incorporated in the logframe, including in the baseline survey ToR. Moreover, RMTP has developed a draft nutrition strategy paper to attain all nutrition-related project targets, which is expected to be finalized by March 2022. Under this strategy, different tools, Social Behavior Change Communication (SBCC) materials are to be developed, incorporated as part of all field level training for project participants. Additional secondary materials will be made available to the POs to strengthen nutrition awareness among the project participants. The projects' performance regarding nutrition will be measured regularly through conducting surveys and case studies.

Environment / Climate Change

The preliminary Environmental and Social categorization for the RMTP is "B", which indicates risk relates to the cumulative impact of various small agribusinesses and microenterprises in a cluster, thereby posing a considerable risk of waste streams and pollution. To timely address, these risks, project implementers and beneficiaries have identified and applied mitigation measures. The project will integrate activities to proactively address these risks by introducing climate-smart technologies and environmentally sustainable practices, including balanced fertilizer use and integrated pest management to reduce pollution and environmental degradation. Social risks are minimal, with project interventions to include women and the youth in value chains.

Moreover, the project has a significant potential for generating positive environmental and social benefits by applying the principles of GGAP and food safety standards during the processing of crops, livestock, and aquaculture under Component 1. This will ensure food safety and traceability along all value chains, which will ultimately reduce pollution and environmental degradation.

An Environmental and Social Management Framework (ESMF) was prepared during the project design. It included step-by-step guidance on screening for the environment, social risks/impacts, and corresponding measures to mitigate these. PKSf carries out this process when selecting value chains and microenterprises to be financed.

During the reporting period, there were 27 value chain sub-projects approved by PKSf. The VC sub-projects under the livestock sector included proper waste management in the sub-project activities to

mitigate environmental risks. Other VC sub-projects under the horticulture and fisheries sectors also consider the environmental issues.

5.3 Financial Progress

The project is in its second year of implementation. The disbursement of the IFAD Loan for RMTP is EUR 21 million (29.23%), including an outstanding advance to the Designated Account of EUR 8.9 million and a pending withdrawal application of EUR 5.73 million. EUR 1.34 million grant from The Danish Government has been disbursed to its designated account. No disbursement has been made for IFAD Grant financing the sub-component 2.3.

During the reporting period, the total expenditure of the project is USD 23.48 million. Component wise breakdown of the expenditure is given below:

Sl no.	Components	Budget (For 2021) (In million USD)	Expenditure for 2021 (Jan-Dec'21) (In million USD)
1.	Value Chain Enhancement	8.61	0
2.	Financial Services	93.87	151.88
3.	Institutional Strengthening and Project Management	1.54	0.45
Total		104.02	152.33⁴

PKSF has appointed its project financial management staff with adequate numbers and capacity. Two Designated Accounts (DA) and two Project Accounts (PA), each for IFAD Loan and IFAD Grant, were set up and managed by PKSF. The project is not handling cash except for advance for local workshops and training activities. All other payments are made through checks or bank transfers. RMTP timely submitted the project's IFR (see Annex 5). The project used PKSF accounting software to derive the data and then modified it manually to produce the required project reporting.

5.4 Project Management

RMTP has fully recruited its PMU, which now counts 23 full professional staff members. Eight are from PKSF's core staff members, and 15 were recruited through a competitive process, complying with IFAD recruitment requirements. Training and orientation sessions for the PMU staff are continuous. Besides, the PMU members participate in regular meetings with IFAD. To strengthen coordination, there are further regular project steering committee meetings (next in February 2022) and project coordination committee meetings (next in April 2022).

The project has been assessed and guided in the scope of an IFAD-fielded technical advisory mission held from 01 to 18 April 2021. Additional support has been provided through the supervision mission for RMTP from 04 to 15 December 2021. Recommendations are captured in the list of agreed actions, which are closely monitored and its progress regularly updated (see Annex 5).

RMTP's PMU has revised the AWPB FY2021-2022, which IFAD has approved. Based on the mission's suggestion, a second revision of the AWPB has been completed and approved on 13 December 2021.

5.5 Procurement

The project follows effective governance and internal control mechanisms of PKSF for procurement and contract management. Since July 2018, PKSF has been conducting all procurement activities by preparing procurement guidelines as per Public Procurement Rules (PPR) 2008 of the Government of

⁴ Exchange rate of 1 USD = BDT 85.80 (source: www.bb.org.bd; Date: 30/12/2021)

Bangladesh. The procurement activities of this project have been carried out by IFAD's Procurement Guidelines and Procurement Handbook and PPR 2008 of the Government of Bangladesh. A simple procurement manual has been prepared for implementing the procurement of POs. PMU of RMTP will assist POs in upgrading the procurement activities and processes as required.

In this reporting period, the project has submitted the 2nd revised procurement plan for FY 2021-22 to IFAD through the proper channel and obtained No Objection from IFAD. PMU updated the contract register in the IFAD Client Portal (ICP) platform quarterly, following IFAD instructions. PKSf completed the recruitment of PMU officials. RMTP published a Request for Expression of Interest for the baseline study in two daily newspapers (The Daily Star and The Daily Ittefaq). The consulting firm hiring process is ongoing. The goods procurement is working in progress.

5.6 Monitoring and Evaluation

An M&E specialist and an M&E officer were recruited during the reporting period. Aligned with the Project Design Report and the requirements of DANIDA (see Annex 2) and IFAD, RMTP has developed a logframe (see Annex 1), including the necessary disaggregated data points. The project completed preparatory works, including the finalization and update of the logframe, including IFAD core indicators, and the finalization and approval of TOR for the baseline survey. The hiring process of the consultant firm is ongoing.

Moreover, the M&E team is working on an M&E framework and action plan by including detailed activities, timelines, and responsibilities that will be included in the AWPB. Besides, a participants profile format has been developed and is currently under review. It will be finalized within April 2022, on which basis a real-time data collection application will be developed. In this regard, the project will develop the TOR for hiring a consultant/firm to develop the system. Besides this, RMTP will build on the software developed under the PACE project to use it as an information and knowledge-sharing platform. The M&E system will be utilized as a management tool and include assessing progress and compliance, identifying constraints, and proposed remedial actions.

5.7 Knowledge Management and Communication

The project has recruited a knowledge and communication specialist has been recruited, who is participating as a member of the Community of Practices on knowledge management and communication (KM/COM). To generate, use and share good practices, learnings, and knowledge, the project further developed a KM/COM strategy/work plan, which is currently under review and approval. In the meantime, the project has set up a Facebook page, a YouTube channel, and a WhatsApp group to channel KM/COM products.

To facilitate the implementation of the KM/COM plan, the KM/COM specialist will engage with the staff of PMU and PO on the importance of knowledge product development, dissemination, and accordingly, how to generate knowledge products at various levels and circulate among the POs for cross-learning.

This further supports the production of short case studies on various successes, technologies, management practices, products, market opportunities and challenges, impacts, the contribution of MEs in the value chains and rural economy as a whole, access to finance and markets to promote project activities and subsequently being used to engage policymakers.

6 Challenges/Risks

The Covid-19 pandemic has seriously impacted the project's ability to implement its activities, particularly under Component 1. With the normalization of the situation, efforts are now focused on expediting the implementation of the selected 27 VC sub-projects and the development of additional sub-projects.

Moreover, although PKSF and POs are well advanced in implementing diversified development projects, emphasis is needed to incorporate IT-based solutions efficiently implement the project activities. This requires, on the one hand, the enhancement of capacities of PKSF and POs in the field of use of information technologies, including blockchain, e-commerce, and crowdfunding. On the other hand, the project needs to find an appropriate IT expert/consultant to support implementing the project's IT-related activities.

Another challenge identified entails the limited availability of renowned certification companies that provide GAP and HACCP certification to entrepreneurs/farmers.

A comprehensive overview of the project's risk assessment is provided in Annex 7.

7 Lessons learned

The development of appropriate health protocols has proven successful in adapting to the Covid-19 situation and enabling officials to continue the project activities. At the same time, e-commerce has been identified as an effective platform for marketing ME products and keeping value chains operational.

The countrywide network of POs is a significant strength for the project implementation. PKSF and its POs have long experience implementing microfinance and other development programs. 40 POs have implemented value chain sub-projects successfully under the IFAD-funded PACE project. PKSF and POs are well equipped with trained and experienced staff.

Moreover, there are significant opportunities to expand microenterprise activities. Currently, the ME program of PKSF is growing at 51% per year in terms of loan outstanding and borrowers' coverage. PKSF identified a large number of potential business clusters under three major agriculture sectors. Intervening in the value chains of these business clusters will significantly support the expansion of these clusters.

Annex 1: Logical Framework Progress (January to December 2021)

Results Hierarchy	Indicators				Target and Achievement		
	Name	Baseline	Mid-Term	End Target	Targets (Jan-Dec'21)	Results (Jan-Dec 2021)	Cumulative
Outreach Direct beneficiaries receiving project services	1 Persons receiving services promoted or supported by the project						
	Males – Number	0	80,000	200,000		3,671	11,379
	Females – Number	0	100,000	245,000		13,480	40,806
	Young – Number	0	20,000	50,000		8,576	8,576
	Not Young – Number	0	160,000	395,000		8,575	43,609
	Total number of persons receiving services - Number of people	0	180,000	445,000		17,151	52,185
	Young - Percentage (%)	0	11.11	11.24		50%	16.4%
	1.a Corresponding number of households reached						
	Women-headed households - Number	0	10,000	20,000		2,215	6,594
	Non-women-headed households – Number	0	170,000	425,000		14,936	45,591
	Households - Number	0	180,000	445,000		17,151	52,185
	1.b Estimated corresponding total number of households members						
	Household members - Number of people	0	810,000	2,002,500		69,633	211,871
	Project Goal To increase the income, food security and nutrition of farmers across selected value chains.	70% of project supported households increase income by >30%.					
Households. - Percentage (%)		TBD	30	70			
Percentage (%) contribution of the RMTP interventions to the household total income - Ratio (%)		TBD	10	50			
Beneficiaries reporting improved food quality in their diet.							
People. - Percentage (%)		TBD	15	30			
1.2.8 Percentage (%) of women reporting improved quality of their diets							
Females - Percentage (%)		TBD	10	30			
Development Objective The sustainable growth of selected rural commodity value chains with comparative advantage, market demand, growth potential, and backward linkages to small farmers and micro-entrepreneurs .		1.2.4 Households reporting an increase in production					
	Households - Number	0	75,000	150,000			
	% increase in sales of microenterprises in the value chains						
	% increase in sales - Percentage (%)	TBD	15	30			
	% increase in profit of microenterprises in the value chains						
% increase in profit. - Percentage (%)	TBD	10	20				
Outcome 1. Beneficiaries	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices						
	Households – Number	0	175,000	400,000	25,000	0	0

Results Hierarchy	Indicators				Target and Achievement		
	Name	Baseline	Mid-Term	End Target	Targets (Jan-Dec'21)	Results (Jan-Dec 2021)	Cumulative
adopt improved productions methods and establish sustainable market linkages.	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities						
	Number of POs – Number	0	500	1,500	100	0	0
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices						
	Households - Number	0	75,000	200,000			
Output 1.1. Organization.	2.1.4 Supported rural producers that are members of a rural producers' organization						
	Total number of persons – Number	0	145,000	345,000	25,000	0	0
	Males - Number	0	80,000	180,000			
	Females - Number	0	65,000	165,000			
	1.1.8 Households provided with targeted support to improve their nutrition						
	Total persons participating - Number/ Household members benefitted- Number	0	203,000	812,000			
	Males - Number	0	81,200	324,800			
	Females - Number	0	121,800	487,200			
	Households – Number	0	50,000	200,000	5,000	0	0
Output 1.2. Technical and business services.	Training days provided to farmers on GLOBAL GAP and HACCP.						
	Days – Number	0			0	0	0
	2.1.2 Persons trained in income-generating activities or business management						
	Females - Number	0	1,200	2,000			
	Males - Number	0	3,000	7,000			
	Young - Number	0	3,200	6,500			
	Not Young - Number	0	1,000	2,500			
	Persons trained in IGAs or BM (total) – Number	0	4,200	9,000	200	0	0
	Persons trained in Global/Bangla GAP and HACCP						
	Males - Number	0	5,600	14,020			
	Females - Number	0	2,400	6,008			
	Young Males - Number	0	4,600	11,020			
	Young Females - Number	0	1,000	3,000			
	Not Young - Number	0	2,400	6,008			
Persons trained (total) - Number	0	8,000	20,028				
Output1.3 Value chain integration.	1.1.4 Persons trained in production practices and/or technologies						
	Total number of attendances to training sessions - Number	0	69,000	276,000	15,000	0	0
	Men trained in crop - Number	0	10,350	41,400			
	Women trained in crop - Number	0	10,350	41,400			
	Men trained in livestock - Number	0	13,800	55,200			
	Women trained in livestock - Number	0	13,800	55,200			
	Men trained in fishery - Number	0	10,350	41,400			
	Women trained in fishery - Number	0	10,350	41,400			

Results Hierarchy	Indicators				Target and Achievement		
	Name	Baseline	Mid-Term	End Target	Targets (Jan-Dec'21)	Results (Jan-Dec 2021)	Cumulative
	Total persons trained in crop - Number of people	0	20,700	82,800			
	Total persons trained in livestock - Number of people	0	27,600	110,400			
	Total persons trained in fishery - Number of people	0	20,700	82,800			
	Persons paid partially or fully for training or advisory services in selected value chains						
	Males - Number	0	3,000	7,000			
	Females - Number	0	1,200	2,000			
	Young males - Number	0	2,500	5,500			
	Young females - Number	0	700	1,000			
	Not Young - Number	0	1,000	2,500			
Output 1.4 Enterprise Strengthening	2.1.1 Rural enterprises accessing business development services						
	Rural enterprises – Number	0	2,000	20,000	0	0	0
Output 1.5 Policy dialogue.	Policy 1 Policy-relevant knowledge products completed						
	Number – Number	0	3	5	0	0	0
Outcome 2. Enterprises have access to sustainable financial services.	1.2.5 Households reporting using rural financial services						
	Households - Number	0	50,000	100,000		17,151	52,185
	% increase in average loan size to ME borrowers						
	Increase - Ratio (%)	128,038	25	50		9.3%	9.3%
	Increase in PKSF ME loan portfolio						
	Increase in loan portfolio - Money (USD)	178,345,745	655,542,452	726,297,169		37,371,102	37,371,102
Output 2.1. Sustainable financial services offered through Partner Organizations.	1.1.5 Persons in rural areas accessing financial services						
	Total number of accesses to financial services - Number	0	50,000	100,000		17,151	52,185
	Men in rural areas accessing financial services - credit - Number	0	15,000	25,000		3,671	11,379
	Women in rural areas accessing financial services - credit - Number	0	35,000	75,000		13,480	40,806
	Young people in rural areas accessing financial services - credit - Number	0	20,000	40,000		8,576	8,576
	Not young people in rural areas accessing financial services - credit - Number	0	30,000	60,000		8,575	43,609
	Total persons accessing financial services - credit - Number of people	0	50,000	100,000		17,151	52,185
Output 2.2. Commercial finance.	Enterprises supported by non-bank financial institutions						
	Increase in number of ME borrowers - Number	0	300	550			
	Increase in PKSF ME loan outstanding to NBFIs/MFIs/Commercial	0	500	1,600			

Results Hierarchy	Indicators				Target and Achievement		
	Name	Baseline	Mid-Term	End Target	Targets (Jan-Dec'21)	Results (Jan-Dec 2021)	Cumulative
	Banks (in million BDT) - Money (USD' 000)						
Output 2.3 Utilisation of remittances.	Number families of overseas workers trained on capacity building.						
	Households - Number	0	2,000	4,500			
	Support to families of expatriate workers						
	Total number of persons trained on vocational and business management training - Number of people	0					
Outcome3. PKSF and POs capacity is enhanced in areas of ICT and the project is satisfactorily managed."	ICT knowledge of PKSF and PO staffs on project management including monitoring and evaluation increases (%)						
	Increase - Ratio (%)	0	50	75			
Output 3.1 PKSF's institutional strengthening through ICT based solutions	ICT solutions developed						
	Number of solutions - Number	0	4	4			
Output 3.2 PKSF's Human Resources Development	People trained in various capacity building courses						
	Males - Number	0	20	145			
	Females - Number	0	5	10			
Output 3.3 Partner organizations institutional strengthening.	1.1.6 Financial service providers supported in delivering outreach strategies, financial products and services to rural areas						
	Service providers - Number	0	15	25			

Annex 2: DANIDA Indicators Report (January to December 2021)

Outcome 1 statement:	"Beneficiaries adopt improved production methods and establish sustainable market linkages."		
Outcome	1.1 # of households reporting adoption of new/improved inputs, technologies or practices		
Year	Target	Results	Remarks
2021	25,000	0	Due to Covid-19 pandemic situation, the preliminary activities of the project delayed. However, by the end of December PKSf approved 27 value chain sub-projects under RMTP has been approved by December 2021. Out of these approved sub-projects, RMTP started implementation of 8 VC sub-projects in meat and dairy product sub-sector (Livestock). Remaining 19 VC sub-projects were approved to promote different agro-products in horticulture sector. These sub-projects will be initiated in the field soon. VC sub-projects in horticulture include piloting of Tulip cultivation.
2022	151,500		
2023	175,000		
2024			
2025			
2026	400,000		
Outcome	1.2 # of rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities.		
Year	Target	Results	Remarks
2021	100	0	Concern POs are conducting survey to select members/entrepreneurs for value chain sub-projects. After completion of the survey informal producer organizations will be formed.
2022	120		
2023	500		
2024			
2025			
2026	1,500		
Output 1.1 Statement:	"Rural producers' organisation received support"		
Output	1.1.1 # of supported rural producers that are members of a rural producers' organisation		
Year	Target	Results	Remarks
2021	25,000	0	Concern POs are conducting survey to select members/entrepreneurs for value chain sub-projects. After completion of the survey informal producer organizations will be formed.
2022	80,000		
2023	145,000		
2024			
2025			
2026	345,000		
Output 1.1 Statement:	"Rural producers' organisation received support"		
Output	1.1.2 # of households provided with targeted support to improve their nutrition		
Year	Target	Results	Remarks
2021	5,000	0	Member selection is in progress.
2022	30,000		
2023	50,000		
2024			
2025			
2026	200,000		
Output 1.2 Statement:	"Enhanced knowledge and skills on technical and business services"		
Output	1.2.1 # of training days provided to farmers on GLOBAL GAP and HACCP		
Year	Target	Results	Remarks
2021	0	0	
2022	100		
2023	N/A		N/A
2024			
2025			
2026	N/A		N/A
Output 1.2 Statement:	"Enhanced knowledge and skills on technical and business services."		
Output	1.2.2 # of persons trained in income-generating activities or business management		

Year	Target	Results	Remarks
2021	200	0	Training will be started after completion of the member selection.
2022	2,200		
2023	4,200		
2024			
2025			
2026	9,000		
Output 1.3 Statement:	"Enhanced knowledge and skills on value chain integration."		
Output	1.3.1 # of persons trained in production practices and/or technologies		
Year	Target	Results	Remarks
2021	15,000	0	Training will be started after completion of the member selection.
2022	55,000		
2023	69,000		
2024			
2025			
2026	276,000		
Output 1.4 Statement:	"Enterprise strengthening through accessing business development services."		
Output	1.4.1 # of rural enterprises accessing business development services		
Year	Target	Results	Remarks
2021	0	0	
2022	1,200		
2023	2,000		
2024			
2025			
2026	20,000		
Output 1.5 Statement:	"Enhanced evidence base for policy-dialogue with government to reform and capacity-building."		
Output	1.5.1 # of Policy-relevant knowledge products completed		
Year	Target	Results	Remarks
2021	0	0	
2022	0		
2023	3		
2024			
2025			
2026	5		

Annex 3: AWPB Progress (January to December 2021)

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
Outreach: Direct beneficiaries receiving project services		Persons receiving services promoted or supported by the project	222,500 Females, 222,500 Males and 10% Young		13,480 Females, 3,671 males and 50% Young	40,806 Females, 11,379 males and 16% Young	
		Corresponding number of households reached	445,000 HH		11,151	52,185	
		Estimated corresponding total number of households members	2002500 members		69,633	211,871	
Project Goal: To provide strategic enabling conditions for the sustained growth of rural commodity value chains with comparative advantage, nutritional potential, market demand, growth potential and backward linkages to small farmers and micro-entrepreneurs		Percentage of project supported households increase income by >30%	By 2025: 70% (3,11,500 HHs)	Too early			
		Percentage of Beneficiaries reporting improved food quality in their diet	By 2025: 30% (1,33,500 beneficiaries)				
Development objective: Sustainable growth of selected rural commodity value chains with comparative advantage, market demand, growth potential, and backward linkages to small farmers and micro-entrepreneurs. [Project Target: Overall approximately 445,000 households (100,000 Microenterprise borrowers, 245,000 will benefit from value chain)		Households reporting an increase in production	By 2025: 150,000 HH	Too early			
		% increase in sales (year to year) of microenterprises in the value chains	By 2025: 30%	Too early			
		% increase in profit (year to year) of microenterprises in the value chains	By 2025: 20%				

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
development activities]							
Component 1: Value Chain Enhancement							
Outcome: Beneficiaries adopt improved productions methods and establish sustainable market linkage		By 2025: Households reporting adoption of new/improved inputs, technologies or practices	By 2025: 400,000 households		0	0	
		Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities	By 2025: 1,500 Pos		0	0	
OUTPUTS:							
1.1 Organization		a) Supported rural producers that are members of a rural producers' organization	a) 222,500 males, 222,500 females		0	0	
	V	b) Information and orientation meeting on financial literacy for MC & PO members	108,400 no. of persons	70,000 no. of persons	0	0	
	V	c) Households provided with targeted support to improve their nutrition	445,000 no. of households		0	0	
	V	d) Training on Nutrition, climate, environmental and social issues for organizations' leaders	384,000 no. of persons	192,000 no. of persons	0	0	
	V	e) Prepare information sheet and discussion notes on financial literacy for village meetings for beneficiaries by POs	200 information sheets and notes	150 information sheets and notes	0	0	
	V	f) TOT on financial literacy for PO trainers by POs	200 no. of batches	75 no. of batches	0	0	
	V	g) Training on business management for ME and PA members	332 no. of batches	100 no. of batches	0	0	
	IV	h) Developing and revising training module by PKSF	02 no. of modules	02 no. of modules	0	0	
	V	Information campaign for nutrition education		01 video documentary	0	0	

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks	
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress		
	IV	Development of training material for nutrition training		01 training material on nutrition	0	0	ongoing	
	IV	Allocation of funds to undertake special studies at PO level		02 nos.	0	0		
	V	TOT on Nutrition Sensitive Value Chain	15000 no. of TOTs	5000 no. of TOTs	0	0		
	V	Training on contract farming and exchange visits for PA members on climate, environmental, nutrition and social issues	50 no. of batches	14 no. of batches	0	0		
1.2 Technical and Business services	V	a) Generic technological and management training on Horticulture	4,000 no. of batches	1200 no. of batches	0	0		
	V	Generic technological and management training on Fisheries	4,000 no. of batches	1200 no. of batches	0	0		
	V	Generic technological and management training on Poultry	4,000 no. of batches	1200 no. of batches	0	0		
	V	Generic technological and management training on livestock (Fattening and Dairy)	4,000 no. of batches	1200 no. of batches	0	0		
	V	b) Advanced technological and management training on Horticulture /h	2,500 no. of persons	500 no. of persons	0	0		
	V	c) Advanced technological and management training on Fisheries	2,500 no. of persons	1,000 no. of persons	0	0		
	V	d) Advanced technological and management training on Poultry	8,000 no. of persons	3,000 no. of persons	0	0		
	V	e) Advanced technological and management training on Livestock	4,100 no. of persons	2,000 no. of persons	0	0		
			Training days provided to farmers on GLOBAL GAP and HACCP			0	0	
	V		Contracts with certification authorities for developing training modules			0	0	

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
	V	Training of Master Trainer & Protocol Development /j	26 no. of batches		0	0	
	V	Training of PA or Groups /k	8,000 no. of batches		0	0	
	IV	Audit / certification	9,200 no. of batches		0	0	
	V	Training of farmers on GAP	1,350 no. of batches		0	0	
		persons trained in income generating activities and business management	5500 Males, 500 Females, 3750 young		0	0	
	V	Generic training material	03 no. of training materials	02 no. of training materials	0	0	
	V	Generic training	35 no. of training	13 no. of training	0	0	
	V	Specialised training material	25 no. of training materials	18 no. of training materials	0	0	
	V	Specialised training	35 no. of training	13 no. of training	0	0	
	IV	Printing material	20,000 materials	13,000 materials	0	0	
	IV	Privatised advisory services			0	0	
	IV	Cost Sharing of Advisors /n			0	0	
	IV	Piloting of technologies in horticulture, livestock, fisheries and others	#		0	0	
1.3 Value Chain Integration		a) Persons trained in production practices and/or technologies	a) Trained in crop: Men 80,000 Women 80,000; Trained in livestock: Men 40,000 Women 40,000; Trained in fishery: Men 6,000 Women 6,000		0	0	
	IV	b) Value chain analysis by PKSF	4 no. of analysis	2 no. of analysis	0	0	
	II	c) Value chain packages	100 no. of value chains	15 no. of value chains	0	0	
	II	d) Investment in innovative new VCs	06 no. of VCs		0	0	

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
	VI	Value chain facilitators			0	0	
	VI	Value chain Implementation:IFAD Direct Cost /s			0	0	
		Value chain Implementation:IFAD Indirect Cost /t			0	0	
	II	Marketing and Enterprise Visibility Fares			0	0	
1.4 Enterprise strengthening		a) Rural enterprises accessing business development services	a) 550 Rural Enterprises		0	0	
	IV	b) Specialized Agribusiness Consultant providing TA to POs & undertaking studies		02 nos.	0	0	
1.5 Policy dialogues		Policy related knowledge products completed	02 no. of products		0	0	
	IV	Policy dialogues organised			0	0	
Unallocated							
Total of component- 1							
Component 2: Financial services for micro enterprises							
Outcome 2: Enterprise have access to sustainable financial services		Households reporting using rural financial services	By 2025: 100,000 households		17,151	52,185	
OUTPUTS:			By 2025:				
2.1 Sustainable financial services offered through Partner Organizations	I	a) Persons in rural areas accessing financial services	25,000 men, 75,000 women = 100,000 persons in rural areas accessing financial services-credit	5,000 men, 15,000 women = 20,000	3,671 men, 13,480 women = 17,151 persons	11,379 men, 40,806 women = 52,185 persons	
2.2 Commercial finance	I	Enterprises supported by non-bank financial institutions	550 enterprises		0	0	
Total of component- 2							
Component 3: Institutional Strengthening and Project management							
Outcome:							
OUTPUTS:							
3.1 IT innovations at PKSF		a) IT Innovations	a) 04 no. of IT Innovations		0	0	

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
	V	b) Development of block chain platform, e-commerce & crowd funding platform		01 block chain platform, 01 crowd funding platform	0	0	
		Orientation on Blockchain technology essentials for Bangladesh	01 no. of training	01 no. of training	1 batch Female=5 Male=22 Total=27	1 batch Female=5 Male=22 Total=27	Mission recommended for this training
		Orientation on Block chain and it's scopes for microenterprises	01 no. of training	01 no. of training	1 batch Female=5 Male=22 Total=27	1 batch Female=5 Male=22 Total=27	Mission recommended for this training
	V	Business management and financial analysis	40 no. of training	09 no. of training	0	0	
	V	Value chain analysis and VCD subproject design - training	10 persons	10 persons	0	0	
	V	Project design and management	10 persons	5 persons	0	0	
	V	M and E system design and management	5 persons	5 persons	0	0	
	V	ICT based platforms: Overview and management	20 persons	5 persons	0	0	
	V	Development project management	20 persons	5 persons	0	0	
	V	Financial services and institutions	20 persons	5 persons	0	0	
	V	ICT based Realtime MIS	10 persons	5 persons	0	0	
	V	Exchange visits (VCD) /a	40 persons		0	0	
3.2 Partner organizations institutional strengthening		a) Financial service providers supported in delivering outreach strategies, financial products and services to rural areas	a) 25 service providers		0	0	
	V	b) Value chain integration and contract intermediation	1	1	0	0	
	V	c) Other training - Nutrient Sensitive, M&E etc.			0	0	
	IV	d) New financial product development	02 no. of products		0	0	
C. Project Management							
1. Office Facilities - Procurement							
SUV: 4-Wheel Vehicle for Field Visits	III	no. of equipment	1	1	0	0	

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
Laptops	III	no. of equipment	18	18	0	0	
Printers	III	no. of equipment	2	2	0	0	
Photocopy machine	III	no. of equipment	1	1	0	0	
Office furniture	III	no. of equipment	17	17	0	0	
Cellphones	III	no. of equipment	18	18	0	0	
Training and recording equipment	III	no. of equipment	1	1	0	0	
2. Operating expenses - Salaries & Allowances							
Project Co-ordinator	VI	no. of year/person employed	6	1	0.5	2	
Deputy project Co-ordinator (Technical)	VI	no. of year/person employed	6	1	0.5	1	
Deputy project Co-ordinator (Financial Service)	VI	no. of year/person employed	6	1	0.5	1	
Sectoral Specialist (Livestock)	VI	no. of year/person employed	6	1	0.5	1.25	
Sectoral Specialist (Horticulture)	VI	no. of year/person employed	6	1	0.08	0.08	
Sectoral Specialist (Fisheries)	VI	no. of year/person employed	6	1	0.08	0.08	
ICT Specialist	VI	no. of year/person employed	6	1	0.08	0.08	
Financial Analyst	VI	no. of year/person employed	6	1	0.5	1.25	
Procurement Specialist	VI	no. of year/person employed	6	1	0.5	1	
Communication, Publication & Knowledge Management Specialist	VI	no. of year/person employed	6	1	0.08	0.08	
Monitoring and Evaluation Specialist	VI	no. of year/person employed	6	1	0.08	0.08	
Nutrition Specialist	VI	no. of year/person employed	6	1	0.5	1	
Value Chain Project Manager	VI	no. of year/person(s) employed	36	6	2.58	5.83	
Assistant Manager (Accounts)	VI	no. of year/person(s) employed	12	2	1	2.5	
Computer Operator cum MIS Officer	VI	no. of year/person employed	6	1	0.5	0.75	
Gender and Social Inclusion Officer	VI	no. of year/person employed	5	1	0.08	0.08	Position created upon recommendation of

Description of activities	Loan Category	Logframe indicators	Implementation targets		Progress		Remarks
			Project total (2020-2025)	Planned for FY: 2021-22	Progress Jan-Dec 2021	Cumulative Progress	
							1 st Supervision Mission
Monitoring and Evaluation Officer	VI	no. of year/person employed	5	1	0.08	0.08	Position created upon recommendation of 1 st Supervision Mission
Driver	VI	no. of year/person employed	6	1	0.5	1	
3. Operating expenses - Other							
Monitoring and Travel	VI						
Overhead - Office Rent, electricity /b	VI						
Start-up workshop	IV						
4. M &E, studies and dissemination							
Studies (baseline, Mid-term and end-project impact studies)	IV			01 (baseline)	0	0	ongoing
Sector impact studies	IV						
Results sharing (websites, seminars/workshops, video production etc.) /c	IV			01 website			ongoing

Annex 4: Updated progress according to the agreed actions

Sl.	Actions	Deadline	Progress Status
1.	Commercialization of animal health service Pilot test commercialization of animal health service and risk funds in one PO (for example, ESDO). (Ref. Para 28, Page-5)	Beginning by 2022	Already discussed with Partner NGO to initiate the new task, it is hoped that it will be fully started in March'22
2.	Waste management in livestock sector Introduce proper waste management in every poultry and livestock beneficiary and in the community to ensure no damage done to the environment. (Ref. Para 28, Page-5)	Ongoing	8 VC sub-projects have been taken. In these sub-projects waste management interventions are included.
3.	Software for management of subproject including beneficiaries Develop/procure and introduce management software for all sub-projects to handle information of a large number of beneficiaries and project activities. (Ref. Para 28, Page-5)	Ongoing	Project M&E personnel have joined on December 2021. They have started in drafting ToR for hiring consulting firm to develop real time data management system.
4.	Feasibility study Conduct feasibility of diversification of tea products by smallholder tea leaf producers and launching of diversified products by sample leaf processors. (Ref. Para 28, Page-5)	By June 2022	This feasibility study will be conducted by the POs. The ToRs for this study are being developed.
5.	Rapid feasibility study by PMU Specialists Conduct rapid feasibility studies on small scale processing of fruits (mango, pineapples, guava), tomatoes, bitter gourd, leafy vegetables, various roots, seeds/pulses, zinger etc). (Ref. Para 28, Page-5)	Complete by June 2022	Data are being collected for rapid feasibility study.
6.	VC committees Set up sector specific multi-stakeholders VC committees/platforms for coordination and information sharing. (Ref. Para 28, Page-5)	On-going	This is the Partner NGO based multi-stakeholder committee, this process is ongoing and it is expected that the committee will be fully functioning by March'22
7.	Increased commodities covered by BGAP Lobby GoB to increase the commodities covered by BGAP, especially poultry & livestock and fisheries sector. For interim period, practice nationally and nationally known good practices. (Ref. Para 28, Page-5)	On-going	So far, 8 VC in livestock sector and 19 VC sub-projects in Horticulture sector have been taken. These sub-projects will take necessary steps regarding GAP procedures. Hopefully these activities will be started within March 2022.
8.	Training on GGAP and BGAP Explore the possibility of introducing GGAP/ BGAP training courses at a prominent Bangladeshi University. (Ref. Para 28, Page-5)	By March 2022	20 PKSf and project staff have been trained on GGAP organized through SGS Bangladesh. RMTP will explore possibilities of organizing GGAP training through agricultural universities. PMU will communicate with agricultural universities soon.
9.	Interest rate on large (Taka 1 million and above) loans Review and revise ME loan interest policy of POs. (Ref. Para 34, Page-6) Note: PKSf's internal procedures to be followed.	On-going	PKSf's ME policy is being revised. The revised policy may suggest lower rate of interest.
10.	Submit Withdrawal Application MoEWOE to submit first Withdrawal Application to IFAD. (Ref. Para 35, Page-6)	Jan-22	To be submitted after the AWBP has been approved.

Sl.	Actions	Deadline	Progress Status
11.	Internal Seminar IFAD to organize an internal seminar to bring together MoEWOE focal points, relevant PMU staff as well as IFAD Specialist to discuss potential initiatives to build capacity, identify collaboration. (Ref. Para 35, Page-7)	Jan-22	To be scheduled
12.	Implementation plan MoEWOE to develop an implementation plan for the in-loan grant to develop the skills of households receiving remittances (mainly women and youth) which aligns to the project component 2.1 (Ref: Aide Memoire). (Ref. Para 35, Page-7)	Feb-22	To be developed based on the AWBP
13.	Grants based application of crowd funding Pilot test grants based a crowd funding application. (Ref. Para 43, Page-8)	December, 2022	➤ Indicative ToR approved. ➤ Complete ToR is development is on-going.
14.	Application of block chain technology Two business cases, piloting of ME loan management in one small area and traceability in value chain are piloted. (Ref. Para 43, Page-8)	December, 2022	Indicative ToR development is ongoing.
15.	M&E framework and action plan Develop a comprehensive M&E framework and action plan with vision, mission, objectives, values and principles along with activity plan and implement modalities including activities, timing, budget, and responsibilities. (Ref. Para 53, Page-10)	March, 2022	➤ Reviewed the PDR ➤ Reviewed logframe and sorted some feedback ➤ Planned for starting development of M&E framework from Feb'22
16.	Completion of Baseline Study The project should closely coordinate with the selected firm to ensure the data quality and required disaggregated analysis and reporting. (Ref. Para 53, Page-10)	Continue	Advertisement for recruiting consulting firm will be published soon (first week of February 22)
17.	Recruit or assign a M&E focal person at PO level Recruit or assign an M&E focal person at all POs to be trained by PMU MEK Specialist. (Ref. Para 53, Page-10)	March, 2022	➤ All the eight sub-project proposals of Livestock included M&E personnel. ➤ POs started the recruitment of M&E persons. Hopefully the entire sub-project recruitment will be completed by March 2022.
18.	M&E activities sensitization Provide M&E system training to all relevant staffs at PMU and at PO level. (Ref. Para 53, Page-10)	March, 2022	➤ Project logframe, sub-projects logframe and the developed tools review is ongoing. ➤ M&E framework will be finalized by March 2022. ➤ Better to conduct training once the M&E framework is finalized.
19.	Procurement of MIS Developer/ Consultant Finalize the TOR for establishing a real-time result-based monitoring system/customized MIS system and it should be fully operational and populated with field data before next mission. (Ref. Para 53, Page-10)	December, 2022	M&E Specialist will develop ToR by April 2022.
20.	Case studies VC managers/Specialist produce case studies on respective value chain subproject. (Ref. Para 53, Page-10)	Continue	Initially the value chain sub-sector proposals have been approved and it is under the process of implementation. That is why the case study yet to develop.
21.	Outcome/output survey Conduct outcome survey annually/after completion of each cycle of value chain intervention. (Ref. Para 53, Page-10)	Continue	Value chain intervention is yet to start.

Sl.	Actions	Deadline	Progress Status
22.	Support from PKSF's Research Cell Support case writing, policy paper and issue-based discussion paper writing. (Ref. Para 53, Page-10)	Continue	As and when required. PMU normally takes support from the Research Cell.
23.	External editing support Recruit short-term English text editor to produce proper document as and when draft documents are ready. (Ref. Para 53, Page-10)	As per need	Currently PKSF's Communication Cell provides editorial support. PMU will engage short-term text editor when it is necessary.
24.	Training and TA from IFAD Organize zoom based orientation training on drafting policy paper, issue-based discussion paper, case writing to selected RMTP and PACE officials. ((Ref. Para 53, Page-10)	December, 2022	N/A
25.	Develop Knowledge management & Communication (KMC) Strategy and Action Plan in line with IFAD KM strategy Develop a comprehensive KMC strategy and action plan with vision, mission, objectives, values and principles along with activity plan and implement modalities including activities, timing, budget, and responsibilities. (Ref. Para 56, Page-11)	Mar-22	Knowledge Management and Communications strategy is in progress. Already few areas of the strategy have been written. Also, a draft plan of knowledge management and communication has been developed. After the final strategy, the plan will be incorporated.
26.	Training on KMC at PO level Conduct training for staffs at PO level on KMC related activities including design of the documents, writing and dissemination mechanism. (Ref. Para 56, Page-11)	Continuous until all are covered	Communication, knowledge management training manual development is in progress. It is being developed the PPT of writing story, photography and videography. Also developing the PPT on KM and Communications.
27.	Produce and disseminate Knowledge products Based on the sector (Horticulture, livestock and fisheries) value chain analysis produce discussion papers and tailored those into policy brief, fact sheets, etc. and if required request for technical guidelines from IFAD ICO or external consultant. (Ref. Para 56, Page-11)	March, 2022	A three-monthly newsletter development is going on. Already a proposal has been developed on it. The proposal is under review. Also, shared a success story of Tulip flower through Facebook, which has been published in the Daily star.
28.	Documentation and dissemination Document evidence-based lessons from RMTP innovative activities concisely but informative using limited text, photographs, animation and videos and disseminate through social, and electronic media, seminars, symposium and policy workshops. (Ref. Para 56, Page-11)	Continue	Collected photos of the value chain sub projects from the field. Already project has collected photos from dairy and horticulture value chain to share with PKSF internal communication and publication department for the regular newsletter.
29.	Project Website including a section for POs knowledge /lesson sharing center Design a project website for accessing knowledge and information, and develop a POs network. (Ref. Para 52, Page-11)	December, 2022	The draft ToR of Website has been developed. But it needs some modifications. Based on the decision from AMD-1 Sir all the project websites of PKSF will be included inside the existing website of PKSF. IT department will take initiatives on it.
30.	Knowledge sharing/dissemination Continuously share project knowledge and information in the form of case studies through project website, project Facebook, YouTube & IFAD Asia page, national level and PKSF knowledge sharing channels. (Ref. Para 56, Page-11)	Continuous	Tulip flower success story of Horticulture value chain shared by the Facebook. Also share the progress of RMTP project for the internal newsletter of PKSF.

Sl.	Actions	Deadline	Progress Status
31.	Dissemination and communication Observe all the national international relevant days including nutrition, women, and food safety and organised biannual fair at cluster level. (Ref. Para 56, Page-11)	Continuous	As and when required.
32.	Baseline Survey findings dissemination Make some electronic fact sheets and poster based on the baseline survey reports. (Ref. Para 56, Page-11)	December, 2022	Yet the baseline study completed.
33.	Follow-up the last SM recommendation Continue to implement the last SM recommendations. (Ref. Para 56, Page-11)	Continuous	Most of the recommended actions are completed (Training on VC analysis, Update of logframe, Revision of PIM, opened designated account for DANIDA, Conducted audit by external firm etc.). The implementation of rest actions is still ongoing.
34.	Submit the revised AWPB 2021- 2022. (Ref. Para 70, Page-13)	Dec-21	Submitted and No Objection from IFAD has already been secured.
35.	Submit AWPB 2021-2022 and 2022 – 2023 (18 months) and procurement plan. (Ref. Para 70, Page-13)	Jan-22	
36.	Finalize procurement process for financial reporting system, installation and operationalization. (Ref. Para 70, Page-13)	Jun-22	In progress. Comments on ToR from IT and F&A section of PKSf has been taken.
37.	Submit IFR for the period 1 July to 31 December 2021 to IFAD which includes a forecast for the next two quarter. (Ref. Para 70, Page-13)	15-Feb-22	The IFR preparation is in progress. This will be submitted in time.
38.	Submit project audit report for FY2020-2021, including status of prior years' audit observations and recommendations to IFAD. (Ref. Para 70, Page-13)	31-Dec-21	Audit process is completed and the audited PFS submitted to IFAD.
39.	To update the record of counterpart fund contribution. (Ref. Para 70, Page-13)	Feb-22	Record re-contribution will be updated by February 2022.
40.	Update data on CMT Update data on CMT with description of contracts, PP/AWPB references, financial security details etc. (Ref. Para 79, Page-14)	Continuous	Updated data has been shared through CMT.
41.	Review exception reports on Contract Monitoring Tool (CMT) periodically for taking timely corrective actions Review exception reports on Contract Monitoring Tool (CMT) periodically for taking timely corrective actions. (Ref. Para 79, Page-14)	Continuous	Ongoing
42.	Procurement Plan Update & Upgrade Upgrade/update the APP and seek No Objection from IFAD through NOTUS as an ongoing process. (Ref. Para 79, Page-14)	Continuous	Procurement Plan has been revised and issued No Objection from IFAD on 18th January.
43.	Expedite Procurement Activities Procurement activities are to be expedited as all newly recruited members are available already. (Ref. Para 79, Page-14)	Feb-22	All procurement activities under RMTP have been initiated.
44.	Procurement of Customized Accounting Software As proposed by IFAD Financial Management Consultant, the existing accounting software that were used in PACE project can be customized for RMTP as well. (Ref. Para 79, Page-14)	Jun-22	➤ ToR & REoI has been prepared. Advertisement will be published very soon.

Sl.	Actions	Deadline	Progress Status
45.	Quarterly tracking of outreach and target Track outreach and targets closely by target groups mentioned above as well as women/ youth at each management meeting and at least every quarter. (Ref. Para 85, Page-16)	Ongoing	<ul style="list-style-type: none"> ➤ PKSF has been developing a participants' profile where the target groups will be covered. ➤ PKSF will track the outreach by every quarter.
46.	Prepare Gender and Youth Action Plan (GYAP) Develop a GYAP that is aligned with target group profiles and Logframe, as well as informs the AWPB. The mission will share a draft preliminary GYAP based on discussions. In particular, it should include shorter term/ output level indicators that are easily tracked by partner organizations. (Ref. Para 85, Page-16)	Feb-22	Sample format of GYAP has been collected from IFAD and review of the format is ongoing. Preparation of Gender and Youth Action Plan (GYAP) is ongoing.
47.	Incorporate GYAP in AWPB Include GYAP activities in AWPB 2022/2023. (Ref. Para 85, Page-16)	Feb-22	In 2022 AWPB, GYAP related activities will be included after finalizing GYAP.
48.	Messaging on intra-household decision-making Include messages on equitable intra-household decision-making. (Ref. Para 82, Page-15)	Ongoing, but starting in Feb 2022	Equitable intra-household decision-making will be covered under GYAP.
49.	Prepare nutrition training material Adapt and use available nutrition and food safety training materials, tools, and BCC materials for wide dissemination. (Ref. Para 88, Page-17)	Ongoing	<ul style="list-style-type: none"> ➤ PMU has drafted a nutrition strategy. ➤ After finalizing the strategy, the training materials, tools and BCC materials will be developed.
50.	MDD-W training Organize one-day training on MDD-W and its use for M&E. (Ref. Para 88, Page-17)	Jan-22	PMU concern staffs attended a training on MDD-W organized by IFAD and necessary documents collected for use.
51.	Integrate nutrition indicators in AOS Include nutrition indicators in annual outcome study. (Ref. Para 88, Page-17)	Continue	Value chain intervention are yet to start.

Annex-5: IFR for January to December 2021

1. Sources and Use of Funds by Category (all financiers)			
	Reporting Period (Quarterly/Semiannually)	Cumulative	Forecast: next 6 months
	BDT	BDT	BDT
Sources of Funds (income)			
IFAD Loan Payments to DA	613,548,417.54	1,521,179,755.07	1,020,063,000.00
IFAD Loan Reimbursement			
IFAD Loan Direct payments			
Danish Grant Payments to DA	132,488,760.00	132,488,760.00	97,512,000.00
Danish Grant Direct Payments			
PKSF Payments	1,996,082,168.41	2,437,800,974.49	
POs Payments			
Large MFIs			
Private Sector			
Beneficiaries			
Interest paid on Cash Balances	(12,314,785.00)	1,367,512.00	
Total	2,729,804,560.95	4,092,837,001.56	1,117,575,000.00
Use of Funds (expenditures) by Project Category			(Based on Commitments and Budget Estimates)
1- Credit	1,994,593,250.00	3,197,523,250.00	1,670,293,750.00
2- Grants & Subsidies	-	-	43,600,000.00
3- Equipment & Materials	-	-	-
4- Consultancies & Workshops	-	-	7,500,000.00
5- Training	-	-	8,900,000.00
6- Operating Costs	17,813,826.41	44,885,234.24	30,012,000.00
advance	132,000,000.00	132,000,000.00	
Expenditure of previous period		-	
Total expenditures	2,144,407,076.41	3,374,408,484.24	1,760,305,750.00
Income less Expenditures	585,397,484.54	718,428,517.32	(642,730,750.00)
Opening Cash Balance	133,031,032.78	0	G
Comprising of:			
IFAD Loan Designated Account	-	0	
Danish Grant Designated Account	-	0	
IFAD Loan Project Account	133,031,032.78	0	
Danish Grant Project Account	-	0	
Closing Cash Balances	718,428,517.32	718,428,517.32	
Comprising of:			
IFAD Loan Designated Account	322,042,917.54	322,042,917.54	
Danish Grant Designated Account	48,321,760.00	48,321,760.00	
IFAD Loan Project Account	346,276,215.78	346,276,215.78	
Danish Grant Project Account	1,787,624.00	1,787,624.00	

Note: Full document is available on request.

Annex 6: Financial: Actual financial performance by financier; by component and category (in USD)

Table 1. Project Cost by Component and Financier
in USD '000

Component	IFAD loan			IFAD grant			Danish Grant			PKSF all			Private sector, NBFIs & Pos			Beneficiary			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Value Chain development	14'397	-	0%	-	-	-	8'300	560	4%	1'188	-	0%	10'454	-	0%	877	-	0%	35'216	560	2%
Financial Services	58'215	26'941	24%	1'000	-	-	-	-	-	10'757	10'326	0%	86'405	96'764	0%	-	-	-	156'377	134'031	86%
Institutional Strengthening and Project Management	7'388	504	4%	-	-	-	-	-	-	1'019	45	3%	-	-	-	-	-	-	8'407	549	7%
Total	80'000	27'445	18%	1'000	-	0%	8'300	560	4%	12'964	10'371	0%	96'859	96'764	0%	877	-	0%	200'000	135'140	68%

Table 2. Project Cost by Expenditure Category and Financier
in USD '000

Expenditure Category	IFAD loan			IFAD grant			Danish Grant			PKSF all			Private sector, NBFIs & Pos			Beneficiary			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Credit	58'121	26'941	0	-	-	-	-	-	-	10'756	10'326	1	86'405	96'764	1	-	-	-	155'282	134'031	86%
Grants & Subsidies	10'801	-	-	1'000	-	-	2'516	-	-	-	-	-	-	-	-	-	-	-	14'317	-	0%
Equipment & Materials	167	-	-	-	-	-	-	-	-	74	-	-	-	-	-	-	-	-	241	-	0%
Consultancies & Workshops	2'672	-	-	-	-	-	844	-	-	335	-	-	1'012	-	-	-	-	-	4'863	-	0%
Training	4'008	-	-	-	-	-	3'049	-	-	471	-	-	9'209	-	-	-	-	-	16'737	-	0%
Operating Costs	4'231	504	0	-	-	-	1'144	-	-	1'328	45	0	233	-	-	877	-	-	7'813	549	7%
Management Fee (IFAD, 8%)	-	-	-	-	-	-	664	479	1	-	-	-	-	-	-	-	-	-	664	479	72%
UN Levy (1%)	-	-	-	-	-	-	83	81	1	-	-	-	-	-	-	-	-	-	83	81	98%
Total	80'000	27'445	18%	1'000	-	-	8'300	560	0	12'964	10'371	0	96'859	96'764	-	877	-	-	200'000	135'140	68%

Annex 7: Integrated Project Risk Matrix