

OFFICIAL
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CR5838-1N

Supplemental Letter No. 2

INDIA
STATE OF HIMACHAL PRADESH

June 21, 2016

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

INDIA: Credit No. 5838-IN
(Himachal Pradesh Horticulture Development Project)
Performance Monitoring Indicators

Dear Sirs and Mesdames:

We refer to: (a) Section II.A of Schedule 2 to the Financing Agreement of even date herewith between India (the Recipient) and International Development Association (the Association); and (b) Section II.A of the Schedule to the Project Agreement of even date herewith between the Association and the State of Himachal Pradesh (the Project Implementing Entity).

Unless otherwise agreed with the Association, we shall monitor and evaluate the implementation of the Project in accordance with the Performance Monitoring Indicators attached to this letter.

Very truly yours,

INDIA

By Umesh 21.06.16
Authorized Representative

STATE OF HIMACHAL PRADESH

By [Signature]
Authorized Representative

Attachment – Performance Monitoring Indicators

Public Disclosure Authorized

Public Disclosure Authorized

Results Framework and Monitoring

India

Himachal Pradesh Horticulture Development Project (P151744)

Results Framework

PDO Statement								
The Project Development Objective (PDO) is: “to support small farmers and agro-entrepreneurs in Himachal Pradesh, to increase the productivity, quality, and market access of selected horticulture commodities.”								
The project beneficiaries will include farmers and entrepreneurs especially in the micro-small medium enterprises (MSME) segment, farmer producer organizations, and other value chain participants. The project will contribute to inclusive growth by prioritizing support to small and marginal farmers in the state, with specific focus on fruit tree crops. The project will benefit about 150,000 producers. Of these beneficiaries at least 33 percent are expected to be women. Indirect beneficiaries will include those who benefit from technologies demonstrated by the project, farmers whose produce goes through rehabilitated markets, and farmers accessing Negotiable Warehouse Receipt financing, etc. Rules, procedures, and guidelines will be employed to promote and enable equitable access to project benefits.								
These results are at	Project Level							
Project Development Objective Indicators								
	Cumulative Target Values							
Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	YR6	End Target
Productivity of rejuvenated apple orchards (Tons/Ha)	7	7	7	6.3	7	7.35	7.7	8.0
Productivity of new plantations of selected horticulture crops (Tons/Ha) ¹								

¹ By the very nature of fruit tree crops, most productivity returns accrue after the project period. See Annex 5 Financial and Economic Analysis for details regarding the long term returns of the fruit tree crops supported under the project.

Apple	0	0	0	0	0	0	0	2.7
Pears	0	0	0	0	0	0	0	3.3
Plum	0	0	0	0	0	0	0	2.2
Peach	0	0	0	0	0	0	0	2.2
Pomegranate	0	0	0	0.5	0.8	1.0	2	3.5
Percentage of Apple Grades A, B and C (Percentage)								
Grade A	40	40	40	41	42	44	46	50
Grade B	25	25	25	26	27	28	28	30
Grade C	35	35	35	33	31	28	26	20
Share of selected horticulture commodities sold through new marketing channels (Percentage)								
Tomato	10	10	10	10	12	15	15	15
Apple	10	10	10	10	12	15	20	25
Direct project beneficiaries (Number) - (Core)	0	2800	13500	27100	51600	82600	112300	150000
Female beneficiaries (Percentage) - (Core)	0	33	33	33	33	33	33	33
Intermediate Results Indicators								
	Cumulative Target Values							
Indicator Name	Baseline	YR1	YR2	YR3	YR4	YR5	YR6	End Target
Area covered under (Ha)								
Scientific orchard management	0	0	880	2200	3520	4840	6600	8800

Replanting unproductive apple orchards	0	0	0	50	330	1080	2050	3000
Area expansion of apple orchards	0	0	0	100	870	2550	4760	7000
Area expansion of other fruit trees	0	550	2070	3625	5270	6865	9017	11200
Technologies demonstrated in the project areas (Number) - (Core)	0	0	5	10	15	15	15	15
Clients who have adopted an improved agr. technology promoted by the project (Number) - (Core)	0	1900	9500	19000	36000	58000	78000	100000
Clients who have adopted an improved agr. technology promoted by project – female (Number) - (Core)	0	630	3100	6300	12000	19000	26000	33000
Climate resilient technologies demonstrated in project area (Number)	0	2	4	7	7	7	7	7
Area provided with irrigation and drainage services (Ha) - (Core)								
Area provided with irrigation and drainage services - Improved (Ha)	0	150	750	1450	2600	4000	5400	6850
Area provided with irrigation and drainage services - New (Ha)	0	300	1400	2700	4900	7400	10000	12700
Water users provided with new/improved irrigation and drainage services (Number) - (Core)								
Water users provided with irrigation and drainage services - male (Number)	0	1500	7300	14300	26700	40100	54200	70000
Water users provided with irrigation and drainage services - female (Number)	0	200	1100	2100	4000	6000	8100	10500

Operational water user associations created and/or strengthened (Number) - (Core)	0	22	105	205	382	573	774	1000
Farmers who have been provided with financial counseling.	0	1600	6000	12000	20000	36000	57000	75000
FPOs supported by the Project								
FPOs (Number)	0	0	0	15	30	30	30	30
Members (Number)	0	0	0	1500	3000	3750	4500	5250
Yearly throughput (Tons)	0	0	0	0	6000	13000	20000	60000
Quantity of farmer's produce stored in newly established and upgraded CA capacities (Tons)	2040	2040	2040	1600	3210	3710	5210	5210
Quantity of farmers' produce utilizing upgraded and newly established pack-house facilities (Tons)	11200	0	15000	22500	34000	41500	60000	60000
Number of enterprises set up with the support of ABPF (Number)	0	0	0	25	70	100	125	125
Increase in the throughput of the 14 rehabilitated markets (Tons)	1148000	0	0	1170000	1216000	1320000	1389000	1435000
No. of APMC markets with computerized auction system with full trading of selected commodities (Number)	0	0	0	5	15	55	55	55
No. of markets networked into a virtual market (Number)	0	0	0	0	0	10	15	20
Percentage of Beneficiaries who are	0	0	0	60	60	60	80	80

satisfied with project interventions (Percentage) ²								
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² This indicator would be revisited at the first MTR.