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Report No: PAD1867

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF SDR 7.1 MILLION  
(US\$ 10.0 MILLION EQUIVALENT)

TO THE

REPUBLIC OF MOLDOVA

FOR AN ADDITIONAL FINANCING FOR THE  
AGRICULTURE COMPETITIVENESS PROJECT

May 27, 2016

Agriculture Global Practice  
Belarus, Moldova and Ukraine Country Unit  
Europe and Central Asia Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective April 30, 2016)

Currency Unit = Moldovan Leu

MDL 1 = US\$ 0.05058

US\$ 1 = SDR 0.70555199

## FISCAL YEAR

January 1 – December 31

## ABBREVIATIONS AND ACRONYMS

ACP	Agriculture Competitiveness Project
AF	Additional Financing
AIPA	Agency for Interventions and Payments in Agriculture
BIP	Border Inspection Point
CAPMU	Agriculture Project Management Unit
CPS	Country Partnership Strategy
EMF	Environmental Management Framework
ERR	Economic Rate of Return
EU	European Union
FSA	Food Safety Agency
FSB	Forestry Shelter Belts
GEF	Global Environment Facility
GoM	Government of Moldova
GOM	Grant Operational Manual
GRS	Grievance Redress Service
IDA	International Development Agency
IFAD	International Fund for Agricultural Development
IFR	Interim Financial Report
MAFI	Ministry of Agriculture and Food Industry
MACP	Moldova Agriculture Competitiveness Project
M&E	Monitoring and Evaluation
NPV	Net Present Value
PDO	Project Development Objective
SIDA	Swedish International Development Cooperation Agency
SLM	Sustainable Land Management
WB	World Bank

Vice President:	Cyril Muller
Country Director:	Qimiao Fan
Country Manager:	Alexander Kremer
Acting Practice Manager:	Marianne Grosclaude
Task Team Leader:	Anatol Gobjila



**MOLDOVA**  
**AGRICULTURE COMPETITIVENESS ADDITIONAL FINANCING PROJECT**

**CONTENTS**

Project Paper Data Sheet	<b>i</b>
Project Paper	
I.    Introduction	<b>1</b>
II.   Background and Rationale for Additional Financing	<b>1</b>
III.  Proposed Changes	<b>10</b>
IV.  Appraisal Summary	<b>15</b>
 Mandatory Annexes	
Annex 1: Revised Results Framework and Monitoring Indicators	<b>17</b>

## ADDITIONAL FINANCING DATA SHEET

*Moldova*

*Moldova Agriculture Competitiveness Project 2nd Additional Financing ( P157765 )*

*EUROPE AND CENTRAL ASIA*

*GFADR*

Basic Information – Parent							
Parent Project ID:	P118518	Original EA Category:		B - Partial Assessment			
Current Closing Date:	30-Jun-2017						
Basic Information – Additional Financing (AF)							
Project ID:	P157765	Additional Financing Type (from AUS):		Scale Up			
Regional Vice President:	Cyril E Muller	Proposed EA Category:		B – Partial Assessment			
Country Director:	Qimiao Fan	Expected Effectiveness Date:		01-Sep-2016			
Senior Global Practice Director:	Juergen Voegele	Expected Closing Date:		30-Jun-2019			
Practice Manager/Manager:	Marianne Grosclaude	Report No:		PAD1867			
Team Leader(s):	Anatol Gobjila						
Borrower							
Organization Name	Contact	Title	Telephone	Email			
Ministry of Finance	Elena Matveeva	Head of Public Debt Department		elena.matveeva@mf.gov.md			
Project Financing Data - Parent ( Moldova Agriculture Competitiveness Project-P118518 ) (in USD Million)							
Key Dates							
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P118518	IDA-50950	Effective	01-May-2012	28-May-2012	20-Sep-2012	30-Jun-2017	30-Jun-2017
P118518	IDA-56390	Effective	19-May-2015	21-May-2015	07-Jul-2015	30-Jun-2017	30-Jun-2017
P118518	TF-14946	Effective	15-Nov-2013	15-Nov-2013	15-Nov-2013	30-Jun-2015	30-Jun-2016

Disbursements									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P118518	IDA-50950	Effective	USD	18.00	18.00	0.00	12.29	4.17	68.26
P118518	IDA-56390	Effective	USD	12.00	12.00	0.00	7.93	4.18	66.05
P118518	TF-14946	Effective	USD	2.25	2.25	0.00	2.23	0.04	98.96
Project Financing Data - Additional Financing Moldova Agriculture Competitiveness Project 2nd Additional Financing ( P157765 )(in US D Million)									
<input type="checkbox"/> Loan		<input type="checkbox"/> Grant		<input type="checkbox"/> IDA Grant					
<input checked="" type="checkbox"/> Credit		<input type="checkbox"/> Guarantee		<input type="checkbox"/> Other					
Total Project Cost:		10.00		Total Bank Financing:		10.00			
Financing Gap:		0.00							
Financing Source – Additional Financing (AF)								Amount	
BORROWER/RECIPIENT								0.00	
International Development Association (IDA)								10.00	
Total								10.00	
Policy Waivers									
Does the project depart from the CAS in content or in other significant respects?							No		
Explanation									
Does the project require any policy waiver(s)?							No		
Explanation									
Team Composition									
Bank Staff									
Name	Role	Title	Specialization	Unit					
Anatol Gobjila	Team Leader (ADM Responsible)	Senior Agriculture Economist	Agriculture and Rural Development	GFA03					
Barbara Ziolkowska	Procurement	Procurement	Governance	GGO03					

	Specialist (ADM Responsible)	Specialist		
Oxana Druta	Financial Management Specialist	Financial Management Specialist	Public Financial Management	GGO21
Arcadii Capcelea	Safeguards Specialist	Senior Environmental Specialist	Environmental Safeguards, Impact Assessment	GEN03
Elena Segura Labadia	Counsel	Senior Counsel	Legal	LEGLE
Jeren Kabayeva	Team Member	Agricultural Spec.	Agriculture and Rural Development	GFA03
Luis M. Schwarz	Team Member	Senior Finance Officer	Disbursements	WFALA
Mariia Nikitova	Safeguards Specialist	Consultant	Social Safeguards	GSURR

#### Extended Team

Name	Title	Location

#### Locations

Country	First Administrative Division	Location	Planned	Actual	Comments
Moldova		Raionul Edineț			
Moldova		Raionul Ungheni			
Moldova		Telenești			
Moldova		Taraclia			
Moldova		Raionul Ștefan Vodă			
Moldova		Raionul Strășeni			
Moldova		Raionul Soroca			
Moldova		Rîșcani			
Moldova		Rezina			
Moldova		Orhei			
Moldova		Raionul Ocnița			
Moldova		Anenii Noi			
Moldova		Nisporeni			
Moldova		Leova			
Moldova		Sîngerei			

Moldova		Criuleni			
Moldova		Municipiul Chişinău			
Moldova		Raionul Căuşeni			
Moldova		Cantemir			
Moldova		Raionul Călăraşi			
Moldova		Raionul Cahul			
Moldova		Ialoveni			
Moldova		Glodeni			
Moldova		Floreşti			
Moldova		Făleşti			
Moldova		Raionul Dubăsari			
Moldova		Raionul Drochia			
Moldova		Donuşeni			
Moldova		Cimişlia			
Moldova		Briceni			
Moldova		Basarabeasca			
Moldova		Bălţi			
Moldova		Hînceşti			
Moldova		Şoldăneşti			
Moldova		Găgăuzia			
Moldova		Transnistria			
Moldova		Municipiul Bender			

<b>Institutional Data</b>
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<b>Parent ( Moldova Agriculture Competitiveness Project-P118518 )</b>
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<b>Practice Area (Lead)</b>
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Agriculture
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<b>Contributing Practice Areas</b>
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<b>Cross Cutting Topics</b>
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- |                                  |
|----------------------------------|
| [ ] Climate Change               |
| [ ] Fragile, Conflict & Violence |
| [ ] Gender                       |
| [ ] Jobs                         |



Public Private Partnership

**Sectors / Climate Change**

Sector (Maximum 5 and total % must equal 100)

Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Agriculture, fishing, and forestry	Agricultural extension and research	42		
Industry and trade	Agro-industry, marketing, and trade	35		
Public Administration, Law, and Justice	Public administration-Agriculture, fishing and forestry	23		
Total		100		

**Themes**

Theme (Maximum 5 and total % must equal 100)

Major theme	Theme	%
Rural development	Rural policies and institutions	40
Environment and natural resources management	Land administration and management	28
Rural development	Rural markets	16
Rural development	Rural services and infrastructure	16
Total		100

**Additional Financing Moldova Agriculture Competitiveness Project 2nd Additional Financing ( P157765 )**

**Practice Area (Lead)**

Agriculture

**Contributing Practice Areas**

**Cross Cutting Topics**

Climate Change

Fragile, Conflict & Violence

Gender

Jobs

Public Private Partnership

**Sectors / Climate Change**

Sector (Maximum 5 and total % must equal 100)

Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Agriculture, fishing, and forestry	General agriculture, fishing and forestry sector	40		
Industry and trade	Agro-industry, marketing, and trade	40		
Public Administration, Law, and Justice	Public administration-Agriculture, fishing and forestry	20		
Total		100		

I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.

**Green House Gas Accounting**

Net Emissions	-65,082	Gross Emissions	0
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**Themes**

Theme (Maximum 5 and total % must equal 100)

Major theme	Theme	%
Rural development	Rural markets	50
Rural development	Rural services and infrastructure	30
Rural development	Rural policies and institutions	20
Total		100

**Consultants (Will be disclosed in the Monthly Operational Summary)**

Consultants Required ? Consultants will be required.



## I. Introduction

1. This Project Paper seeks the approval of the Executive Directors to provide an additional credit in an amount of US\$10.0 million to the Republic of Moldova for the Agriculture Competitiveness Project (ACP), P118518 (Credit # 5095-MD and Credit #56390-MD).
2. The proposed additional financing (AF) would be used for scaling up project activities under **Component 2: Enhancing Market Access Potential**, including: (i) technical assistance for supporting emerging productive partnerships; (ii) providing matching investment grants for formally established producer groups; and (iii) assistance to the Ministry of Agriculture and Food Industry (MAFI) in promoting consumption and recognition of Moldovan produce. The AF would also finance costs related to project management (Component 4).
3. The proposed AF would be accompanied by a Level 2 Restructuring of the project, in order to reallocate proceeds from **Component 5: Compensatory Sales Support Grants** to **Component 1: Enhancing Food Safety Management**. The Closing Date for the AF would be June 30, 2019. The project Results Framework would be adjusted to reflect revisions in project indicators. Neither of the proposed changes would trigger changes of the PDO.
4. There is no change in the project's safeguards category (B) and no new safeguards are triggered.

## II. Background and Rationale for the Additional Financing

5. *Original project.* The ACP was approved by the Board on May 1, 2012. It is financed through: (i) an International Development Association (IDA) credit in the original amount of US\$18.0 million<sup>1</sup> (SDR11.6 million equivalent); (ii) a fully-blended Global Environment Facility (GEF) grant of US\$4.4 million; and (iii) a Swedish International Development Cooperation Agency (SIDA) grant in the original amount of US\$3 million<sup>2</sup>. A first AF in the amount of US\$12 million of IDA credit (SDR 8.7 million equivalent) was approved by the Board on May 19, 2015. The current Closing Date of the project is June 30, 2017.
6. The Project Development Objective (PDO) is *to enhance the competitiveness of the country's agro-food sector by supporting the modernization of the food safety management system, facilitating market access for farmers, and mainstreaming agro-environmental and sustainable land management practices.*
7. The ACP is currently structured around five components presented below.

*Component 1: Enhancing food safety management* is supporting activities aimed at improving human, institutional and technical capacity of the country's food safety management system, as

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<sup>1</sup> The actual US\$ amount at the time of preparation of the AF is approximately US\$16.1 million.

<sup>2</sup> The actual US\$ amount at the time of preparation of the AF is approximately US\$2.3 million.

well as ensuring regulatory harmonization with European Union (EU) requirements on food safety.

*Component 2: Enhancing market access potential* is supporting activities aimed at improving marketability and market integration of Moldova's high value, horticultural products, where the country has proven comparative advantages in the production of fresh fruits and vegetables.

*Component 3: Enhancing land productivity through sustainable land management* is supporting activities aimed at mainstreaming sustainable land management practices and technologies, and rehabilitation of anti-erosion shelterbelts.

*Component 4: Project Management* is supporting costs associated with project implementation and coordination across various government agencies.

*Component 5: Compensatory Sales Support Grants (supported by the 1<sup>st</sup> AF)* is supporting farmers who sold apple, plums and grapes for domestic processing in the fall of 2014, in response to the trade restrictions on Moldovan agro-food exports imposed by the Russian Federation in 2013-2014.

8. The project was designed to support the country's efforts in enhancing export competitiveness, attracting investment and achieving closer trade integration with the EU. More specifically, the ACP set out to support government efforts in reforming the country's food safety management system, efforts to enhance access to market opportunities through investment financing (to bring about upgrades in post-harvesting infrastructure) and institutional development support (to create and strengthen productive partnerships), and efforts to mainstream the use of good agricultural practices and sustainable land management. The objective of the first AF was to support farmers affected by export restrictions in order to avoid a collapse of the fruit growing sector.

9. *Project performance.* Project performance is currently rated "moderately satisfactory" for both Implementation Progress and for progress towards the PDO and "satisfactory" for overall project management<sup>3</sup>. The primary reason for the "moderately satisfactory" rating for implementation progress is the uneven implementation progress under Component 1: Enhancing food safety management (hence the component-specific downgrade to "Unsatisfactory" in the latest Implementation Status Report). Political developments, such as the downfall of two cabinets in 2015, and a resulting lack of functional leadership in the country's Food Safety Agency (FSA)<sup>4</sup>, have led to a loss of focus in the pursuit of reforms and modernization of the country's food safety management systems. Consequently, these developments have taken a toll on the ability of the FSA to be an effective partner for the project. A new cabinet was seated in on February 22, 2016, and an experienced professional has been appointed as director of the FSA on March 5, 2016, solidifying expectations that the pace of food safety reforms and institutional improvements at the FSA will be accelerated.

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<sup>3</sup> There are no outstanding audits or any other outstanding fiduciary issues.

<sup>4</sup> The institution did not have a Director General from June 2015 to February 2016.

10. Project performance has been consistently rated “moderately satisfactory” or better both for IP and PDO since the beginning of the project. Despite the unevenness in performance in 2015, progress towards the PDO continues and implementation is now proceeding well. Current commitments for the original IDA credit, GEF and SIDA financing amount to 100%, with approximately 65% of the IDA credit of the 1<sup>st</sup> AF also committed. A summary of disbursements by source of funding is presented below.

<b>Source of Funding</b>	<b>Original financing (US\$)</b>	<b>Actual financing (US\$) March 2016</b>	<b>Disbursed (US\$)</b>	<b>Percentage disbursed (US\$)</b>
<b>IDA 50950</b>	<b>18.00</b>	<b>16.15</b>	<b>11.99</b>	<b>74.22%</b>
<b>GEF TF 12145</b>	<b>4.44</b>	<b>4.44</b>	<b>3.96</b>	<b>89.31%</b>
<b>SIDA TF14946</b>	<b>2.85</b>	<b>2.25</b>	<b>2.21</b>	<b>98.28%</b>
<b>IDA 5639</b>	<b>12.00</b>	<b>12.11</b>	<b>7.91</b>	<b>65.30%</b>
<b>TOTAL</b>	<b>37.29</b>	<b>34.95</b>	<b>26.07</b>	<b>74.59%</b>

11. Notably, the project has achieved three of its five outcome indicators, and all intermediate indicators are either partially or fully achieved. The project is on track to meet its PDO and all targets by the proposed new closing date of June 30, 2019.

12. *Component 1: Enhancing food safety management.* The national Food Safety Agency (FSA) is a relatively new institution (established in 2012) which has largely become functional due to the support of the project. Major civil works, such as the rehabilitation of the FSA building and the construction of two Border Inspection Points (BIPs), have been successfully completed. Other civil works related to the reconstruction of two laboratories and the construction of two remaining BIPs have made significant advances. The component has also been supporting technical and human capacity strengthening activities aimed at future accreditation at the national reference laboratory for products of animal origin and animal health. Activities focused on the development of management software for the FSA have also been completed, setting up the stage for marked improvements in management practices and transparency at the FSA. Additionally, the FSA continues to receive support for legislative and regulatory improvements, capacity building activities, training and knowledge transfer from various international food safety institutions. Despite these notable achievements, and outside the scope of the project’s activities, the FSA has suffered institutional setbacks in 2015. An experienced new director has been appointed on March 5, 2016, and this is expected to serve as an impetus for the overall acceleration of the food safety reform pace and improvements at the FSA. Last but not least, the component has suffered from a financing gap which would likely limit the potential for full implementation of the originally envisaged activities (explained in more detail below).

13. *Component 2: Enhancing market access potential.* Progress in the implementation of this component has been highly satisfactory. To raise awareness about the project's opportunities for the fruit and vegetable sector, the project carried out 153 outreach campaigns for 1,600 agricultural producers (20 percent of whom were women), and conducted 88 focus groups meetings with 513 horticultural producers. After several calls for proposals for matching investment grants from emerging productive partnerships, 30 producer groups have received matching investment grants in a total amount of US\$7.5 million for a variety of post-harvesting infrastructure investments for handling apples, table grapes, vegetables, nuts and berries. MACP financing has generated another US\$10.00 million in farmers' own investments. Furthermore, 13,452 tons of cooling capacity was created within 26 cold storage facilities built with project support. At this time, the project's complementary technical assistance to beneficiaries has shifted focus towards post-partnership creation support<sup>5</sup>, including legal, finance and accounting, and market access aspects. Concerted efforts have been taken to link these producers with new value chains and/or markets, for example, supermarket chains in neighboring Romania (EU market).

14. *Component 3: Enhancing land productivity through sustainable land management.* Implementation of this component is progressing well. All activities related to the rehabilitation of forestry shelter-belts (FSB) are ahead of schedule. Specifically, 1,654 ha (out of a target of 2,000 hectares) of FSB have been rehabilitated, and the equipment which was procured for these purposes is being utilized efficiently by two mobile mechanized agro-forestry squads. The area protected by robust anti-erosion shelter belts rehabilitated so far constitutes 45,000 ha, or 90% out of total 50,000 ha of the total area projected by the project. The component's sustainable land management grant scheme has been launched and three calls for proposals yielded 153 applications, 111 of which received grants in a total amount of US\$1.02 million. At present, the total on-farm area benefitting from sustainable land management practices supported by the project is 35,000 ha, which considerably exceeds the target value of 10,000 ha. However, based on actual demand by beneficiaries, it is estimated that the number of beneficiaries will be somewhat smaller than initially anticipated, thus leading to a proposed decrease in this indicator target.

15. *Component 5: Compensatory Sales Support Grants:* Overall, the component has been implemented in an expedient and efficient manner, as required by its nature of providing quick support to farmers affected by the Russian Federation export ban. There still is a small number of remaining payments to be made for grape growers, but all apple and plum growers have received compensations in 2014-2015. The delays in defrayments of funds to grape growers are outside the project's control, relating to the introduction of new payment technologies at the national Treasury which have not functioned well upon launch. An important aspect to be highlighted is that, despite initial estimates, a significantly smaller number of farmers have applied for compensatory support for grapes sales. The most plausible explanation to this is that farmers lacked evidence of sale transactions, which was a requirement for eligibility. As a result, instead of an estimated 8-9 thousand, there were only about 6 thousand farmers who applied for compensatory grants. To date 5,794 farmers have received compensations in the amount of US\$7 million. An estimated US\$4.2 million will be saved as a result.

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<sup>5</sup> Support during the first year of business operation of a productive partnership.

16. *Government's request.* The proposed AF and restructuring respond to two requests from the Government of Moldova (GoM), received in November, 2015. The task team has discussed alternatives to the proposed AF and restructuring with the GoM, and agreement was reached that they represent the most adequate response to the intent to: (i) scale up the successful results of the ACP in promoting horizontal and vertical integration of Moldovan small and medium fruit producers, and (ii) address a financing gap for the implementation of food safety activities foreseen under the original project (explained in details below). The Government highly values the specific outcomes of the ACP to date, and all key government counterparts are committed to the successful implementation of the project going forward. Additional parallel and co-financing options are being explored by the task team with SIDA and the EU (within their current country support programs), which have both indicated preliminary interest in providing additional, grant-based financing for the ACP.

17. The activities of the proposed AF do not depart from the current FY14-17 Country Partnership Strategy (CPS)<sup>6</sup>, which supports Moldova with a view of boosting shared prosperity and reducing poverty, by capturing the full benefits of openness and integration with the EU and the global economy. Both the original project and the proposed AF are strongly aligned with one of the CPS pillars – Increasing Competitiveness, and its goal of helping improve companies' competitiveness in order to translate economic openness into concrete benefits of more jobs and higher income.

18. *Rationale for the proposed AF.* The agro-food sector remains critical to meeting Moldova economic and export growth and social cohesion targets. Moldova's predominantly agriculture-based economy records among the highest shares of agricultural production and agro-processing among all EU neighborhood countries. The Government is continuing to focus on the need to translate the country's agriculture sector comparative advantages into competitive ones. These efforts have received a greater impetus since 2014 when Moldova agricultural exports were banned from the Russian Federation market, setting back Government's attempts to embrace an export-led growth approach in the sector. The implementation of the original Moldova Agriculture Competitiveness Project has provided an excellent platform for an enhanced understanding of inter-dependencies between capital-intensive modern agricultural production technologies and increasingly demanding agro-food marketing chains, leading to a request from the Government of Moldova to scale up the project's market access activities.

19. A lack of modern post-harvest infrastructure has been identified to be one of the weakest links for fruits and vegetables vertically coordinated supply chains. The proposed AF will continue to deepen the original project's efforts to pilot and promote cooperation and association of farmers into productive partnerships, with a view to stimulating collective capital investments and joint sales and marketing for delivery to competitive markets. A closely associated issue which will also require scaling up and deepening is the dissemination of knowledge on market demand, quality and sanitary standards, building general business acumen that can facilitate the operation of the emerging productive partnerships as true and sustainable business entities.

20. On that basis, the proposed AF and related Level 2 restructuring would consist of two elements, as requested by the GoM: (i) allocation of additional resources for scaling up the

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<sup>6</sup> Report #79701-MD



activities of Component 2: Enhancing Market Access Potential; and (ii) reallocation of US\$4.2 million from Component 5: Compensatory Sales Support Grants to Component 1: Enhancing Food Safety Management. Specifically, the AF would be used for scaling up the highly successful activities under Component 2, including: (i) technical assistance for supporting emerging productive partnerships – US\$0.9 million; (ii) providing matching investment grants for formally established producer groups – US\$8.5 million; and (iii) assistance to the Ministry of Agriculture and Food Industry in promoting consumption and the brand of Moldovan agricultural produce – US\$0.2 million. The AF would also finance project management activities – US\$0.4 million. At the same time, the reallocation of savings from Component 5 to Component 1 aims to address the financing gap under Component 1, which has primarily emerged due to the depreciation of the SDR and the Swedish Crown, as well as to some extent higher than anticipated costs of civil works. Covering the financing gap would allow for a full implementation of the originally envisaged activities of Component 1.

21. The proposed AF will include two adjustments to the original project design:

- a) *Sub-Component 2.2: Investment support for post-harvest technologies* has allowed for providing matching investment grants to emerging productive partnerships *only* in the horticultural sub-sector. The AF would expand eligibility for matching investment grants to bee-keeping and milk-collection to allow for higher integration and aggregation of supply by small producers. The same grant allocation framework and set of eligibility criteria (original PAD, page 19) will apply to these partnerships, with proof of historic individual agricultural activity in production of honey and milk, as a key pre-requisite for the eligibility of individual members. This expansion is justified primarily for poverty reduction considerations, as a majority of bee-keeping/milk-production farmers are small, subsistence producers, who are looking for opportunities to increase incomes through: (i) forming organized productive partnerships; and (ii) gaining access to modern technologies, knowledge and markets. For bee-keeping in particular, there is also great interest in farmer cooperation for reasons related to the fact that Moldovan honey is the only product of animal origin which is currently allowed on the EU market, thus presenting an export opportunity for small domestic producers. In fact, bee-keepers are already working together in 4 established producer groups to improve quality and consistency of supply to markets, and their eligibility for MACP investment products could lead to further increases in competitiveness.
- b) According to the original PAD (page 11), “a productive partnership will be eligible for only one matching investment grant” with a maximum ceiling established at US\$350,000 per beneficiary under the investment support program”. To date, only 9 producer groups out of 32 final grant beneficiaries received a maximum grant amount. The remaining productive partnerships applied for significantly smaller amounts, either because of cautious business strategies, or (in most cases) due to difficult borrowing conditions from local banks. As business grows, groups are ready and able to expand further to achieve higher degrees of technological and market sophistication, thus expressing interest in applying for consecutive grants, but within the maximum ceiling of US\$350,000. In order to support such successful groups on their path towards further growth and enhanced competitiveness, as well as to allow them to attract new members, a productive

partnership will be allowed to receive consecutive grants which would not cumulatively exceed the maximum allowed amount.

### ***Gender impact***

22. Gender aspects are thoroughly addressed in the project, and involvement of women is diligently tracked in all relevant activities. From the outset, the project focused on the need to eliminate information asymmetries in rural areas in relation to women, as one of the major constraints of attracting women as direct participants and beneficiaries in rural development has been that of raising awareness and communication directly with potential women beneficiaries. Impact evaluation reports (under previous World Bank agricultural projects in Moldova) note an underlying assumption in the work of business development centers that messages transmitted to male clients will also reach women in the community, which automatically excludes a number of prospective women clients. To overcome this challenge, the project is using communication and outreach channels that specifically target prospective women beneficiaries.

23. Hence, one of the most effective ways of attracting women as direct participants and beneficiaries under the investment matching grant program has been project awareness campaigns that allowed direct communication with women and their close involvement in project specialized trainings. Through 153 outreach campaigns conducted over 2013-2015 in all districts, 1,597 agricultural producers have been informed with 20 percent of women representation. To date, 30 producer groups have received matching investment grants in the amount of US\$7.5 million for a variety of investments in post-harvest processing of apples, table grapes, vegetables, nuts and berries. These 30 groups bring together 172 farmers, and 36 of them are women. Furthermore, 35 regional trainings and 350 trainings at local level on best practices for sustainable land management (SLM) gathered 8,257 participants, 36 percent of which were women. Out of 111 grant recipients under the SLM investment program, 17 women received matching grants for piloting and adoption of SLM practices. Finally, 10 women (out of total 60 participants) attended specialized trainings on M&E aspects with respect to social, economic and environmental impact of SLM.

24. The proposed AF will aim to increasing the share of female participants in the awareness workshops and project specialized trainings. Attention to gender will be paid through the following means: (i) gender-disaggregated data on project beneficiaries, as well as on those having grievances will be collected; (ii) awareness activities and grievance mechanism envisaged under the project will use communication and outreach channels that ensure equal access of women: the information posters will be located in the places often attended by women such as church and local shop, and female leaders that are influential in the community will be invited to participate in the village level information meetings; (iii) timing and methods of delivering the training and consulting services will be made flexible to accommodate women that can afford less time to spend outside of their households due to their care functions.

### ***Safeguards***

25. The proposed AF will not trigger additional safeguard policies. The AF remains under environmental Category B. The environmental procedures outlined in the existing Environmental

Management Framework (EMF) will remain applicable. The project is not going to trigger OP/BP 4.12 on Involuntary Resettlement. Project activities are not expected to cause any temporary or permanent physical or economic displacement or loss of assets. The borrower confirmed that the AF (similar to the original project) will not support any sub-projects that would involve involuntary land acquisition or any form of resettlement. The AF is targeting farmers that are working on the agricultural land which they legally own or lease thus no economic or physical displacement is expected as a result. The Consolidated Agriculture Project Management Unit (CAPMU), which has been providing fiduciary and safeguard support under the original project, will continue to do so under the AF. CAPMU's capacity for environmental and social safeguards has been consistently rated satisfactory, as documented in supervision documents, despite some truly complex matters at hand, such as the restoration of a national cultural monument, and new construction of border inspection points and food safety laboratories. When necessary, CAPMU has been proactive in working with the Bank team on ensuring that best practice on environmental compliance is applied.

26. *Climate Change:* The project is well positioned to contribute to Moldova's stated climate change policies, particularly in relation to the agricultural sector, as outlined in the country's Intended Nationally Determined Contribution. Moldova's commitment to transition to a low-carbon economy and to develop its climate resilience, by reducing vulnerability and facilitating climate change adaptation in priority sectors including agriculture, could be strongly enhanced by the successful implementation of the project's Component 3 focused on sustainable land management. The project's Greenhouse Gases Analysis showcases a positive aggregate carbon footprint. The AF was also screened under the Climate and Disaster Risk Screening Tool, with resulting moderate to high ratings for the following future risk drivers – extreme temperatures, drought, extreme precipitation and flooding, strong winds. Climate and disaster risks are being dealt with through the parallel implementation of the World Bank Moldova Disaster and Climate Risk Management project. Additionally, an on-going study on climate smart agriculture will provide important knowledge for adaptation techniques, to be included into a future Bank investment operation on climate change resilience.

27. *Citizen Engagement.* As all existing implementing entities continue to play a critical role in project implementation, including social mobilization, information dissemination, beneficiary selection, monitoring and grievance management – no changes to their roles are envisioned. An operational grievance mechanism was established under the project, and has proven to be an efficient mechanism for addressing beneficiary feedback in a fast and efficient manner. The mechanism has been implemented by the country's National Rural Development Agency for a large number of beneficiaries under *Component 5: Compensatory Sales Support Grants*. As the activities of the component are phasing out, there will be no need for a large and costly role by the above-mentioned agency. Instead, the mechanism will be transferred to CAPMU, as the number of beneficiaries is much smaller and manageable. The existing indicator "*Published Report on the functioning of the grievance mechanism, including resolution rates*" is related to this work and currently captures citizen engagement under the project. Project-supported organizations will provide periodic reports on Grievance Recourse Management (GRM) and the way grievances were resolved, including grievance resolution rates.

28. *Grievance Redress Service.* Communities and individuals who believe that they are

adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

### ***Procurement***

29. There is no major procurement involved in the proposed AF, since 70 percent of funds will be disbursed for matching investment grants. Thus, procurement will be limited to the implementation of capacity building activities under Component 2.1 "Business development support for productive partnerships" i.e.: (i) technical assistance for supporting emerging productive partnerships; and (ii) assistance to the Ministry of Agriculture and Food Industry in promoting the brand of Moldova fruits, as well as the project's coordination and management activities. There will be no changes in the procurement arrangements, with CAPMU in charge of all procurement activities. CAPMU has sufficient procurement capacity and substantial experience with World Bank financed projects to carry out the activities under the AF. The updated Procurement Plan covering additional procurement activities in the total amount of US\$ 1.2 million has been approved by the Bank. The latest Procurement and Consultants Guidelines would be applicable under the AF<sup>7</sup>. The overall procurement risk is assessed as *moderate*.

### ***Financial Management and Disbursements***

30. Existing financial management arrangements of the ACP are acceptable to the Bank, with the overall FM risk assessed as *moderate*. As such, the financial management and disbursement arrangements of the original project will continue to be applicable to the AF. Overall fiduciary tasks, including financial management, will remain under CAPMU, which has a successful and proven track record of implementing donor-financed projects and is staffed with qualified accounting staff.

31. The financial management arrangements of the ACP, which have been reviewed periodically as part of implementation support visits, have been found satisfactory. The project's latest Financial Management Review rates the existing financial management arrangements as satisfactory, with all necessary control procedures in place. The project is in compliance with the audit covenant, with all required audit reports having been received by the Bank in a timely

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<sup>7</sup> Dated January 2011, revised in July 2014.

manner. The project's audits have received unqualified opinions on financial statements and no internal control issues were flagged.

32. The implementation of matching investment grant sub-projects under the additional financing will be managed by the Agency for Interventions and Payments in Agriculture (AIPA) in accordance with the procedures established under the original project. Should AIPA's involvement prove unsuccessful, the fiduciary responsibility for the execution of the matching investment grant schemes would be taken over by CAPMU.

33. Project management-oriented Interim Financial Reports (IFRs) will be used for the AF monitoring and reporting. The existing format of the IFRs will be used and CAPMU will produce consolidated IFRs each quarter based on information provided by AIPA with regard to uses of funds under Sub-component 2.2. Consolidated IFRs will be submitted to the Bank within forty-five days of the end of each calendar quarter, and will serve as the basis for disbursement of project funds.

34. The AF audit arrangements/requirements will be folded into the overall ACP audit set-up. The audit will be conducted by an independent private audit firm acceptable to the Bank, on Terms of Reference agreed with the World Bank, and procured by CAPMU. The scope of the financial audit will be expanded to include a report on compliance of the project's matching investment grants with eligibility criteria and procedures established in the Financing Agreement and the Grant Operational Manual. The annual audited project financial statements will be submitted to the World Bank within six months of the end of the fiscal year and also at project closing.

### III. Proposed Changes

<b>Summary of Proposed Changes</b>	
The proposed Additional Financing in the amount of US\$10.0 million would be accompanied by a Level 2 Restructuring of the project. The proposed changes would include: (i) allocation of additional resources for scaling up the project's activities under Component 2: Enhancing Market Access Potential; and (ii) reallocation of US\$4.2 million from Component 5: Compensatory Sales Support Grants to Component 1: Enhancing Food Safety Management. The current project closing date of June 30, 2017 will be extended by two years to June 30, 2019. The project's Results Framework would be adjusted to reflect the revised project indicators and extended implementation time frame.	
Change in Implementing Agency	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Project's Development Objectives	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change in Results Framework	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Change in Safeguard Policies Triggered	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Change of EA category	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
Other Changes to Safeguards	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]

Change in Legal Covenants	Yes [ ] No [ X ]
Change in Loan Closing Date(s)	Yes [ ] No [ X ]
Cancellations Proposed	Yes [ ] No [ X ]
Change in Disbursement Arrangements	Yes [ ] No [ X ]
Reallocation between Disbursement Categories	Yes [ X ] No [ ]
Change in Disbursement Estimates	Yes [ X ] No [ ]
Change to Components and Cost	Yes [ X ] No [ ]
Change in Institutional Arrangements	Yes [ ] No [ X ]
Change in Financial Management	Yes [ ] No [ X ]
Change in Procurement	Yes [ ] No [ X ]
Change in Implementation Schedule	Yes [ X ] No [ ]
Other Change(s)	Yes [ ] No [ X ]

### Development Objective/Results

#### Project's Development Objectives

Original PDO

The Project Development Objective is to enhance the competitiveness of the agro-food sector by supporting the modernization of the food safety management system, facilitating market access for farmers, and mainstreaming agro-environmental and sustainable land management practices.

#### Change in Results Framework

Explanation:

The project's Results Framework was adjusted to reflect revised project indicators.

### Compliance

#### Covenants - Additional Financing ( Moldova Agriculture Competitiveness Project 2nd Additional Financing - P157765 )

Source of Funds	Finance Agreement Reference	Description of Covenants	Date Due	Recurrent	Frequency	Action
IDA	Section I.C of Schedule 2	Immediately upon the selection of a Sub-project pursuant to the eligibility criteria and procedures established in the GOM, the Recipient, through AIPA, shall provide a		<input checked="" type="checkbox"/>		

		Matching Investment Grant (MIG) under a Sub-project Agreement to be entered into with the respective Beneficiary on terms and conditions approved by the Association and stipulated in the GOM.				
<b>Conditions</b>						
<b>Source Of Fund</b>		<b>Name</b>	<b>Type</b>			
IDA		Update of the Project Operational Manual (POM).	Effectiveness			
<b>Description of Condition</b>						
Project Operational Manual (POM) has been updated and adopted by the Recipient in a manner acceptable to the Association.						
<b>Risk</b>						
<b>Risk Category</b>					<b>Rating (H, S, M, L)</b>	
1. Political and Governance					Substantial	
2. Macroeconomic					Substantial	
3. Sector Strategies and Policies					Moderate	
4. Technical Design of Project or Program					Low	
5. Institutional Capacity for Implementation and Sustainability					Low	
6. Fiduciary					Low	
7. Environment and Social					Low	
8. Stakeholders					Moderate	
9. Other						
OVERALL					Moderate	
<b>Finance</b>						
<b>Loan Closing Date - Additional Financing ( Moldova Agriculture Competitiveness Project 2nd Additional Financing - P157765 )</b>						
<b>Source of Funds</b>			<b>Proposed Additional Financing Loan Closing Date</b>			

IDA recommitted as a Credit					30-Jun-2019					
<b>Change in Disbursement Estimates (including all sources of Financing)</b>										
Explanation: Changes in disbursement estimates derive primarily from the increase in allocation of resources for Component 2: Enhancing market access potential, by means of the Additional Financing.										
<b>Expected Disbursements (in USD Million)(including all Sources of Financing)</b>										
Fiscal Year	2017	2018	2019	2020	2021	2022	2022	2024	2025	2026
Annual	5.35	7.00	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cumulative	5.35	12.35	21.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Allocations - Additional Financing ( Moldova Agriculture Competitiveness Project 2nd Additional Financing - P157765 )</b>										
Source of Fund	Currency	Category of Expenditure	Allocation		Disbursement % (Type Total)					
			Proposed		Proposed					
IDA	XDR	(1) Goods, works, non-consulting services, consultants' services, training and operational costs for the project		1,400,000.00		100.00				
IDA	XDR	(2) Matching Investment Grants for Sub-projects under parts B.2 of the Project		5,700,000.00		100.00				
		<b>Total:</b>		7,100,000.00						
<b>Reallocation between Disbursement Categories</b>										
Explanation: The proposal is to reallocate US\$4.2 million from Component 5: Compensatory Sales Support Grants to Component 1: Enhancing Food Safety Management. The reallocation will cover an existing financing gap (due mostly to currency fluctuations) and allow for a full completion of Component 1 activities. The financing gap has led to insufficient funding for essential civil works for the rehabilitation of the country's laboratory infrastructure and completion of IT systems improvements.										
Ln/Cr/TF	Currency	Current Category of Expenditure	Allocation		Disbursement % (Type Total)					
			Current	Proposed	Current	Proposed				
TF-14946	SEK	G,W,CS (incl. audit),TR IOC	18,766,898.00	18,766,898.00	100.00	100.00				
TF-14946		Designated Account	0.00	0.00	0.00	0.00				
		<b>Total:</b>	18,766,898.	18,766,898.						



			00	00		
IDA-50950	XDR	G,W,non-CS,CS,TR,IOC	6,390,000.0 0	6,390,000.0 0	100.00	100.00
IDA-50950		Match.inv.grants,Parts B2,C2	5,210,000.0 0	5,210,000.0 0	100.00	100.00
		Designated Account	0.00	0.00	0.00	0.00
		Designated Account	0.00	0.00	0.00	0.00
		Designated Account	0.00	0.00	0.00	0.00
		<b>Total:</b>	11,600,000.0 00	11,600,000.0 00		
IDA-56390	XDR	GD,Non- CS,CS,Aud,TR,IOC for Part D	400,000.00	3,400,000.0 0	100.00	100.00
IDA-56390		Comp. Sales Sup. Grants for Part E	8,300,000.0 0	5,300,000.0 0	100.00	100.00
		Designated Account	0.00	0.00	0.00	0.00
		Designated Account	0.00	0.00	0.00	0.00
		<b>Total:</b>	8,700,000.0 0	8,700,000.0 0		

### Components

#### Change to Components and Cost

Explanation:

Under the Additional Financing: increasing the allocation for Component 2: Enhancing Access to markets, and increasing the allocation for Component 4: Project Management. Under restructuring: reallocation of proceeds (Credit # MD-56390) from Component 5: Compensatory Sales Support Grants to Component 1: Enhancing Food Safety Management.

Current Component Name	Proposed Component Name	Current Cost (US\$M)	Proposed Cost (US\$M)	Action
Enhancing food safety management	Enhancing food safety management	9.25	11.80	Revised
Enhancing market access potential	Enhancing market access potential	15.00	38.34	Revised
Enhancing land productivity through sustainable land management	Enhancing land productivity through sustainable land management	11.00	9.00	Revised
Project Management	Project Management	2.19	2.60	Revised

Contingencies	Contingencies	1.00	0.40	Revised
Compensatory Sales Support Grants	Compensatory Sales Support Grants	11.00	6.80	Revised
	<b>Total:</b>	49.44	68.94	

### Other Change(s)

Implementing Agency Name	Type	Action

### Change in Implementation Schedule

**Explanation:**

It is proposed to extend the project's closing date from June 30, 2017 to June 30, 2019 to allow for the implementation of activities of the Additional Financing, as well as the full implementation of activities of the original project under Component 1: Enhancing Food Safety Management. The closing date of the previous sources of funding (two IDA Credits, and a GEF Grant) remains unchanged.

### Appraisal Summary

#### Economic and Financial Analysis

**Explanation:**

Due to the nature of the proposed AF activities (scale up) and reallocation (financing gap), the economic and financial analysis of the original project has been updated, aggregating all costs and benefits, i.e. original, AF and the reallocation of US\$4.2 million (the latter is important in the calculation, because this amount was part of a distinctive, logically different analysis under the 1<sup>st</sup> AF). Expectations remain robust that the project will generate several distinct types of benefits, although not all can be quantified ex-ante. The institutional development activities under Component 1 in particular are expected to generate important benefits in terms of institutional capacity, operational efficiency, compliance with international standards and the like, which are difficult to measure as such. Therefore, the analysis took as a proxy measure (that indirectly captures the aggregate outcome of the component) the horticultural export revenue gains that are likely to be generated as a consequence of Moldovan produce meeting international food safety standards, therefore having access to more foreign markets and being able to command higher prices. In regard to Component 2, the sub-projects will continue to be entirely demand driven, while the ones financed to date are still too recent to provide actual data on economic/financial returns. Therefore, the ex-ante economic analysis continues to rely on assumptions regarding the type and size of productive partnerships and the resulting economic/financial benefits.

The expanded, project level calculation (including Component 4 for which no separate analysis was made), suggests an aggregated Net Present Value (NPV) of US\$31.4 million and an ERR of 28.3% (up from the initial NPV of US\$21.0 million and an ERR of 26.6%). A discount rate of 12% has been used throughout. Conversion factors on project costs were not used in the analysis.

#### Technical Analysis

**Explanation:**

The proposed AF and related level 2 restructuring would consist in two changes, as requested by the Government: (i) allocation of additional resources for scaling up the activities of Component 2: Enhancing Market Access Potential; and (ii) reallocation of US\$4.2 million from Component 5: Compensatory Sales

Support Grants to Component 1: Enhancing Food Safety Management. Specifically, the AF would be used for scaling up the successful activities under Component 2, including: (i) technical assistance for supporting emerging productive partnerships; (ii) providing matching investment grants for formally established producer groups; and (iii) assistance to the Ministry of Agriculture and Food Industry in promoting the brand of Moldova fruits. The AF would also finance costs associated with project management. At the same time, the reallocation of savings from Component 5 to Component 1 aims at addressing the financing gap under Component 1, which is mostly due to the depreciation of the SDR and the Swedish Crown, and higher than anticipated costs of civil works. The technical analysis carried out at appraisal of the original project remains valid, with no substantive changes to the design of Components 1 and 2.

### **Social Analysis**

#### Explanation:

No changes are expected to the original project social analysis framework. The AF will maintain the project's focus on gender inclusion.

### **Environmental Analysis**

#### Explanation:

Minor changes to the EMF have been introduced to reflect the addition of bee-keeping and mil collection as potential sectors of interest (in addition to purely horticultural activities supported in the original project). The updated EMF has been disclosed on April 12, 2016.

### **Risk**

#### Explanation:

No changes to existing ratings for risks are envisaged.

## Annex 1: Results Framework and Monitoring

### Project Development Objectives

Original Project Development Objective - Parent:

The Project Development Objective is to enhance the competitiveness of the agro-food sector by supporting the modernization of the food safety management system, facilitating market access for farmers, and mainstreaming agro-environmental and sustainable land management practices.

Proposed Project Development Objective - Additional Financing (AF):

### Results

Core sector indicators are considered: Yes

Results reporting level: Project Level

### Project Development Objective Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
No Change	Completion of targeted food safety actions for approximation to EU SPS requirements	<input type="checkbox"/>	Percentage	Value	0.00	70.00	100.00
				Date	01-Jul-2012	31-Dec-2015	30-Jun-2017
				Comment			
Revised	Increased sales (domestic and exports) of high value crops by targeted partnerships that receive investment support grants	<input type="checkbox"/>	Percentage	Value	0.00	9.00	50.00
				Date	01-Jul-2012	31-Dec-2015	30-Jun-2019
				Comment			
No Change	Increased on-farm area benefitting from sustainable land management practices supported by the project	<input type="checkbox"/>	Hectare(Ha)	Value	0.00	34841.00	10000.00
				Date	01-Jul-2012	31-Dec-2015	30-Jun-2017
				Comment			
No Change	Increased area protected by robust anti-erosion shelterbelts rehabilitated under the project	<input type="checkbox"/>	Hectare(Ha)	Value	0.00	45100.00	50000.00
				Date	01-Jul-2012	25-Mar-2016	30-Jun-2017
				Comment			

No Change	Stabilized levels of production of apples, plums and grapes among beneficiaries of compensatory grants	<input type="checkbox"/>	Percentage	Value	100.00	100.00	85.00
				Date	01-Dec-2014	31-Dec-2015	01-Dec-2015
				Comment		Official data is available only for 2014. Data for 2015 will be available only in July 2016	

### Intermediate Results Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
No Change	Food safety agency is functional	<input type="checkbox"/>	Text	Value	The Food Safety Agency is presently not functional	Food safety agency is functional	Food safety agency is functional
				Date	01-Jan-2012	25-Mar-2016	01-Jan-2014
				Comment			
No Change	Number of laboratories compliant with standards for international accreditation	<input type="checkbox"/>	Number	Value	0.00	0.00	2.00
				Date	01-Jul-2012	25-Mar-2016	30-Jun-2012
				Comment			
No Change	Operational Border Inspection Points	<input type="checkbox"/>	Number	Value	0.00	2.00	4.00
				Date	01-Jul-2012	25-Mar-2016	30-Jun-2014
				Comment			
Revised	Capacity for post-harvest handling created in targeted productive partnerships.	<input type="checkbox"/>	Metric ton	Value	0.00	13542.00	30000.00
				Date	01-Jul-2012	31-Dec-2015	30-Jun-2019
				Comment			
Revised	Productive partnerships created with project support	<input type="checkbox"/>	Number	Value	0.00	34.00	50.00
				Date	01-Jul-2012	25-Mar-2016	30-Jun-2019

				Comment			The target value is increased from 20 to 50 due to 2-nd AF
No Change	Analytical solutions for site-specific SLM technologies developed and disseminated	<input type="checkbox"/>	Text	Value	Limited analytical work exists to date	Analytical solutions ready.	Analytical options ready for application by farmers.
				Date	01-Jul-2012	01-May-2015	01-Mar-2013
				Comment			
No Change	Mechanized mobile squads are operational	<input type="checkbox"/>	Number	Value	0.00	2.00	2.00
				Date	01-Jul-2012	25-Mar-2016	30-Jun-2013
				Comment			
No Change	Anti-erosion shelterbelts rehabilitated	<input type="checkbox"/>	Hectare(Ha)	Value	0.00	1654.00	2000.00
				Date	01-Jul-2012	31-Dec-2015	30-Jun-2017
				Comment			
Revised	Amount provided as compensatory grants	<input type="checkbox"/>	Amount(USD)	Value	0.00	7000000.00	7000000.00
				Date	15-Feb-2015		01-Dec-2015
				Comment			The target value of \$11 million has been reduced to \$7 million due to reallocation of \$4 million from Component 5 to Component 1
No Change	Grievance mechanism established	<input type="checkbox"/>	Text	Value	No grievance mechanism	GRM is in place	Grievance mechanism in

							place
				Date	15-Feb-2015	25-Mar-2016	01-Dec-2015
				Comment			
No Change	Published report on the functioning of the grievance mechanism, including resolution rates	<input type="checkbox"/>	Text	Value	No report	Report published	Report published
				Date	15-Feb-2015	01-Dec-2015	01-Dec-2015
				Comment			
Revised	Direct project beneficiaries	<input checked="" type="checkbox"/>	Number	Value	0.00	4794.00	5000.00
				Date	15-Feb-2015	25-Mar-2016	01-Dec-2015
				Comment		Data on female beneficiaries will be collected by the end of 2016 after all compensations have been disbursed and M&E has been conducted	The target value of 8,000 direct beneficiaries was reduced to 5,000. A smaller number of farmers applied for compensatory support. One of the reasons could be the fact that farmers lacked evidence of sale transactions, which was a requirement for eligibility.
No Change	Female beneficiaries	<input checked="" type="checkbox"/>	Percentage Sub Type Supplemental	Value	0.00		1000.00

