



Lesotho

Lesotho Adaptation of Small-Scale Agricultural Production (LASAP)

Mid-Term-Review / Supervision report

Project Area



Abbreviations and acronyms

\$	US dollar
AIP	Agriculture Investment Project
BEDCO	Basotho Enterprises Development Corporation
CA	Conservation Agriculture
CCA	Climate Change Adaptation
CD	Country Director
CGP	Competitive Grants Programme
CSA	Climate-Smart Agriculture
CSM	Crop Simulation Model
DAOs	District Agricultural Officers
DAR	Department of Agriculture Research
DCSO	District Climate-Smart Officer
e.g.	example
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
FA	Financial Agreement
GEF	Global Environment Facility
GoL	Government of Lesotho
ICRAF	World Agroforestry Centre
IFAD	International Fund for Agricultural Development
LASAP	Lesotho Adaptation of Small-Scale Agricultural Production
LMS	Lesotho Meteorological Services
LSL	Loti
LtR	Letter to the Recipient
M	Maloti
m	metre or million depending on the context
M&E	Monitoring and Evaluation
MAFS	Ministry of Agriculture and Food Security
MOF	Ministry of Finance
MSCM	Ministry of Small Business Development, Cooperatives and Marketing
MTR	Mid-term Review
NRM	Natural Resource Management
NUL	National University of Lesotho
PFOs	Project Field Officers
PMU	Project Management Unit
PP	Procurement Plan
RFQ	Request for Quotations
SA	South Africa
SADP	Smallholder Agriculture Development Project
SPs	Service Providers
UCT	University of Cape Town
WAMPP	Wool and Mohair Promotion Project
WB	World Bank
WB TTL	World Bank Task Team Leader
WFP	World Food Programme

A. Project Overview

Region:	East and Southern Africa Division		
Country:	Lesotho	Project at Risk Status:	Not at risk
Project Name:	Lesotho Adaptation of Small-Scale Agricultural Production	Environmental and Social Category:	N/A
Project ID:	2000000855	Climate Risk Classification:	N/A
Project Type:	Climate Change Adaptation	Executing Institution:	Ministry of Agriculture and Food Security (MAFS)
CPM:	Philipp Baumgartner		
Project Director:	Mr. Rets'elitsioe Daniel Pheko		
Project Area:	Butha Buthe, Leribe, Berea, Maseru, Mafeteng, Mohale's Hoek and Quthing		

Approval Date:	01/04/2014
Entry into Force Date:	20/01/2017
First Disbursement Date:	23/07/2018
MTR Date:	20-30/04/2020
Original Completion Date:	28/02/2020
Current Completion Date:	28/02/2020
Financial Closure	not available yet

Project total financing

GEF Financing breakdown	GEF PPG Amount	\$12,500,000
	GEF Grant Amount	\$12,500,000
	Total Grant GEF Cost	\$ 4, 447, 340
Proposed Co-Financing	National Government	\$200, 000

Current Mission

Mission Dates:	20-30 April 2020
Days in the field:	2 Virtual Days
Mission composition:	Mr Philipp Baumgartner, CD (IFAD); Mr Robert Delve, Global Technical Lead Agronomy (IFAD); Mr Henri Minaar, Team Leader and Agriculture Economist (consultant); Oliver Mundy, Environmental and SECAP Specialist (IFAD); Mr Uli Piest, Environment & GEF Specialist; Ms Alice Abillu, Financial Management Specialist; Ms Putso Nyathi, Senior Agronomist; Mr Alessandro Neroni, Procurement Specialist; Ms Tapologo Radithipa, M&E and knowledge management specialist; Ms Zira Mavunganidze, Climate and Environment Specialist
Field sites visited:	Virtual conversations with business owners at 9 sites in Berea, Butha Buthe, Leribe and Mafeteng

B. Overall Assessment

Key SIS Indicator #1	∅	4	Key SIS Indicator #2	∅	4
Likelihood of Achieving the Development Objective			Assessment of the Overall Implementation Performance		

Effectiveness and Developmental Focus	4	Project Management	3
Effectiveness	4	Quality of Project Management	4
Targeting and Outreach	4	Knowledge Management	4
Gender equality & women's participation	4	Value for Money	4
Agricultural Productivity	3	Coherence between AWPB and Implementation	3
Nutrition	4	Performance of M&E System	2
Adaptation to Climate Change	4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	4

Sustainability and Scaling Up	4	Financial Management and Execution	4
Institutions and Policy Engagement	4	Acceptable Disbursement Rate	3
Partnership-building	5	Quality of Financial Management	3
Human and Social Capital and Empowerment	4	Quality and Timeliness of Audit	6
Quality of Beneficiary Participation	4	Counterpart Funds	2
Responsiveness of Service Providers	4	Compliance with Loan Covenants	5
Environment and Natural Resource Management	4	Procurement	3
Exit Strategy	3		
Potential for Scaling-up	4		

Relevance	5
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C. Mission Objectives and Key Conclusions

Background and main objective of the mission

The Mid-Term Review (MTR) mission¹ for the Lesotho Adaptation of Small-Scale Agricultural Production (LASAP) was conducted during the period of 20 to 30 April 2020. The main mission objective was to support the project management team in evaluating implementation and adjusting activities and plans as required to allow for timely and efficient project delivery in the remaining twelve months until c. Together with the project management unit (PMU), the mission team assessed the relevance, efficiency and effectiveness of the project design and of the implementation approach, and to make necessary adjustments to achieve the development objective. The MTR assessed the operational aspects of the project such as project management and implementation of activities, financial management and disbursement arrangements, monitoring and evaluation. The mission, focussed on the following areas:

- (i) Confirm the institutional set up and project management for LASAP in the transition from SADP to SADP II, since the activities will continue to be carried out by the same PMU;
- (ii) Support the project to strengthen its work to achieve greater outcomes on climate adaptation and resilience in line of the two consecutive droughts in 2019 and 2018;
- (iii) Programme the remaining funds to ensure full utilisation in line with project objectives, including partial re-allocations.
- (iv) Adjust project funds to reply to COVID-19 related needs, within the scope of what was possible.

Given the COVID-19 situation in Lesotho and the sub-region, the GoL and IFAD agreed to conduct the mission virtually. Despite its virtual nature, the mission was able to interact with key informants from the Ministry of Agriculture and Food Security (MAFS), The Ministry of Finance (MOF), SADP service providers (SPs) and Project Field Officers (PFOs), the World Bank (WB) and the National University of Lesotho (NUL). Furthermore, the mission engaged with over 10 beneficiaries via phone and video call and received video materials and pictures from farms/farming activities, which allowed for a more detailed assessment of the project (see Annex 1 for list of people met).

A debriefing was held with the Principal Secretary of MAFS was held on 29 April and a wrap-up meeting was conducted on 30 April 2020. Both meetings highlighted the mission's findings and recommendations to PS of the line ministry. The Aide-Mémoire presented and discussed presents the joint agreement of the two parties and assessed the performance of LASAP at MTR, and outlined related actions and follow-ups required to achieve project objectives and impacts. The mission would like to extend its gratitude to the LASAP PMU, the Government of Lesotho and all broader stakeholders that made this mission possible. Since COVID finance indicated during the mission period did not materialise, the AM was amended in May and finalised between both parties on June 4.

Key mission agreements and Conclusions

The goal of this Least Developed Country Fund of GEF project is to increase the resilience of small-scale agriculture to climate change impacts by promoting climate-proofed investments for agriculture-based development, as well as by enhancing the resilience of agriculture productivity under increased climate variability. The GEF component of the grant funding was approved in 2011 and IFAD approved it in 2014, while the project became only effective in January 2017. LASAP is a relatively small-sized project for an amount of \$4,33 million that has been funded by GEF and overseen by IFAD. The management and implementation of the project was fully embedded and integrated within SADP structures. CSA components were implemented during rounds 9 and 10 of SADP. The appointed staff sensitised beneficiaries on the impacts of climate change and assisted to improve

¹ Philipp Baumgartner, CD (IFAD); Robert Delve, Global Technical Lead Agronomy (IFAD); Henri Minnaar, Team Leader and Agriculture Economist (Consultant); Oliver Mundy, Environmental Specialist (IFAD); Mr Uli Piest, Environment and GEF Specialist; Ms Alice Abillu, Financial Management Specialist; Ms Putso Nyathi, Senior Agronomist; Mr Alessandro Neroni, Procurement Specialist; Ms Tapologo Radithipa, M&E and knowledge management specialist; Ms Zira Mavunganidze Climate and Environment specialist

their climate resilience. Certain technologies were promoted like production under protection, utilisation of drip-irrigation systems and water harvesting and storage.

In consultation with the PMU, MAFS, World Bank TTL, and IFAD GEF focal point, the mission came to the following key agreements:

- *LASAP hosted in SADP II PMU*: The mission reconfirmed that the LASAP operations will be hosted in the SADP II PMU, as prior under SADP. This entails that related operating costs will be partly covered through SADP II. Adjustments to financial management, procurement and M&E are stated above, and will need reflection in the revised Financing Agreement.
- *LASAP supervision through IFAD*: It furthermore was agreed that LASAP should receive one more fully dedicated supervision mission in 2020, tentative for November to allow follow-up on agreed actions. The mission will be led by IFAD and consult with WB on SADP II aspects, as required.
- *Government counterpart funds*: In the FA, a \$2 million counterpart fund was agreed between IFAD and GoL and GEF. The mission did establish the amount mobilised up to date at \$223 776. The mission has been informed that, given the occurrence of the pandemic, the GoL would not be able to mobilise the additional COVID-19 funds and channel that through LASAP. Therefore, the GoL would not be able to confirm any counterpart funding at this stage.
- *Re-allocations (by categories and components)*: The PMU requested reallocation of funds to the extent of \$765 000. The mission reviewed the proposal and ensured programme management costs are less than five percent of the grant to ensure compliance with GEF requirements.

The GoL is advised to continue to disburse the committed funds for Round 10 and conduct the agreed implementation activities to ensure the closure of the project on the original agreed date. The IFAD and GEF activities are highlighted in the table 'LASAP proposed allocation of GEF funding and IFAD only'.

D. Overview and Project Progress

Component 1 - Reduced Vulnerability of Agricultural Production

The Department of Agriculture Research (DAR) has produced a detailed and well-written report on the 2018-19 trial results evaluating new varieties with a particular focus on climate adaptability and drought resilience. DAR conducted some technical testing of various varieties of maize, beans, sunflowers and sorghum in the districts of Butha-Butha, Leribe and Mafeteng districts during the 2018/19 cropping season. The obtained and collected data on agronomic aspects to inform the Crop Simulation Model (CSM) for Lesotho. The CSM is a simulation model that describes processes of crop growth and development as a function of weather conditions, soil conditions, and crop management – i.e. data will be used for crop and climate modelling.

There are currently two ongoing initiatives in Lesotho on crop and climate modelling that LASAP should link to – the work of the University of Cape Town (UCT) on economic effects of climate change on selected value chains and the International Council for Research in Agroforestry (ICRAF) work on the use of satellite imagery and field data for land health surveillance (under WAMPP).

Farmer-field days were conducted, and an estimated 150 farmers attended these days and according to feedback from DAR farmers expressed an interest and there were indications that there was an uptake of some of the varieties by farmers. The research is meaningful and could have an impact on farmers' good agricultural practices but there seems to be a disconnect between the research conducted and the impact it had on farmers behaviour in the choice of seed they utilise. The involvement of LASAP staff in research activities and farmer-field days were limited but it seems that MAFS extension staff was involved. If there is a LASAP extension effort made, the research trials and participatory and adoption evaluation through field days should be continued with involvement of LASAP field staff and extension services. It however is important that impact of the research be documented and results be reported on these activities by DAR.

Prof MV Marake of the NUL was involved in the initial design of LASAP. Several knowledge products from NUL and FAO were shared with the mission relating to CSA, conservation agriculture and some

articles published. Some of these documents and posters could be reproduced and shared by District Climate-Smart Officers (DCSOs) to beneficiaries and thus augmenting their extension efforts. Reference was also made to CSA training courses being offered. It advised that the PMU strengthen links with the NUL and request inputs to the planning processes of the project.

Research conducted should have one objective and that is to enhance the productivity of smallholder farmers. There seems to be a link to the adoption of the technology by some crop producers but there is no empirical evidence of the impact that has been achieved. Therefore, the need to conduct an analysis of the adoption of research trials' results is needed to document the anecdotal evidence that farmers are adopting some of the new varieties of maize and sunflower. LASAP should conduct a study to determine what the host communities and field day participants have adopted from last season's trials.

In general there should be an effort to enhance the integration between applied research and the supply of relevant extension services to farmers. Research results should actively be promoted by extension officers, SADP staff and project SPs and it is advised that farmer-field days should also be attended by these actors. The SADP PMU could help to publish and disseminate results in the form of posters, brochures and leaflets to advance the uptake of research findings.

Component 1

Actions	Responsibility	Deadline	Status
Joint planning meeting with University of Cape Town (Climate Systems Analysis Group) and ICRAF to develop a joint three-year work plan that will be built upon in SADP II. Prof MV Marake of the National University of Lesotho should be consulted for inputs to the planning process.	PMU & Department of Agriculture Research	August 2020	Agreed
Conduct a participatory review of and design trials with grantee farmers to improve their climate resilience and crop productivity and conduct, adoption and assessment of trial results.	PMU & Department of Agriculture Research	August 2020	Agreed

Component 2: Enhanced adaptive capacity to support agricultural production in the context of climate change

General overview of main activities

LASAP aims to enhance the capacity of beneficiaries to increase agricultural production in the context of climate change. The project builds on the protected agriculture (shade nets and tunnels) that were brought at scale under the SADP in Lesotho. Great effort has been made to help farmers adopt new technology to enhance production – specifically using greenhouses, shade-net structures, drip irrigation, water tanks, climate-adaptive crop varieties and improved breeding stock. In terms of agro-processing, farmers and other agripreneurs are assisted to add value through processing (e.g. drying of fruit, fruit-juice processing, etc.).

However, it was found that there is no support from DAR to the grantees in Component 2, to identify and transfer research results to solve their production and pest management constraints. The quality of training and services provided by SPs (i.e. consultants) varies, and hence requires improvement in many cases. Capacity development with a strong Climate-Smart Agriculture (CSA) focus that involves SPs, MAFS' extension services and project staff as training of trainers is important. The mission welcomes that in SADP II, SPs will receive more attention to ensure continuous strong support for investments.

While the project supports two scholarships for agro-climatology (one from MAFS and one from the Lesotho Meteorological Services – i.e. LMS), previous support missions concluded that capacities at these institutions are too low for providing meaningful forecasting or climate modelling support to farmers. There was limited systematic change because modelling started recently, and the weather

information was not integrated in decision-making and extension processes. Another challenge is the fact that LMS seems not to have adequate staff and financial resources to maintain the meteorological stations and process the data that may be gathered. It was therefore suggested to abandon activities under outcomes 2.1 and 2.2, including the provision of meteorological stations.

Alternative strategies would need to be devised and implemented to support GoL to provide the necessary services to its smallholder farmers and rural population. Services should comprise a stronger focus on training and capacitating farmers, agro-processors and SPs to the beneficiaries of LASAP. Beneficiaries have a need to be capacitated on CSA technologies and ways to harness themselves against the impact of climate change – one of the main objectives of this project. At the same time beneficiaries should also need to make a mind shift in understanding that farming is indeed a business and given the dependency on normal climatic conditions (and climate change), also a complicated type of business to manage successfully.

There is a good probability that most beneficiaries are ‘unbanked’ and need to be capacitated with financial literacy and be introduced to saving schemes – especially in the ‘near-absence’ of finance for smallholder farmers in the country. SPs need to gain an understanding of the importance of providing mentorship support on both agricultural technical and financial and general management aspects to beneficiaries. Farmers and processors should be assisted to diversify their farming and processing activities as a way to further harness themselves against climate-change impacts. There is evidence that well-diversified farming activities i.e. crops, livestock and processing activities, provide beneficiaries a better chance to ‘weather the storm’. There are many farm-level processing technologies available in the region that can help farmers to add value to their produce and enhance their chances to become successful entrepreneurs and attain sustainability. There are also some of these technologies that dovetail well with CSA e.g. solar drying technologies and solar-driven borehole pumps that should also be considered for the project. Existing in-country expertise, e.g. at the NUL, should be sought and incorporated, where feasible.

Investments - physical progress

The project has reached 121 beneficiaries through its Competitive Grants Programme (CGP) - indeed a significant achievement in Round 10 of SADP. Resources of approximately M21 733 259 were disbursed through the CGP, mainly to support protected agriculture and water supply under the activity ‘*Mainstreamed Adaptation in Local level Agricultural Planning*’ under component 1. Other activities were implemented under component 2, i.e. ‘*Enhanced Capacity to Support Agricultural Production in the Context of Climate Change*’.

Training activities

The project conducted training for grantees during the reporting period, including business management (126 participants), social capital development (82 participants), climate change adaptation (51 participants) and environment and social management (21 participants). A meeting with grantees demonstrated that farmers and CSA officers had improved understanding of climate change and integrated pest management. However, *technical training on CSA technologies* was absent. The mission also noted limited technical and monitoring visits to grantees.

The mission recommends the PMU to develop a training manual and facilitate technical training on CSA to both old and new beneficiaries. The subjects should include conservation agriculture, irrigation management, integrated soil fertility and pest management in the context of horticulture production and develop an extension support system for grantees. DCSO, PFOs and SPs require training on the best practices on CSA. Training could be done through a technical service provider in collaboration with existing initiatives such as DAR or NUL. Practical demonstrations of the CSA technologies through a demo or lead farmer approach should be incorporated into project activities. The Assistant M&E Officer within the PMU should document CSA technologies to be promoted under the project. The development of training manuals and reference materials for use by trainers and farmers will be sourced out to an external service provider and supported by M&E lessons learned.

Component 2

Actions	Responsibility	Deadline	Status
Conduct a training needs assessment among farmers and extension services and develop a capacity development strategy to improve CSA technology uptake and follow-up support	PMU and Department of Agriculture Research with NUL	August 2020	Agreed
Produce good quality extension and training materials on climate-smart agriculture. This could include for example a manual and factsheets on CSA practices. The manual should include modules on e.g. horticulture and conservation farming. Materials should be easy-to-understand, visual, practical and in English and Sesotho	PMU and external service provider	March 2021	Agreed
Continue with and include climate change considerations into the Environmental and Social Safeguard work. Extend the templates of Environmental and Social Management Plans (ESMPs) to capture climate hazards and mitigation options	PMU	December 2020	Agreed
Build capacity of implementers. District Climate-Smart Agricultural officers, project field officers and service providers require training on the best practices on CSA	PMU	December 2020	Agreed
Prepare a TOR and recruit a training consultant or firm to conduct training-of-trainers to capacitate SPs to provide improved technical assistance on progress and financial reporting, agricultural production activities, CSA orientation and provide mentoring support to beneficiaries; the mission team will also follow up with procurement of this training	IFAD	June 2020	Agreed

E. Project implementation

i. Effectiveness and Development Focus

Development Effectiveness

Effectiveness

Rating: 4

Justification of rating

LASAP-project disbursements were implemented towards the end of the SADP project (rounds 9 and 10). Disbursement processes were efficient - applications were invited, matching grants awarded, disbursements made and subprojects became operational. In these rounds procurement procedures were strengthened, quotations were required, PFOs approved payments, and banks paid suppliers directly. Component 1 (variety-testing trials) were implemented but some procurement is outstanding. In component 2 (output 2.1) 1 of 30 Agriculture Investment Plans (AIPs) and 17 out of 66 targeted CGPs implemented adaptive measures to promote resilience. In output 2.2, 100 reliance-based investments were targeted but a total of 121 were in actual fact made. Follow-up needed for beneficiaries with a need to be capacitated - training on CSA principles, good agricultural and sound business practices.

Log-Frame Analysis & Main Issues of Effectiveness

Output 1.1 provides for vulnerability mapping, analysis and related adaptation guidance included in the AIP process. A total of 26 variety-testing demonstrations and trials of maize, beans and sorghum held in Botha-Bothe, Leribe, Berea, Mafeteng and Quthing were targeted and implemented. Little evidence has been found that results of the research actually reached the farmers through the assistance of extension officers and LASAP staff. A research report released in the 2018/19 season,

however no brochures or any other information were produced to promote the outcomes of the research. No data have been collected to prove the adoption of the technology has not been proven and it has been recommended that the impact and adoption of targeted seed varieties be tested amongst farmers.

Output 2.1 consists of adaptive measures introduced to minimise climate change impacts on natural assets and sustain agricultural production. Only one association of 30 AIPs targeted, implemented adaptive measures to promote resilience and is based in Leribe. A total of 17 out of 66 targeted CGPs beneficiaries, received grant funding and implemented adaptive measures to promote resilience and 2 are in Leribe, 7 in Berea and 8 in Mafeteng. There seems to be a lack of the implementation of climate-solutions and some challenges were identified with the delivery and operationalisation of digesters in some districts.

Output 2.2 comprises innovative practices, technologies and infrastructures aiming to increase the efficiency and resilience to climate change of smallholder production through a demand-led approach. A total of 100 reliance-based investments were targeted while 121 were made – an achievement in terms of disbursement. During round 10, matching-grant amounts were awarded: 40 in Maseru, 17 in Berea, 18 in Leribe, 4 in Botha-Bothe, 19 in Mafeteng, 18 in Mohale's Hoek and 5 in Quthing. The project conducted training for grantees during the reporting period, including business management (126 participants), social capital development (82 participants), climate change adaptation (51 participants) and environment and social management (21 participants). A meeting with grantees demonstrated that farmers and DCSOs had improved understanding of climate change and integrated pest management. However, technical training on CSA technologies was absent. The mission also noted limited technical and monitoring visits to grantees.

Output: 3.1 consists of the implementation of a monitoring system in place to disseminate timely climate information related to agriculture comprising the procurement of automatic weather stations. Previous support missions came to the conclusion that capacities at LMS and MAFS are too low for providing meaningful forecasting or climate modelling support to farmers. There was limited systematic change because modelling started recently and the weather information was not integrated in decision-making and extension processes. Another challenge is the fact that LMS seems not to have adequate staff and financial resources to maintain the meteorological stations and process the data that may be gathered. It was therefore suggested to abandon these related activities under outcomes 2.1 and 2.2, including the provision of meteorological stations.

Output 3.2 comprises climate and agro-meteorological information included in the agricultural information system and refers specifically to the training activities. A total of 51 farmers (30 females) from six project districts namely Leribe, Berea, Maseru, Mafeteng, Mohale's Hoek and Quthing received training on climate change. Issues discussed includes observed climate change trends, its implications on agriculture, risks and vulnerabilities. A further 60 people were targeted to be trained in climate risk management and adaptive management. A total of 25 staff members (10 females) from MAFS and Forestry were trained in South Africa (SA) during the period under review.

Output 4.1 addresses the capacity of MAFS and LMS staff on the links between climate change and agricultural strengthening. Two scholarships have been awarded for agro-climatology in Nairobi for two staff members - one each from MAFS and LMS.

Output 5.1 comprises the effective awareness raising and communication campaign to local stakeholders designed and implemented. One national workshop was held in Berea at Blue Mountain Inn in February 2020.

Theory of change: The project rationale remains valid, and the theory of change is aligned to the project rationale, with outputs clearly linked.

Changes to the logframe: The logframe required adjustments and indicators need to be specified for all the Outcomes (1 to 5) and for Outputs 3.2 and 4.1. All the actual project outcomes/outputs from activities on all indicators, should disaggregate beneficiaries according to gender.

Development Focus

Targeting and Outreach

Rating: 4

Justification of rating

LASAP employed the SADP targeting strategy and did not establish a dedicated strategy on its own. As such, the aim was mainly to climate-proof prior grantees and to supply new ones with climate adaptation opportunities. The established targeting strategy of SADP is adhered to. In hand-sight a more elaborate targeting strategy for the LASAP part would have been recommendable.

Main issues

Overall targeting: SADP and consequently LASAP targeting of beneficiaries through the CGP has a strong focus on improving commercial viability of farming enterprises and thus does so far not specifically target new, upcoming or particularly vulnerable farmers. The preliminary results of an IFAD impact study set the average age of beneficiaries at around 51 years, i.e. the SADP and LASAP effectively excluded youth, although engaging youth in farming activities could be seen as a strategy for sustainability.

Outreach via field trials for adaptation: DAR has produced a detailed and well-written report on the 2018-19 trial results evaluating new varieties (maize, sorghum, beans) with particular focus on climate adaptability and drought resilience. This data will be used for crop and climate modelling. On two farmer field days, around 150 farmers used the opportunity to visit the DAR field trials. The mission observed, however, that these adaptation trials could benefit from an additional focus on documentation and follow-up to actual uptake by farmers on these new varieties and whether the trials meet farmers' needs, with a particular focus on production under CSA conditions. Furthermore, close collaboration with ongoing initiatives (UCT, ICRAF through WAMPP) could reduce overlap and improve results.

Outreach through training: The project conducted training for grantees during the reporting period, including business management (126 participants), social capital development (82 participants), climate change adaptation (51 participants) and environment and social management (21 participants). A meeting with grantees demonstrated that farmers and DCSOs had improved understanding of climate change and integrated pest management. However, *technical training on CSA technologies* was absent. The mission also noted limited technical and monitoring visits to grantees and variations in the quality levels of services to grantees procured through consultancies. The mission recommends the PMU to facilitate technical training on CSA to both old and new beneficiaries, which would include conservation agriculture, irrigation management, integrated soil fertility management in the context of horticulture production, and develop an extension support system for grantees. DCSOs, project field officers and service providers require training on the best practices on CSA. Training could be done through a technical service provider in collaboration with existing initiatives such as DAR or NUL. Practical demonstrations of the CSA technologies through a demo or lead farmer approach should be incorporated into project activities.

Follow-up on outreach: Measuring whether targeted beneficiaries were reached or whether project services were meeting beneficiaries' expectations and were thus adopted could be applied more systematically, time-bound and directed, so as to provide lessons learned and substantive data on project deliverables and beneficiaries reached.

Gender equality & women's participation

Rating: 4

Justification of rating

Women's participation in LASAP is moderately satisfactory. The project stakeholders reported no major challenges related to gender. Sex and age disaggregated data is collected, and the M&E officer (currently a vacant position) had been nominated as the gender focal point. Despite this, the project can do more to ensure gender equality and women's participation. Due to a lack of data, it is not clear

if women-led businesses are successful and actual benefits are being gained in terms of status and wealth generation.

Main issues

Women grant recipients: Women make up 47% of all the direct beneficiaries for grant recipients in Round 10, an increase of 1% from round 9. Women lead a few businesses, only 24% are led by women. The mission recommends that the programme needs to improve on women leadership skills so that they have the confidence and competence to fill more leadership positions in their groups, associations/cooperatives. M&E data indicated that women are represented in a variety of enterprises, but mostly in vegetable production (92%), piggery (7%), and poultry (1%). Young female grant recipients are 14% of the total female participants and are only 7% of the total beneficiaries indicating that female youth participants are not well represented in investment sub-projects.

Women receiving training: Overall women's participation for technical training under LASAP in comparison to men was below the target of 50% being 43% of the total participants. As a percentage of the total participants for each training, women participants were 40% for business management, 39% (social capital) and 41% (environmental and social management) and lastly 52% for climate change courses.

Gender mainstreaming: The target of at least 50% of direct women beneficiaries for the project was not achieved, despite the fact that the project emphasised in the advertisements for grants which were placed on social media that 'women are encouraged to apply'. The beneficiary contribution as one of the requirements for grant applicants often limits women's participation as they in most cases don't have enough contribution because most of their proceeds are used continuously for direct family needs. The project collected data specific to sex disaggregated indicators and appointed the M&E officer (currently vacant) as the gender focal point. However, further data and analysis would be necessary to determine to what extent women-led businesses are successful and what the actual benefits are in terms of economic empowerment and wealth generation. The project needs to have a gender and targeting strategy or action plan to increase women participation.

Agricultural Productivity (if relevant)

Rating: 3

Justification of the rating

In the 2018/19 cropping season, four out of 15 planned trials were established with human resources and lack of time cited as major constraints. In the 2019/20 cropping season, 12 out of 16 planned trials were established. District extension officers were involved in the design and lead farmers hosted the trials. Neighbouring farmers were involved in the evaluation of trials with 150 farmers participating in two field days held in Berea and Butha Buthe. The Department of Research produced a detailed report on the 2018/19 trial results. The trials were conducted to evaluate new varieties and to generate data for crop/climate modelling.

Main Issues

The trials are comparing different crops and new varieties of maize, sunflower, beans and sorghum in different agro-ecological zones. The establishment of trials, particularly for maize, required very high fertiliser rates and herbicide use, which are far beyond that used by smallholder farmers. Whilst the high rate is appropriate for addressing nutrient deficiencies affecting variety trials, it means that what farmers see during field days and the data collected is not representative of the smallholder sector. Future demonstrations should reflect farmer's practice such as micro-dosing of fertiliser and include climate smart production technologies such as conservation agriculture and water conservation.

Analysis of adoption of trials results is needed as there is only anecdotal evidence that farmers are adopting new varieties of maize and sunflower. LASAP should conduct a study to see what host communities and field day participants have adopted from what they have seen in the trials.

In 2020/21 AWBP, there is \$75 000 allocated for crop and climate modelling. With LASAP extension, research trials should continue in the upcoming season. There are currently two IFAD grants on crop/climate modelling ICRAF and UCT that LASAP should link with. The ICRAF work is on use of satellite imagery and field data for land health surveillance and UCT work is on the economic effects of climate change on selected value chains.

Given the proximity to SA and that the varieties being tested in Lesotho are from outside the country, it would be important for the agriculture research team to review multi-locational research conducted in SA and see if results apply to Lesotho agro-ecologies. Results from adaptive trials are to be used to generate local language fact sheets and guidance products but to date, these have not been produced

There is no support for agriculture research to the grantees in component 2, to identify and conduct research to solve their production/pest management constraints in greenhouse, shade net, irrigated production. The mission noted limited application and knowledge of climate smart agriculture production. Although some grantees received training on integrated pest management, there was limited extension support provided to grantees on production.

Farmers spoken to during the mission highlighted the benefits derived from the grant investments, including increased production and incomes. However, analysis of gross margins, enterprise profitability, benefits and sustainability have not been conducted by the project.

Actions	Responsibility	Deadline	Status
Include CSA technologies such as conservation agriculture, efficient fertilizer use, soil and water conservation in trial designs for component 2	DAR	August 2020	Proposed
Collect crop and livestock production data and conduct gross margin analysis for investments in component 2	PMU	January 2021	Proposed

Nutrition (if relevant)

Rating: 4

Justification of rating

Notwithstanding the fact that there are no nutrition objectives and activities, and no nutrition indicators in the logframe. The enhancing of agricultural production, especially horticulture, is likely to lead to a greater availability of fresh vegetables and consequently improvements in the level of nutrition. Furthermore, nutrition should further be considered an important area in SADP II and if there is a COVID-19 related extension to LASAP the project should consider defining a strategy to mainstream nutrition.

Main issues

It should be further noted that nutrition should feature as an important area in SADP II and if there is a COVID-19 related extension to LASAP, the project should consider defining a strategy to mainstream nutrition.

Adaptation to Climate Change

Rating: 4

Justification of rating

Since the addition of the LASAP funding, 121 existing SADP sub-projects have been selected for climate-proofing of which 65 still have to receive funding. Four climate smart officers have been recruited and on-farm trials sensitised farmers on more tolerant varieties of four different crops. To fully reach LASAP's objective to increase the resilience of small-scale agriculture to climate change, the project will need to pay attention to the following actions: (i) Develop a capacity development strategy and extension materials on CSA; (ii) Include a CCA dimension into the Environmental and Social Safeguard work; (iii) Provide training to project implementers on the best practices of CSA.

Main issues

Climate-proofing investments: Under LASAP funding, 121 sub-projects were selected for climate-proofing. The vast majority (114) dealt with vegetable production; six with piggery and one with poultry. The measures include drilling of new and rehabilitation of existing boreholes, and co-financing of shade-nets, water harvesting tanks, drip irrigation and bio-digesters.

The climate rationale for greenhouses and shade nets is strong, as they protect crops against frosts, high temperatures, heavy rainfall, hail and snow, while improving agricultural productivity. Also, the design of the structures established in the latter rounds of SADP was reinforced to withstand weather extremes. Drip irrigation helps farmers to use water efficiently, especially in times of drought. It was difficult to ascertain the CSA rationale for some of the sub-projects. For instance, boreholes are not necessarily a CSA practice, but a necessary precondition for commercial vegetable production.

Climate vulnerable value chains: Beneficiaries met in previous missions were aware that agribusinesses on animal husbandry and the production of animal feed and honey are prone to climate hazards. Animal feed is mostly sourced from arable fields that are exposed to erratic rainfall and severe erosion. Bees rely on rainfall for the flowers to start blossoming. SADP II aims to increase the resilience of such value chains by securing their productive base through the promotion of CSA practices such as conservation agriculture.

Capacity development strategy, extension materials and training on CSA: While climate change is a major driver in the decision making of farmers, and climate-proofing is being undertaken in LASAP subprojects, the project lacks technical guidance materials and training on adaptation to climate change. In order for the project to fully meet LASAP's objective to increase the resilience of small-scale agriculture to climate change impacts, the mission recommends to develop a capacity development strategy and extension materials on CSA, and provide training to project implementers on the best CSA practices.

Including a CCA dimension into the Environmental and Social Safeguard work: The mission recommends incorporating a climate chapter in the ESMF and extending the ESMP templates to capture climate hazards and mitigation options. It will help the project to map out clear links between identified climate risks and adaptive strategies at field level. The project is encouraged to finalise the vulnerability and resilience fact sheets and guidelines, and to integrate CCA into the training curriculum.

Field trials: Various trials have been conducted to evaluate the performance of varieties for three crops (maize, sorghum and beans) in four districts. The mission recommends taking climate adaptive practices (such as conservation agriculture) more strongly into account. See section "agricultural productivity" for more details.

Suspended activities: Activities on climate modelling and downscaling climate scenarios, as well as acquiring automated agro-met, stations have been suspended due to lacking capacities in the LMS.

ii. Sustainability and Scaling-up

Institutions and Policy Engagement

Rating: 4

Justification of rating

LASAP is being implemented within a framework of relevant institutions and policies comprising various institutions at national and district level, including public institutions, private sector and universities – it is an important feature to ensure sustainability of this project. At national level implementation of LASAP components is integrated in the government's line ministries, to ensure continuation after the project closes and it is also foreseen that SADP II will continue to ensure that LASAP project activities are being supervised and beneficiaries supported. Some LASAP staff have been seconded from the line ministries to support implementation. At the district level LASAP is being

implemented by PFOs with the support of DCSOs, SPs and extension staff in the districts. Beneficiaries comprising individuals, associations and cooperatives are supported and mentored.

Main issues

LASAP has been designed to enhance sustainability through the implementation of CSA technologies and increase the productivity of small-scale farmers and agro-processors – thus also increase long-term enterprise sustainability. Component 1 focuses on providing improved seed technologies to enhance production of specific crops and ensuring higher levels of food security – again a positive impact on sustainability. In component 2, CSA technologies are utilised to enhance food production specifically of food crops under protection. Some of the technologies that are being promoted by LASAP comprise shade-net and greenhouse structures, drip irrigation systems, rainwater harvesting and storing it in water tanks and biodigesters for piggeries and poultry.

The LASAP project is providing matching grants to beneficiaries and the grant agreements (GAs) with beneficiaries clearly define the contributions of each grantee. In the past some types of enterprises had sustainability challenges such as many piggery beneficiaries and some poultry production operations. Most GAs stipulated that beneficiaries will mostly receive the capital equipment (structures, livestock, irrigation systems, etc.) as a grant but that grantees had to contribute in kind (e.g. own labour, land, etc.) as well as supply inputs from own resources such as seed, fertiliser, animal health products, animal feed, etc. Some of the beneficiaries experienced challenges in providing enough resources to afford animal feeds and could not make enough savings from profits generated to sustain these businesses. During the mission it occurred that there were cases identified where SPs who assisted grantees with their grant applications, had inflated the profitability of these subprojects in an effort to benefit from advisory fees after grants were awarded.

Overall, engagement of various institutions at national and district level, including public institutions, private sector and universities is an important feature to ensure sustainability of LASAP. At national level implementation of LASAP components is integrated in the government ministries, to ensure continuation after the project closes. PFOs are based within district agricultural offices and work closely with DAOs, the extension staff and other subject-matter specialists. At the same time, some of the SPs that are supporting grantees are for instance full-time working as extension officers or livestock specialists. Project resources are being invested in building capacities of cooperatives, associations and individual beneficiaries.

Due to the nature of the LASAP project there were no specific policies and regulations that had to change to include CSA technologies. The GOL is already aware of the negative impact of climate change and the same applies to relevant line ministries and specifically MAFS. However, knowledge on specific CSA techniques appears to be weak in these institutions, as well as their capacity to avail such techniques to the farming communities via their extension services. Training of extension services was so far not a particular focus of LASAP.

Partnership-building

Rating: 5

Justification of rating

Due to the embeddedness of LASAP within SADP structures, it benefited from established relationships with government ministries, DFIs, training institutions, government agencies (e.g. BEDCO), NGOs and private sector businesses. LASAP's implementation are conducted from the MAFS district offices where PFOs are based and work in close collaboration with District Agricultural Officers (DAOs) and the MAFS staff. LASAP opened collaboration with GEF-funding support and SADP was co-funded by the World Bank. Through procurement processes, reputable suppliers of equipment, livestock and other inputs in Lesotho and SA and relationships of trust have been established. Due to the CSA-orientation, LASAP established relations with research institutions like ICRAF and UCT. The project implementation arrangements are designed to foster partnerships between various implementers at national level and at district level.

Main issues

LASAP is institutionally embedded within the implementation structures of MAFS although independently managed, the reporting is done in a matrix structure, to funders (GEF and IFAD) and the government line ministry. PFOs are based within district agricultural offices and work closely with DAOs, the extension staff and other subject-matter specialists from departments such as Livestock Services and Crop Services. At the same time, some of the SPs that are supporting grantees are for instance full-time working as extension officers or livestock specialists. This enables specialists already working in a district to also provide support to beneficiaries. There have been concerns from MAFS in the past and the situation needs to be managed and part-time SPs need to be able to prove that their official duties within are not being neglected.

DAR has been working closely with LASAP PMU in the variety-testing of various seed cultivars and demonstration plots were developed and findings were made. Although the farmer-field days had a positive impact on farmers that participated, no clear evidence has been provided on adoption rates amongst crop producers. Although there were some extension officers that attended field days, the impact could have been bigger with more farmers and field staff being present. Some SADP staff indicated that they have not participated and were not aware of the results of the research conducted. There is therefore a need to enhance communication about field days and the results achieved. DAR should provide more information on the outcomes with the publication of pamphlets and brochures and LASAP could render support on this. DCOSOs and SPs should also update themselves about the results achieved so that they can inform grantees about the outcomes and encourage beneficiaries to attend field days. The LASAP PMU and DAR should collaborate more closely and ensure that there is good communication between staff.

LASAP established relations with research institutions like ICRAF and the UCT that developed agro-climatically maps that identified various areas that are conducive for the cultivation of specific crops. Satellite-imaging data was utilised and climatic data was analysed to create these maps that were used as information to help beneficiaries in decisions to make informed decisions on crops selection. For this message to be conveyed to farmers, DCOSOs, SPs and extension officers need to be informed and capacitated to use these tools. It is not certain if farmers have really been reached with this message and if it had an impact on their decision making.

First SADP and then LASAP have been focussing on small-enterprise development with a focus on agriculture production and agro-processing activities. There is an alignment with what Basotho Enterprises Development Corporation (BEDCO) is doing and collaboration could be beneficial – especially where BEDCO could promote climate-smart technologies to rural entrepreneurs. Links with the Ministry of Small Business Development, Cooperatives and Marketing (MSCM) plays an important role in creating fresh-produce markets for grantees.

LASAP provided grant funding for beneficiaries to procure climate-smart production equipment from reputable suppliers of equipment, supplies and livestock. Some of these suppliers are based in Lesotho while others are in SA. During the implementation process lessons were learnt of which suppliers are reputable and can be trusted to provide good-quality equipment and who can provide after-sales services to clients in Lesotho. Dicla is for instance one such supplier of shade nets and greenhouses from SA that has provided good value for money and who could be trusted. The same applies for the supply of quality genetic material – pigs and various kinds of poultry products – egg-layers, mixed breeds, broilers, day-old chickens and parent-stock suppliers.

LASAP is co-funded by mainly GEF although IFAD also provides some resources. Due to the integration of LASAP into SADP, relations were also established with the WB that co-funded SADP. The Bank expressed its support of LASAP during the current mission and noted the important impact LASAP had on the design for SADP II. The LASAP PMU also has close working relations with the FAO and relates to work of the World Food Programme (WFP). FAO published a number of CSA-related publications for Lesotho that could benefit the LASAP activities but need to be facilitated by SPs, PFOs and PMU staff.

Human and Social Capital and empowerment

Rating: 4

Justification of rating

The project is on the right track to increase the human and social capital of beneficiaries. Grant recipients appreciate the training on business management and social capital. Some businesses have sufficient managerial and technical capacities to be viable, but others not. More capacity development is required in the areas of business management and marketing. Technical capabilities on CSA practices need further strengthening. Continuous support throughout the project cycle and beyond is required to guide businesses. For this to happen, service providers and extension services also require more capacities.

Social cohesion challenges: Nearly all LASAP sub-projects operate as companies, as it shows that this legal form is more applicable to receive and manage matching grants. Social cohesion problems were especially prominent in associations that received funding in the first rounds under SADP. Several groups fell apart due to unprofitability and/or unclear division of labor and usage of funds.

Training on social capital adds value: Having a good relationship with suppliers, traders, traditional authorities, and clients is necessary to run a successful business. Training on social cohesion also helps to manage employees well. Fundamental underlying values or value orientations such as sharing, cooperation, participation, coordination, mutual trust, and concern or care need to be fostered to enhance group participation. There is a need to strengthen existing associations and cooperatives through which the communities gain access to resources, inputs, and services. The groups' participation leads to empowering the communities: through their groups and associations, they obtain not only access to resources, but also decision-making and bargaining power as well as a base for sustained self-development effort.

More capacities on how to manage a business and market produce needed: Some companies are not profitable and need more and continuous support. Beneficiaries would need to receive training on business management before they start operating, and follow up training should be provided during the course of the programme.

More technical capacities on CSA needed: Climate considerations (especially drought) made many companies decide to venture into horticulture under the protection of greenhouses and shade nets. Yet, as highlighted in other sections of this report, more expertise on CSA practices is needed to increase resilience to climate change.

Quality of beneficiary participation

Rating: 4

Justification of rating

The quality of beneficiary participation is moderately satisfactory. Beneficiary participation, especially under Component 2, is good. LASAP benefits from SADP's outreach modalities that seem to be sufficient. Beneficiaries contribute through co-financing to the matching grants. More needs to be done concerning the quality of service provision that significantly varies. Several businesses require more training, particularly on business management or CSA, and better extension services to become viable or should stop operating if they see no prospects of becoming profitable.

Main issues

Consultation mechanisms: LASAP's consultation modalities were embedded in SADP. They included stakeholder workshops, information sessions, and visits by service providers, PFOs, and DCOSs in collaboration with extension services and other district-level based government institutions.

Cash and in-kind contributions: Beneficiaries' willingness to participate in the project is shown by their contributions (in cash or in-kind) to the matching grants, which confirms that the implementation modality is successful; at least for households who possess the necessary capital and land resources to participate in the project. This is not the case for youth representing nearly 40% of the population, who were mostly absent in the programme.

Youth participation: Low youth participation and poor engagement can also compromise the overall sustainability of the interventions and investments in the long run. The exit strategy should focus on youth engagement. The Mission recommends the project to organise a consultation with youth and to document experiences, lessons learned, and success stories to identify strategic entry points of interventions for engagements with youth in the programme. Discussions with the youth should focus on the youths' views regarding current LASAP activities, ways to improve engagements with IFAD in ongoing and future interventions. This will mostly benefit other interventions of SADP II and the preparation of youth strategy and action plans, including capacity development and training for implementing partners.

Performance of service providers: Service providers can be divided into two groups. First-degree service providers guide farmers and small processors from the beginning to the end of the grant cycle. They help write grant proposals and advise on business development. Second-degree service providers deliver specific services to the business, such as training or drilling boreholes. The quality of service provision varies, especially for first-degree service providers. Some farmers were ill-advised on how to develop businesses. Essential elements were not given enough thought (e.g., having enough working capital to cover feed costs, extending production without clear prospects of where to sell the produce, oversized dimensions of production facilities, or overseeing high transport costs). The performance of training services appears to be satisfactory, and follow-up training is necessary to put learnings into practice.

Conflict resolution: An informal mechanism is in place. Conflicts were reported to and resolved by PFOs and DCSOs. If no agreement could be attained, the issue was brought to the PMU. The Mission recommends that the formal conflict resolution mechanism under SADP II should be applicable for the remaining LASAP activities. Beneficiaries have to be informed about how to submit complaints and how complaints will be processed.

Responsiveness of service providers

Rating: 4

Justification of rating

DAR is acting as a service provider leading the seed-variety trials over the past years; these were technically well implemented but there is no evidence that farmers adopted the tested seed technologies that were promoted. Under LASAP-crop-and-climate modelling will be conducted by UCT and ICRAF. Some of the outputs will comprise climatic zones that are suitable for various crops to be cultivated and will assist extension and LASAP officers to make recommendations. LASAP beneficiaries utilised the services of SPs (consultants) to assist with their grant applications and afterwards with progress and financial reporting, assistance with procurement and other mentoring support. Although this was an innovative approach, there were some challenges.

Main issues

Department of Agricultural Research: In recent years DAR has been leading the seed-variety trials in different districts over the past years; they were technically well-implemented and various farmer days were conducted to promote the tested seed varieties. However, there seems to be a gap between the research results obtained and the implementation of the tested seed. Although farmers did indicate that they were keen to utilise these identified varieties, there is no confirmed evidence that this happened in practice and therefore the impact could not be measured. The communication and distribution of results could have been better and the creation of brochures and pamphlets could have helped to promote the tested varieties amongst farmers, SPs, extension officers and others. LASAP staff were also not involved in the farmer field days and the demonstrations that were held, due to a lack of communication. The mission recommended that an adoption assessment be conducted by the project to determine the impact of the outcomes of variety-research findings had on farmer productivity. It was also suggested that component 2 be supported by conducting a participatory review and the design of trials with grantee farmers.

University of Cape Town (UCT) and International Council for Research in Agroforestry (ICRAF): These institutions have been involved with two ongoing initiatives in Lesotho on crop and climate

modelling that LASAP plans to utilise as part of their support to grantees as well as to make this information also available to MAFS extension officers that are advising farmers and possibly also to Department of Crop Services. These two service providers utilised satellite imagery and field data for land health surveillance (under WAMPP), to create climatic-zone maps and identified areas where certain crops could be cultivated with the optimum results. The mission has suggested that a joint planning meeting be conducted with UCT's Climate Systems Analysis Group and ICRAF to develop a joint three-year work plan that can be built upon in SADP II.

National University of Lesotho (NUL): Prof MV Marake was one of the designers of the LASAP programme in 2013 but has since not been involved with the project. It has been suggested during the mission that NUL could be consulted for inputs to the planning process of the project.

Service providers to grantees under LASAP: SPs played a major role to facilitate and support the development of subproject proposals, writing progress and financial reports, study tours and procurement activities. These activities played a major role in the success of LASAP. However, there is room for much improvement in the level of services – progress reports, financial reporting (and invoices), approaches to help beneficiaries, etc. These challenges could be addressed through capacity development activities and training. SPs need to be capacitated to provide the required level of services to beneficiary groups. They need to learn how to write proper progress, expense and study reports according to the guidelines, understand invoice requirements, expected procurement activities, guidance and mediation to beneficiaries. Customised training material should be developed to assist SPs to improve the quality and level of services provided. It is also proposed that PFOs provide recommendations for the appointment of SPs and if MAFS officials are acting as SPs, they should have the support of DAOs in the districts and supervisors/directors at head office. Appointments will be approved at the SADP head office. The performance of service providers providing training on business management, social cohesion, feed formulation and environment is satisfactory and follow up training is necessary to put learnings into practice.

Actions	Responsibility	Deadline	Status
An adoption assessment be conducted by the project to determine the impact that research had on farmer productivity	PMU		Suggested
LASAP staff and SPs should be involved in the communication of the trail results and help to spread the news	PMU		Suggested
SPs should be capacitated to provide the required services to beneficiaries – CSA advice, agro-technical advice, business skills and mentoring skills	PMU		Suggested

Environment and natural resource management

Rating: 4

Justification of rating

The rating remains unchanged since the last mission (on SADP) because although the significant efforts made by the PMU to address environmental issues are commendable, negative environmental impacts are not fully resolved. All sub-projects have gone through the screening and identification of environmental risks and impacts. Due to a lack of technical and financial resources, it has been difficult for the beneficiary groups to implement/incorporate ESMPs (e.g. construction of septic tanks for piggeries).

Main issues

Overall environmental impacts: SADP sub-projects have a small environmental footprint. Social and environmental implications are localised. However, due to their number and distribution, diffuse pollution can lead to cumulative effects. LASAP subprojects do not add to or contribute to solving the country's main environmental problem (severe soil erosion). This said, many agribusinesses are dependent on natural resources that are subject to land degradation. Vegetable production with greenhouses and shade nets have a small environmental footprint. Many producers have been

trained on the safe storage, usage and disposal of agro-chemicals, and have constructed a separate, lockable storeroom for agro-chemicals.

Piggeries are the biggest potential environmental polluters: Due to a lack of technical and financial resources, very few sites have properly designed septic tanks to handle the liquid waste. The project has to ensure its compliance. In future, septic tanks and possibly biogas digesters should be part of the funded structures of the project. Prior to any disbursement of grant funds, the installation of properly designed septic tanks has to be ensured.

Agribusinesses are dependent on degraded natural resources: Of concern are value chain activities that are dependent on natural resources, especially soils, which are subject to severe land degradation and climate change hazards such as drought. These include agribusinesses such as animal husbandry and the production of animal feed and honey. Without a change towards soil conservation techniques and CSA practices such as conservation agriculture, these value chain activities are likely to lose their productive basis.

Training: The environmental specialist has trained farmers in environmental management on how to dispose waste and agrochemicals safely, and how to manage water for a number of sub-projects. The ESS audits have revealed that the project beneficiaries were now generally aware of the environmental and social requirements of the project. Training materials cover all important technical areas, but could have had a stronger focus on land degradation and have to feature climate change considerations.

Potential environmental impacts of boreholes: Many boreholes have been drilled. The service provider drills 1-3 holes until they find a reliable water source, in most cases in 80 m depth, but sometimes down to 150 m. No groundwater surveys have been undertaken. There is a risk of over-abstraction and irreversible depletion of aquifers. The mission recommends focusing on sourcing water from rainwater. If drilling shall continue, then it is recommended to map all boreholes and install a master meter and an Airline/Piezometer at strategic locations to monitor groundwater abstraction and facilitate regular measurements of the static water level in the boreholes. The committee managing water resources should ensure that there is no over-pumping and that beneficiaries stick to the water permit class issued. Auto-shut water taps should be installed to reduce water wastage. Regular education on the value of water and water resources for enhanced conservation should be provided.

Exit Strategy

Rating: 3

Justification of rating

LASAP, as well as its parent project SADP, have not formulated an exit strategy. It was apparently presumed that investments into more climate-adaptive and sustainable production techniques and technologies would in itself be sufficiently sustainable to continue after project completion. LASAP invested strongly in climate-proofing farm production, but less so in capacitating local and institutional stakeholders in following-up on these technical innovations. This will be continued in the follow-up project, SADP II, which will serve as an anchor to mainstream the initial LASAP investments in Lesotho. LASAP itself merits commendation for establishing a bridge between SADP ('boosting farm productivity') and SADP II ('boosting climate-smart farm productivity').

Potential for Scaling-Up

Rating: 4

Justification of rating

Scale-up potential of LASAP aims, i.e. increasing climate adaptation knowledge, climate-proofing of farm production and mainstreaming climate adaptation into the agricultural sector remains strong (same rating as previously). LASAP championed the use of some climate-smart technologies at local farm level in its four project districts, and many more CSA techniques and technologies can be applied across the entire country. There is a continuing need for mainstreaming CSA across all institutions involved in agricultural production so as to capacitate these to provide the necessary

support to its clientele. Therefore, SADP II with its strong focus on CSA is a timely follow-up to SADP/LASAP, for scaling up CSA to all ten districts of Lesotho and to institutional and policy levels.

iii. Project Management

Quality of Project Management

Rating: 4

Justification of rating

The LASAP project was accommodated and integrated with the SADP structures and only became operational in 2018/19 when dedicated staff was appointed during the implementation of round 10. DCSOs focus on CSA activities, but the evidence of impact is uncertain and has not been measured properly through M&E processes. Disbursement rates were impressive but the quality of technical assistance to beneficiaries is lacking. SPs did not always play the required role as had been expected and some farmers that should not have benefited received grant resources. There were ineligible expenses and basic due-diligence processes were not always applied - from SPs, PFOs and the Competitive Grant Programme Officers (CGPOs).

Main issues

Despite the initial delays in implementation, the project was fully embedded within SADP processes and LASAP staffing was complementary to allow a stronger focus on environmental and climate concerns. The advanced stage of CGP implementation provided the experience to the PMU to expedite the implementation of round 10 – comprising also LASAP components for CSA technologies. The disbursement process was successfully implemented above expectations – 121 CGP disbursements were made which was more than the targeted 100. In the latter rounds of implementation procurement processes were improved, and disbursements were made from beneficiaries' bank accounts only upon approval from PFOs after the submission of approved quotations. The payments were then made directly to suppliers of goods that submitted acceptable and competitive quotations.

All the six LASAP staff were appointed and all positions are occupied comprising four DCSOs, one Assistant Accountant and an Assistant M&E Officer. These staff were appointed to ensure climate-resilience of beneficiaries is enhanced and farmers are capacitated to gain a thorough understanding of how to harness themselves against climate change impacts. The Assistant M&E Officer collaborated with an environmental and social safeguards consultant, conducted training activities and assisted DCSOs to implement and measure outcomes of CSA-related activities.

The project coordination mechanisms at district level, such as PFOs and District Project Coordination Committees (DPCC) are in place and fully functional under the administrative and technical leadership from DAOs and other technical departments as whereby offices of District Administrators also form part of the Coordination Committee. The recruitment of PFOs for three districts (Quthing, Maseru and Mohale's Hoek) has been completed while the recruitment for the other four districts (Butha-Buthe, Leribe, Berea, Mafeteng) is under way. The work of the PFOs is integrated in the district structures where they serve as frontline coordinators of LASAP.

However, the implementation process focused on '*high disbursement*' with a lack of '*quality technical assistance and business support*' to ascertain long-term sustainability of sub-projects. While the appointment of SPs has been an innovation, there was no consistency to provide continued support and mentoring throughout the subprojects' implementation. Some gaps have been identified in the progress and financial reporting and approval of these reports impacting SPs, PFOs and CGPOs that need to follow stricter financial and other due processes. It is advised that the Assistant Accountant be responsible to oversee the claims submitted by the CGPOs and that the Project Accountant be ultimately responsible to sign off on all expense claims submitted under the various milestones. M&E outputs have been limited and often vague. Additionally, AWBP preparation and submissions have been delayed under LASAP.

Actions	Responsibility	Deadline	Status
M&E will require support from IFAD and the project will acquire relevant soft- and hardware to improve data generation and management.	PMU/ IFAD	June 2020	Agreed
Technical assistance from IFAD , in the form of an M&E clinic will be provided to the LASAP PMU	IFAD	May 2020	Agreed
Procurement activities will be expedited of processing and other equipment for DAR	PMU	June 2020	Agreed
SPs, PFOs and CGPO need to follow stricter financial and other due processes – all under supervision of Assistant Accountant and the Project Accountant	PMU	June 2020	Proposed

Knowledge Management

Rating: 4

Justification of rating

LASAP project activities were implemented as planned according to the AWPB. However, the project does not have a KM strategy. The Knowledge Management function is thus rendered weak with limited key information generation and shared learning. The project information management systems are weak, with all data stored on hard copies. The capacity development initiatives for LASAP were satisfactory. 150 farmers attended farmer field days for information sharing and dissemination on crops that have been demonstrated. There was limited knowledge generated and capacity development on CSA. Going forward, they would need to capture and document CSA best practices that can be disseminated. There is a need for a follow up on the impact and application of knowledge gained.

Main issues

While LASAP is a sub-project for SADP, it appears that farmers/grantees are not aware of LASAP, they are under the assumption that funding is still on SADP rotating rounds. Some interviews with farmers /grantees indicate gaps in drawing lessons/ learning from the farmers' local (indigenous) knowledge experiences on adaptation and in addressing challenges and potential pitfalls that befall climate smart agricultural farming practices. Integration of indigenous knowledge and application with the scientific approaches enhances farmer appreciation and sustainability of most programs as they relate with the practices easily.

In some instances, the methods/monitoring documentation used to collect farmer knowledge are flawed, leading to inaccurate or incomplete information being gathered. This potentially leads to the development and promotion of unsustainable, unprofitable or socially unacceptable technologies. The interviews with farmers also indicated that because: (i) farmers know the project but lack sufficient insight into the objectives of LASAP and the project outcomes; (ii) staff and farmers use different reference frameworks, i.e. farmers assume SADP-support while staff track objectives of LASAP and this increases complexity in unpacking LASAP to local community farmer; and (iii) methodological errors may lead to farmers intentionally or unintentionally providing false or 'desired' information to achieve (short-term) benefits as they still assume that project is SADP not LASAP.

Some of the significant flaws within the implementation included lack of well documented; change stories, lessons and practices probably due to inconsistent information gathering and platforms for reflections LASAP performance improvement and innovation. Additionally, that could also be as a result of challenges emanating from the unclear distinction between LASAP and SADP activities including the expected outcome of the LASAP. PMU indicates sharing of information during regular

staff meetings where project discussions are done. As a good practice the mission observes that the project has an active Facebook page group that informs the public about activities, whose reach would be expanded to potentially reach out to a wider community and provide instant information sharing and spark youth interest into Agribusiness.

The mission further advises PMU to develop tools and appreciate M&E and KM function in order to support learning and drive project progress and performance. Data from M&E should be used to inform KM activities and vice versa. Finally, the project should develop tailor made guidelines in local Sesotho to improve the integration of farmer and scientific knowledge in order to develop appropriate technology options that are both environmentally sound and adaptable to local conditions.

Actions	Responsibility	Deadline	Status
Develop activity indicators and tools to measure the knowledge and application of farmers trained for purposes of sustainability	PMU	July 2020	Suggested
Strengthen farmer to farmer or peer to peer information sharing platforms for purposes of replication	PMU	July 2020	Suggested

Value for Money

Rating: 4

Justification of rating

LASAP has been under implementation for a limited time of two years and it is difficult to already make a judgement call on the benefits that will emanate from the GEF and IFAD resources invested in GCP round 10. The project in the current FY 2019/20 had a budget of M28 million (\$1,5 million) targeting 100 beneficiaries. A total of 121 beneficiaries were reached and only 62% of the budget was executed, pointing to inefficient implementation attributed to cash-flow constraints. The implementation process took time and given the high capital cost, it is not possible to realistically measure the limited incomes generated in the past year or two. However, if it is assumed that the return on investment in round 10 subprojects will be in line with results obtained in earlier rounds, it could be assumed that these subprojects will be marginally financially sustainable. At the same time, if qualitative economic benefits (i.e. benefits are generally not measurable in monetary units or in some other objective way), it could be assumed that the project is economically viable – albeit at a low rate of return on investment.

Main issues

The project has reached 121 beneficiaries through its CGP – a significant achievement in Round 10 of SADP/LASAP, for which 100 grantees were targeted. Resources of M21 733 259 were disbursed through the CGP, mainly to support protected agriculture and water supplies under the outcome '*Mainstreamed Adaptation in Local level Agricultural Planning*' of component 1. The funds disbursed through the CGP average to an amount of M179 614 per beneficiary under the matching grant scheme. These projects were implemented during the past year and will still take time to provide the return on investments that are being expected. The financially strongest activity under component 2 was '*Awareness Workshops on Climate Change, Resilience & Adaptation*' with a total cost of M554 662, translating to a cost per trainee of M1 981 (\$110).

There are a number of benefits that need to be highlighted for the matching grants:

- Beneficiaries have been provided with access to capital, barely available otherwise in Lesotho, to enhance their productive capacity.
- Through the utilisation of productive assets beneficiaries were able to produce or process food products to be sold, generating an income for beneficiary households.
- The project also enhanced CSA practices and continues to assist farmers and processors with climate-smart technologies that will also ensure long-term sustainability.
- It can be assumed that the level of nutrition improved in beneficiary households as well as adjacent communities, as the amount and variety of horticultural produce available at farm gate rose. However, as there is no nutritional baseline, no measurements were taken.

- Most of these sub-projects created job opportunities for local communities during the construction phase as well as through production and processing of agricultural products.
- Beneficiaries also procured construction materials, animal feed, livestock, seeds, seedlings, fertiliser, animal-health products and other inputs from suppliers that also stimulated the growth of these local intermediaries and retailers. CGP beneficiaries contributed themselves, mostly via in-kind contributions such as labour.
- LASAP also created opportunities for service providers such as transporters, construction contractors, importing and clearance agents and consultants that provide beneficiaries with assistance in their grant applications and supplied advisory services during sub-project implementation.
- During the implementation of their sub-project grants, beneficiaries also received training, e.g. on climate change, adaptation options or business management, and as such advanced their knowledge and increased their productive capacity, ensuring long-term viability of their farming and processing ventures.
- The secondary spin-offs of these investments comprise amongst others the procurement of farm inputs from local suppliers, the transport services of farm inputs and outputs, the custom-clearing agent services and higher income of beneficiaries led to higher levels of the procurement of consumer goods and food products. All these and similar activities had a positive impact on the economy and created jobs and demand for inputs.

In conclusion, a positive impact of LASAP can be noted in terms of the capital injection that beneficiaries received, which provided them access to productive and climate-smart technologies. Beneficiaries were able to produce and process food products that they sold at market prices to local communities and even supply supermarkets in Lesotho, providing additional household income opportunities. The training and support enabled the beneficiaries to gain a better understanding of running a small enterprise – often graduating from subsistence farming to farming with a commercial potential or viability – market opportunities, and how to gain resilience against climate change. Although many of the subprojects are only marginally profitable, it is believed that with the continued support of LASAP, and SADP II, these beneficiaries will become profitable over the medium term and financially sustainable in the long term. To achieve such outcomes, LASAP and SADP II, with the support of the GoL, will have to make investments into continued support, mentoring and training to bring about a mind-shift of these beneficiaries to see farming and processing activities as business ventures that need to be managed to become profitable and sustainable.

Coherence between AWPB and implementation

Rating: 3

Justification of rating

LASAP's total project budget is \$6,35 million and as of 31 March 2020, the execution rate stood at 39,2%. The LASAP budget for FY 2019/20 was \$3,7 million and the execution rate was 51,7% at the end of the budget period. Cumulatively the financial execution rate on the GEF financed activities of \$4,3 million was 52,3% as at March 2020. In terms of components, 36% of the total project budget allocation of \$5.074 million for component 1 has been executed at MTR while component 2 execution rate was 27% percent. The slow rate of implementation is attributed to the one year delay in implementation of LASAP activities following its effectiveness in January 2017.

AWPB Review

Absence of LASAP design detailed cost tables and log frame limited the review to outputs and outcomes for which the mission was able to establish the progress to date against targets, and to budget performance at component level.

Component 1: Reduced vulnerability of agricultural production: Achieved approximately 100% of planned activities under “*vulnerability mapping, analysis & related adaptation guidance included in AIP process*” by MTR; 19% for activities under “*adaptive measures introduced to minimise climate change impacts on natural assets and sustain agricultural production*” and 121% for activities under “*Innovative practices, technologies and infrastructures aiming to increase the efficiency and resilience to climate change of smallholder production through a demand-led approach*”. Overall budget

utilisation rate for component one of 36% was low because only GEF and IFAD financed activities were budgeted for in LASAPS's AWPBs which excluded GoL financed activities. The key activity implemented under this component in both budgetary and physical performance terms is the Competitive Grants Programme to 10th Round applicants.

Component 2: Increased knowledge and understanding of climate variability and climate change induced threats on agriculture: Achieved approximately 46% for activities under “*Increased knowledge and understanding of climate variability and climate change induced threats on agriculture*”; 100% for activities under “*Capacity of Met Service and MAFS staff on the links between climate change and agriculture strengthened*”; 143% for activities under “*Awareness and capacity of local actors*”; and 114% for activities under “*Effective awareness raising & communication campaign to local stakeholders designed*”. The key activity in both in budgetary and physical performance terms under component two is awareness workshops on climate change, resilience & Adaptation”

LASAP Cumulative physical progress against budget utilisation by sub-component by 31 March 2020		
Component	Budget utilisation	Physical progress
1. Reduced Vulnerability of agricultural production	36%	74%
2. Enhanced Capacity to support agricultural production in the context of climate change	27%	147%
3. Project Management Costs	69%	69%

The mission recommended that LASAP implement a robust M&E system to improve the tracking of physical progress of the project.

From a procurement point of view, no procurement activity foreseen in the 2019/2020 AWPB was carried out during the financial year.

Performance of M&E System

Rating: 2

Justification of rating

Monitoring and Evaluation assesses the outcome relevance of an activity, and the impact of a programme, or effectiveness as well as its efficiency and sustainability. In this regard the project log frame exists with no consistent targets and indicators and is not fully aligned with comprehensive elaboration of the indicator definitions. Hence due to inconsistent data collection and analysis this poses risk on the reliability and integrity of the data and confidence to draw concrete lessons from the project for replication and redesign or decision making. It is affirmative that the project invests lots of resources in capacity building and training and exposure of the farmers. However, flaws exist in the consistent ability to track or measure the impact of these training activities to individual farmers. This also affects the quality of social ownership where farmers /trainers demonstrate knowledge and application through teaching others or replication of the information to enhance sustainability.

The current M&E system does not produce quality reliable information that is sufficient to assess and measure project outcomes for impact. The existing framework (logframe) poses a challenge in evaluating LASAP outcomes as activities as the set of indicators (LASAP logframe) were absorbed into the existing frameworks for SADP.

M&E System Review

Common issues affecting M&E in this LASAP project and the associated risk include; the logframe identification of expected results generally fails to clearly identify the full set of results. The clarity and completeness of performance indicators to measure project progress and success are not coherent. The performance measurement strategy in general tends to have gaps, in particular, lack of relevant

data/information sources and feasible measurement strategies. Consequently the M&E plan generally need a more systematic, structured and comprehensive approach to the collecting, reporting and analysis of data, including assigning responsibility; Critical review indicates that M&E Plan for the project was never fully developed as stand-alone project hence not implemented effectively

Some of the significant gaps include the fact that the articulation of the project's theory of change is generally absent or insufficient. The current approach to log frames needs modification and enhancement, for example, more focus on causal link assumptions, indicators, means of verification and clearly defined outcomes and outputs. As good practice there is significant budget allocation to monitoring activities and the project staff have been keen in monitoring of projects even though they did not have adequate and tailored data collection and reporting tools to enable them to gather and capture relevant monitoring indicators and change /success stories. Though performance information has been collected, the focus has tended to serve more of an administrative purpose, for example, to report on activities and expenditures so as to justify or release funds for further project activities. Broader use of results information is limited, certainly during the life of the project. Based on the current weaknesses and capacity gaps the mission indicates a need to have robust M&E system that also takes into consideration data collection, analysis, reporting and feedback mechanism intended to improve on the project effectiveness and efficiency also principally to adjust M&E plans (as needed) to help ensure project implementation is in line with the intended objectives and outcomes.

Some possible areas of improvement in the M&E include:

- Improve the understanding of M&E and the tools developed for both the farmers and the staff.
- Provide support and mentoring to projects on development of theory of change, logframes, indicators and performance measurement strategies and M&E plans for better reporting and capture lessons from the project.

Requirements of SECAP

Rating: 4

Justification of rating

Significant progress has been made. As of February 2020, all sub-projects under LASAP have been screened and have set up Environment and Social Management Plans (ESMPs). All new grant recipients have been trained on environmental and social safeguards (ESS). ESS screening is now done as part of the project funding application and grant recipients must ensure compliance before receiving their first milestone payment. Follow up is needed to ensure that grant recipients implement their ESMPs, especially those who have piggeries.

SECAP Review

Screening and compliance: An environmental and social safeguards consultant was employed to conduct screenings, develop an ESMP for each sub-project, monitor compliance and provide training on environmental management. With support from the consultant, the PMU released several ESS audit reports since April last year and published monthly compliance reports.

Overall environmental impacts: Sub-projects funded by SADP generally have a small environmental footprint. Social and environmental implications are localised. However, due to their number and distribution, diffuse pollution can lead to cumulative effects. The section on "environment and natural resource management" describes the main environmental issues for piggeries, vegetable production and boreholes.

Personal Protective Equipment (PPE): The equipment is generally being used, although some workers are still using everyday clothes in duties that require this protection.

Training: A training manual was developed in March 2019. All new grant recipients have to partake in a 4-day training on environmental and social safeguards. A separate training on social capital has been conducted.

Lessons learned: The PMU organised a lessons learned workshop in Nov 2019 for SADP/LASAP. Lessons learned included: (i) Safeguard compliance contributes to the successful performance of businesses. Successful businesses generally complied with safeguards; (ii) Safeguard compliance comes with a cost for the project and beneficiary; (iii) Continuous monitoring necessary to ensure compliance. Being compliant with the ESMP is not a priority for grant recipients, as they cover the costs of environmental measures in most cases; (iv) Expertise is needed to assess and ensure

safeguard compliance; (v) The screening should be done as part of the funding application process; and (vi) The costs of critical infrastructure that are necessary to ensure compliance (e.g. a septic tank or a lockable storeroom) should be covered by the grants and not by the beneficiary.

Follow up: Performance of safeguards requirements is satisfactory. Yet, the project will need to follow up on the ESMP compliance. The mission recommends ensuring continued follow up until the completion of LASAP. The sub-projects visited by the mission partially implemented their ESMPs and still have requirements to fulfil. As ESMPs have to be continuously monitored, due to the risk of non-compliance among grant recipients, the mission recommends that compliance should continue to be monitored by the safeguard expert based in the PMU. Screening and compliance should also be tracked in the M&E system.

Grievance redress mechanism: The mechanism under SADP II should be applied for the remaining LASAP activities.

Actions	Responsibility	Deadline	Status
Apply the grievance redress mechanism under SADP II for the remaining LASAP activities	PMU	July 2020	Proposed

iv. Financial Management and Execution

Disbursement Rate

Acceptable Disbursement Rate

Rating: 3

Justification of rating

The project is in its 3rd year of implementation and its disbursement rate is 61.7%. There have not been any extensions. IFAD's co-financier, GEF has funded LASAP project costs of \$4.33 million

Main issues

The mission reviewed the status of the LASAP implementation at mid-term and the planned activities for the years 3 and 4 of the LASAP. The following tables depict proposed reallocations by component and by category respectively to facilitate smooth implementation of LASAP to project closure:

LASAP proposed component reallocations

Component	Allocation at Design	Utilisaion Status 31 March 2020	Projected Expenditure to 30 Sept 2021	Proposed new allocation	% new allocation	Proposed component reallocation
1 Reduced Vulnerability of agricultural production	3,054,286.00	1,834,545.21	1,707,042.26	3,541,587.47	81.80%	487,301.47
2 Enhanced Capacity to support agricultural production in the context of climate change	1,068,572.00	288,146.35	317,364.91	605,511.26	14.00%	-463,080.74
3 Project Management, Monitoring and Evaluation	207,142.00	145,976.27	36,925.00	182,901.27	4.20%	-24,240.73
Total	4,330,000.00	2,268,667.83	2,061,332.17	4,330,000.00	100.00%	0

LASAP proposed category reallocations

Categ.	Disbursement Description	Authorised Allocation	Disbursements	Pending WAs	SC Reserve	Projected expenditure to 30 Sep 2021	Proposed new allocation	% new allocation	Proposed category reallocation
1	Goods, Services & Inputs	2,250,000.00	1,125,669.00	0	0	1,676,278.90	2,801,948.10	64.70%	551,948.10
2	Consultancies	1,260,000.00	778,742.00	0	0	482,396.37	1,261,138.01	29.10%	1,138.01
3	Equipment & Materials	200,000.00	41,732.00	0	0	31,503.21	73,234.95	1.70%	- 126,765.05
4	Operating Costs	190,000.00	125,541.00	0	0	68,138.27	193,678.94	4.50%	3,678.94
5	Unallocated costs	430,000.00		-			0	0.00%	- 430,000.00
	Total	4,330,000.00	2,071,683.26	0	0	2,258,316.75	4,330,000.00	100.0%	-

Main issues

Actions	Responsibility	Deadline	Status
LASAP to submit proposal for category reallocation to IFAD for approval and updating of category allocations	PCO	15 May 2020	Proposed

Fiduciary Aspects

Quality of financial management

Rating: 3

Justification of rating

The PMU continues to maintain an efficient filing system for LASAP accounting transactions and has enhanced internal controls over the flow of grant funds to beneficiaries. The PMU has deployed TOMPro accounting software for accounting, financial reporting, budgeting, bank reconciliations, fixed assets functions. However the mission noted delays in generation and submission of standard financial reports by components, sub-component and activities by financier from TOMPro system and while the PMU resolved the issue for GEF financed activities during the mission, it highlights the need for the PMU to maintain automated standard reports required by IFAD missions within TOMPro system, to include GoL and beneficiaries as LASAP financiers and to configure smart statement of expenditures (SOEs) for LASAP.

Main issues

Staffing and Budgeting: The finance unit comprises a dedicated LASAP assistant accountant under the supervision of the SADP Project accountant. Both staff have adequate donor accounting experience with suitable qualifications. The annual programme budget was uploaded in the TOMPro but the PMU has not been able to upload the full project budget as LASAP detailed design costs were not availed. The project tracks actual expenditures against budgets for GEF-financed activities only in accounting software.

Accounting and Financial Reporting: The accounting system captures transactions by category, component/activity for GEF-financed activities only. In view of the project completion date of 31 March 2021 the mission recommends that the PMU sets up GoL and LASAP beneficiaries as financiers in the accounting software to capture LASAP activities by each financier subject to readily available in-house skills. This envisages to streamline the financial reporting of LASAP for the remaining implementation period. As of March 2020, the project had tracked on MSEXcel templates GoL contribution of \$223 776 and beneficiary cash and in-kind contributions totalling M592 492 (approximately \$39 500).

Internal Controls: LASAP financial management is guided by the World Bank's accounting policies, control and procedures manual and these provide sufficient controls over completeness of record keeping for accounting transactions, facilitating timely justification of LASAP expenditures. Bank reconciliations of the designated account and the operating accounts are completed timely and can be strengthened by timely clearing of overdue reconciling items. The PMU has enhanced internal controls over the flow of grant funds to LASAP beneficiaries by requiring that grant beneficiaries open a project account to receive grants and that PMU staff co-signs withdrawals requests from the accounts upon justifying the eligibility of proposed expenditures.

Follow up last supervision mission recommendations: The following recommended actions from previous mission have been implemented satisfactorily: provision of justification for \$31 478,79 overstated claim on WA #4; provision of record of counterpart contributions, clear position on the \$2,02 million counterpart funds in the LASAP FA. **The project is yet to implement** the proposed increase of the withdrawal threshold for LASAP from \$600 000; set up LASAP on IFAD Client Portal (ICP), clearance of overdue bank reconciliation items, submission of interim financial reports to IFAD, and internal audit of LASAP review activities. The mission recommends timely implementation of recommendations to strengthen project implementation.

Actions	Responsibility	Deadline	Status
LASAP accounting staff attends IFAD FM training for project staff to strengthen financial reporting in line with IFAD guidelines	PMU	31 Oct 2020	Proposed
Configure Accounting of beneficiary contribution in the accounting system subject to availability of in-house skills to do the configuration and its disclosure in the notes to the financial statements in the FY 2019/20 statements	Accountant	31 July 2020	Suggested
MAFS internal audit function to include an internal audit review of LASAP activities in their program audit.	MAFS PS	31 Oct 2020	Suggested

Quality and timeliness of audit

Rating: 6

Justification of rating

The financial statements for the FY 2018/19 due on 30 September 2019 were submitted to IFAD on time and were prepared according to the International Public Sector Accounting Standards (IPSAS) cash basis of accounting. The financial statements were audited by the Office of the Auditor-General, the Supreme Audit Institution, which conducted the audit according to International Standards of Supreme Audit Institutions (ISSAIs). The audit opinion on the financial statements was unqualified, an improvement from the previous audit with qualified audit opinion. The assessment of the overall financial reporting is adequate, to be improved by accounting and disclosure of beneficiary contributions. The quality of reports submitted by the auditor is satisfactory. The unresolved issues from prior years related to ineligible expenditures identified in the audits of FY 2016/2017 and FY 2017/18.

Main issues

The auditor observed that the issue of misuse of funds amounting to M1 755 809 by SADP beneficiaries identified the FY 2016/17 and FY 2017/18 was partially resolved and the PMU committed to resolve by engaging a consultant and to guide recommendations to the Donors and Borrower. The consultant completed the assignment and the mission recommends the PMU expedite informing relevant stakeholders so that the audited financial statements for the FY 2019/20 reflect the final agreements reached between donors and the Borrower/Recipient.

Actions	Responsibility	Deadline	Status
Format of Designated Account Reconciliation. Adopt IFAD's designated account reconciliation format on the annual financial statements for FY 2019/20 submitted to IFAD	Accountant	31 July 2020	Proposed
Submission of fixed asset schedule. Include LASAP fixed assets schedule with submissions of the annual financial statements for FY2019/20to IFAD	Accountant	31 July 2020	Proposed
Accounting and Disclosure of beneficiary contribution. Account for LASAP beneficiary contributions and disclose in notes to the financial statements	Accountant	31 July 2020	Proposed
Submission of unaudited financial statements. Submit to IFAD the unaudited financial statements within four months of the end of each Fiscal Year.	Accountant	31 July 2020	Proposed

Counterpart funds

Rating: 2

Justification of rating

Counterpart funds' rating is unsatisfactory because the LASAP financing agreement (FA) set counterpart funds by GOL at \$2 020 000 out of \$6 350 000 total project funds. To date the amount of \$223 776 (11%) has been contributed. There were no provisions for the counterpart funds in the AWPB of LASAP. There is no firm expectation that this will be resolved before project completion.

Main issues

Compliance with loan covenants

Rating: 5

Justification of rating

The programme is largely compliant with key financing covenants and non-compliance was identified in the following areas: (i) Delay in preparation; and (ii) submission of AWPB to IFAD for approval. This may not negatively affect the programme in achieving development objectives and in meeting IFAD's statutory requirements.

Actions	Responsibility	Deadline	Status
Timely preparation and submission of AWPB. MAFS to submit reviewed draft Project AWPB for each Project Year to the IFAD for comments no later than sixty (60) days before the beginning of the relevant Project Year	Programme Coordinator	Immediate	Proposed
Timely preparation and submission of progress reports. Submission of interim financial reports with accompanying progress report for LASAP on half-yearly basis	Accountant	Immediate	Proposed

Procurement Review

Procurement

Rating: 3

Justification of rating

The Mission rated procurement as 3 (moderately unsatisfactory). This is due to the delayed submission of the 2020/2021 procurement plan and to the fact that not a single procurement activity was completed during the 2019/2020 financial year. On a positive note, a sample review of procurement activities carried out in the 2018/2019 financial year showed that World Bank procurement requirements were generally respected and that procurement documents were properly filed and easily accessible.

Procurement Review

The PMU is staffed with a single Procurement Officer (PO) for both SADP and LASAP.

The 2019/2020 PP is consistent with the AWPB, but the format lacks most of the steps in the timeline. The only procurement-related agreed action arising from the November 2019 implementation support mission was the development of a 2020/2021 procurement plan (PP) by January 31, 2020. As of the time of the mission, no PP had been submitted for IFAD No-Objection. The PO will submit the 2020/2021 PP on the basis of the IFAD format shared during the Mission.

The LASAP Financing Agreement (FA) mandates the use of World Bank procurement guidelines and assigns procurement supervision to the World Bank. On the other hand, the LASAP Letter to the Recipient (LtR) shows unclear prior review thresholds and, as a consequence, the PO is applying World Bank thresholds.

The PMU uses formal procurement requisitions, although user departments are often late in submitting them to the PO. Consequently, a number of procurements were carried over from the 2018/2019 PP to the 2019/2020 PP and the PMU did not complete any procurement activity during the 2019/2020 financial year. Given the short time left before completion of LASAP, the PMU is encouraged to adopt a more proactive approach to engaging user departments from now on, so as to avoid the complete standstill experienced during the 2019/2020 financial year.

A sample of procurement activities from the 2018/2019 financial year was reviewed, showing that procurement processes mostly comply with World Bank requirements. The review also revealed that:

- One request for quotations (RFQ) lacked an indication of the desired delivery date;
- A quotation was corrected during evaluation, but there was no evidence that the bidder was notified of the correction;
- The purchase order template lacked an indication of the terms and conditions applied;
- Technical specifications for goods were too narrow, thus limiting competition;
- Evaluation and award sometimes did not correspond to the criteria stated in the RFQ.

Administration/management of contracts is shared between the PO and the corresponding user department. It is noted that suppliers of goods sometimes did not deliver on time with no evidence of action from contract managers.

Procurement files reviewed are complete and only lack copies of records evidencing management of all payments made. The Competitive Grant Manager monitors the small-value procurement activities carried out by grant beneficiaries and the corresponding invoices are kept at the PMU.

The contract register was adopted in 2019 and is kept updated.

Actions	Responsibility	Deadline	Status
Adopt a more proactive approach to engaging user departments, so as to move procurements forward	PMU	Continuous	agreed
Submit the 2020/2021 procurement plan on the basis of the template shared by the Mission	PMU	June 2020	agreed

v. Key SIS Indicators

1: Overall implementation performance **Rating: 4**

2: Likelihood of achieving the development objective **Rating: 4**

F. Relevance

Relevance **Rating: 5**

Justification of rating

LASAP relevance is rated satisfactory. Interventions of the project are still relevant to addressing climate change challenges faced by smallholder farmers in Lesotho. The project has supported investments in climate proofing and adaptive trials on new varieties. Farmers have received training on climate change adaptation and reported benefits related to climate change adaptation measures that the project is supporting. However, some investments in piggery production need refinement due to the environmental concerns. Some project activities on climate modelling, although relevant, were suspended due to capacity-related issues in the MAFS and LMS.

Main issues

Adaptive trials conducted by the DAR to inform crop models were conducted but had no clear linkages with investments in component 2 and as such the mission recommended that these activities should link to component 2.

Adaptive trials focused more on variety trials with limited research on CSA technologies that have the potential to address production challenges faced by smallholder farmers.

LASAP supported 121 CGP to climate proof their investments through protected agriculture, drip irrigation, improved varieties and access to reliable sources of water. The project also supported production of small stock. Some small stock projects such as piggery production will be supported with installation of septic tanks and /or biodigesters to address environmental impacts of this enterprise.

The project provided relevant training for recipients to understand climate change, business management, social capital and environmental and social management. However, these grant investments were not supported with training on CSA, which would enhance their adaptive capacities to climate change.

Beneficiaries were able to highlight the benefits that came with the project, particularly in climate proofing investments against adverse weather conditions such as hail.

There is however, no evidence of adoption of new varieties promoted in component 1 nor data on productivity and incomes from climate proofed investments. As such it is difficult to evaluate the extent to which investments were successful in addressing climate change related challenges.

G. Project Modification

Modifications									
Reallocation among categories						Yes	<input checked="" type="checkbox"/>		
<p>The completion date of LASAP is 31 March 2021. The project is proposing reallocation of funds from the unallocated expenditure category of \$430,000 and \$126,765 from the equipment and materials category to be utilised in the goods, services and inputs category largely to fund the Competitive Grants Programme to 10th Round applicants. Below is the proposed category reallocation table:</p>									
Categ.	Disbursement Description	Authorised Allocation	Disbursements	Pending WAs	SC Reserve	Projected expenditure to 30 Sep 2021	Proposed new allocation	% new allocation	Proposed category reallocation
1	Goods, Services & Inputs	2,250,000.00	1,125,669.00	0	0	1,676,278.90	2,801,948.10	64.70%	551,948.1
2	Consultancies	1,260,000.00	778,742.00	0	0	482,396.37	1,261,138.01	29.10%	1,138.0
3	Equipment & Materials	200,000.00	41,732.00	0	0	31,503.21	73,234.95	1.70%	126,765.0
4	Operating Costs	190,000.00	125,541.00	0	0	68,138.27	193,678.94	4.50%	3,678.9
5	Unallocated costs	430,000.00	-	-	-	-	0	0.00%	430,000.0
Total		4,330,000.00	2,071,883.28	0	0	2,258,318.75	4,330,000.00	100.00%	-
Extension of Project Completion Date						No		<input type="checkbox"/>	
<p>The mission discussed the potential extension if additional funds will become available.</p>									
Logical framework						Yes		<input type="checkbox"/>	
<p>The Logframe had to be up-dated and re-structured. LASAP was part of the SADP reporting, yet, as SADP ended in March 2020 and LASAP continues, reporting requires up-dating. Also, the AMAT tracking tool was not effectively used by the project management team up to this mission, and will now be partly integrated in the logframe to allow mainstreaming in reporting, and to use the logframe as decision making tool.</p>									
Additional financing						No		<input type="checkbox"/>	

There is no additional financing available as of now. The mission discussed (annex 2 to AM) what would be principles of additional finance, shall the Government come forward with more resources.

H. Lessons to be learned

Coordinate research and bring results to the farmers

The field trials of adapted and drought-resilient varieties by DAR have started well and are well-documented. This work would benefit from a coordinated approach with ongoing research in-country, e.g. by UCT on economic effects of climate change on selected value chains and the ICRAF work on the use of satellite imagery and field data for land health surveillance (under WAMPP).

Transition from research to on-farm application would be strengthened by a proactive approach of conducting trials also with grantee farmers and under CSA production conditions, bringing the research closer to the overall project objective. Engaging extension services and LASAP field staff would capacitate these to provide follow-up services needed by the farmers. Such activities would need to be documented and analysed to allow for adaptive management and uptake of results e.g. in SADP II.

Applicability

Project	<input type="checkbox"/>	Country	<input checked="" type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Coordination and Engagement; Human Resource and Org. Capacity						

Conduct training needs assessment and capacity development strategy

Most farmers have solid farming knowledge, yet limited experience with CSA approaches. There is therefore a substantive need for technical training on CSA techniques and technologies as well as follow-up support through project staff and extension services. The same applies to business skills, e.g. when graduating from subsistence farming to a market-oriented enterprise.

A rapid training needs assessment among old and new grantees would allow for a tailor-made capacity development strategy to capture need and demand among farmers. Training content should e.g. include conservation agriculture, irrigation management and water conservation, integrated soil fertility management or integrated pest management in the context of horticulture production, as well as business management and planning.

To strengthen attendance and compliance, such training should be proactive and be made a precondition for grant application or grant disbursement, not a reactive strategy for fixing gaps. There is a need for project M&E to document and analyse attendance, training content and uptake, so as to establish clear linkages between project services, improved agricultural production and livelihoods as well as the dispersion of CSA in Lesotho.

Applicability

Project	<input type="checkbox"/>	Country	<input checked="" type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Coordination and Engagement; Human Resource and Org. Capacity; Project Data and Monitoring						

Intensify the train-the-trainers approach

Including extension services, project field staff and service providers in both the assessment and the capacity development would ensure consistency and continuity of follow-up and advice to the farming community, even beyond project lifetime. Thus, the project would embrace an institutional capacity development approach while equally preparing the ground for the upcoming SADP II.

Applicability

Project	<input type="checkbox"/>	Country	<input checked="" type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Coordination and Engagement; Human Resource and Org. Capacity						

Produce training and extension documentation on climate change adaptation and CSA, incl. online and through social media

As a follow-up modality and opportunity to increase the project's reach beyond its immediate beneficiaries, easy-to-understand manuals and factsheets on CSA techniques should be produced in English and Sesotho. They should be modular, including on horticulture, conservation farming, integrated pest management, and also include basics on food processing, business planning and value chain approaches; they should equally be practical so as to meet demand.

Training and extension materials should encourage exchange and pooling of resources and knowledge. As smartphone use is widespread among farmers, documentation should take this into account and be tailored for digital use, upload and sharing. This would encourage the establishment of user groups, e.g. for experience exchange on technology use, identification of invasive species or pests, or even pooling of produce or resources for better market access.

Applicability

Project	<input type="checkbox"/>	Country	<input checked="" type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Coordination and Engagement; Human Resource and Org. Capacity; Project Data and Monitoring						

Improve targeting via grant selection criteria

Development and application of specific grant selection criteria based on lessons learned from previous rounds would provide for steering tools leading to improved targeting of beneficiaries. Potentially interesting would be e.g. to set quotas for young farmers, or women-led households or farming enterprises. Combining grant access or disbursement with proof of knowledge and skills or training attendance, e.g. in business management or CSA, would lead to a shift from disbursement-orientation to technical assistance and business support with a climate angle by the project.

Activities deemed not successful in business terms or not sustainable in the longer term should be excluded or at least be limited, such as piggeries. Farming activities beyond CSA should be embedded in accompanying CSA measures to improve environmental sustainability and climate adaptation potential. Drilling of boreholes should e.g. be only continued if the grant application also includes water harvesting and conservation measures, drip irrigation, metering of resource abstraction, etc. The project would have to follow-up on the compliance of grantees.

Applicability

Project	<input checked="" type="checkbox"/>	Country	<input type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Project design; Project Finance; Human Resource and Org. Capacity; Project Data and Monitoring						

Strengthen the full integration of climate change adaptation opportunities in project management tools

LASAP's objective to increase the resilience of small-scale agriculture to climate change impacts should be more prominently portrayed by incorporating a climate chapter into the ESMF, by extending the ESMP templates to capture climate hazards and adaptation/mitigation options, and by finalising end enhancing the vulnerability and resilience fact sheets and guidelines. The PMU's district climate smart officers together with the environment and social safeguards consultant should also map out

linkages between identified climate risks and existing and new adaptive strategies at field level, to establish a baseline for comparison at project completion.

Applicability

Project	<input checked="" type="checkbox"/>	Country	<input type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Project design; Project Finance; Human Resource and Org. Capacity; Project Data and Monitoring						

Use M&E also as a capacity development tool

LASAP should strengthen its focus on M&E to observe and analyse changes in adaptive production practices, livelihood opportunities and household assets, also to compensate for a missing project baseline and to prepare for reporting project achievements toward completion. Engagement of line ministries and agencies in M&E should be regarded as an investment into Lesotho’s institutional capacity with GoL being able to induce and monitor such changes independently.

Applicability

Project	<input type="checkbox"/>	Country	<input checked="" type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input type="checkbox"/>
Tag(s)	Human Resource and Org. Capacity; Project Data and Monitoring						

Advantages and limitations of virtual MTR and missions

Due to confinement rules during the COVID-19 pandemic, this MTR was conducted within the set timeframe through online conferences and virtual interaction with the PMU, project partners and beneficiaries. Among the advantages of this approach are:

- Reduced travel and overhead cost;
- Reduced CO2 emissions;
- Focus on the essential without ‘distraction on the sidelines’.

Among the disadvantages should be counted:

- Direct interaction with beneficiaries strengthens the appreciation of project interventions and impacts;
- Eye-to-eye discussions and field visits allow for empathy, follow-up questions and answers, and better judgement on lessons learned, expectations and needs;
- Physical presence supports the retrieval of documentation and reports that might eventually be needed for the appraisal.

If virtual MTRs and similar support missions are to be considered, a blending of ‘real’ and virtual missions could be a possibility. A reduced team could be in-country for a shorter period of time to interact with the PMU, partners and beneficiaries and the full team necessary for project appraisal would then in a second step engage online for discussions and necessary follow-up. For such an approach to be optimal, good planning ahead, flexibility in meeting arrangements and the allocation of minimal transaction and communication costs should be considered. To support a smooth flow of interaction, it would also be advantageous if the mission team were composed of experts in not too distant time-zones.

Applicability

Project	<input type="checkbox"/>	Country	<input type="checkbox"/>	Region	<input type="checkbox"/>	Multiple-region	<input checked="" type="checkbox"/>
Tag(s)	Project design; Project Data and Monitoring						

I. Logical Framework

Results Hierarchy	Indicators	Measures	Project *N/A = Not available		
			Target	Actual	Revised
Goal: Reduce rural poverty and enhance rural economic growth on a sustainable basis	Improvements in household asset index	Index			
	Number of households with improved food Security	Number			
PDO: Increase the resilience of small-scale agriculture to climate change impacts by promoting climate-proofed investments for agriculture-based development, as well as by enhancing the resilience of agricultural productivity under increased climate variability.					
Outcome 1. Mainstreamed adaptation in local level agricultural planning	# of beneficiaries who have access to and understand the resilience related guidance, % of which are women	Number	N/A	N/A	
	% women		N/A	N/A	
Output 1.1 Vulnerability mapping, analysis & related adaptation guidance included in AIP process	# and quality of appropriate of guidance products produced	Number	26	26	
Outcome 2. Increased adaptive capacity of small-scale farming systems	# of beneficiaries who feel equipped to deal with climate change and variability , % of which are women	Number	N/A	N/A	
	% women		N/A	N/A	
Output 2.1 Adaptive measures introduced to minimize climate change impacts on natural assets and sustain agricultural production	# of AIP projects implemented that promote resilience	Number	30	1	
	# of competitive grants projects implemented that promote resilience	Number	66	17	

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Output 2.2 Innovative practices, technologies and infrastructures aiming to increase the efficiency and resilience to climate change of smallholder production through a demand-led approach	# of resilience-based investments channelled % of which received by women	Number	100	121		350
	% of which women			24% F	49%M	
Outcome 3: Increased knowledge and understanding of climate variability and climate change induced threats on agriculture	# of downscaled climate models and production system simulations produced	Number	N/A	N/A		
	# of trained extension staff who understand and apply improved climate information at field level	Number	60	25	F 10	
					M 15	
Outputs: 3.1 Monitoring system in place to disseminate timely climate information related to agriculture	# of people trained in climate modelling and production systems outlooks, % which are women	Number	N/A	N/A		
Output 3.2 Climate and agro-meteorological information included in agricultural information system	# of people trained in climate risk management and adaptive management, % of which are women	Number	N/A	0	N/A	
	% women					
Results Hierarchy	Indicators	Measures	Project *N/A = Not available			
			Target	Actual	Revised	
Outcome 4: Strengthened capacity of government stakeholders to reduce risks to climate-induced losses on agriculture.	Degree to which agro-meteorological services are integrated into ongoing MAFS operations		N/A	N/A		

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Outputs: 4.1 Capacity of Met Service and MAFS staff on the links between climate change and agriculture strengthened	Availability of crop models and scenarios at end of project	Number		0		
	# of research reports produced using field testing data	Number		0		
	# of trained staff dedicated to agrometeorological services in MAFS and LMS at the end of the project, % of which are women	Number	2	2	1F, 1M	
Outcome 5: Awareness and capacity of local actors	# of beneficiaries who attend & understand climate change awareness raising forums, % of which are women.	Number	600	858	498 F 360 M	
Outputs: 5.1 Effective awareness raising & communication campaign to local stakeholders designed & implemented	# of climate change workshops, meetings or other events	Number	7	8		

Appendix 1: Financial: actual financial performance by financier; by component and disbursements by category

Table 2A: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
GEF grant	4,330	2,672	62%
Government	2,020	224	11%
Total	6,350	2,895	46%

Table 2B: Financial performance by financier by component (USD '000)

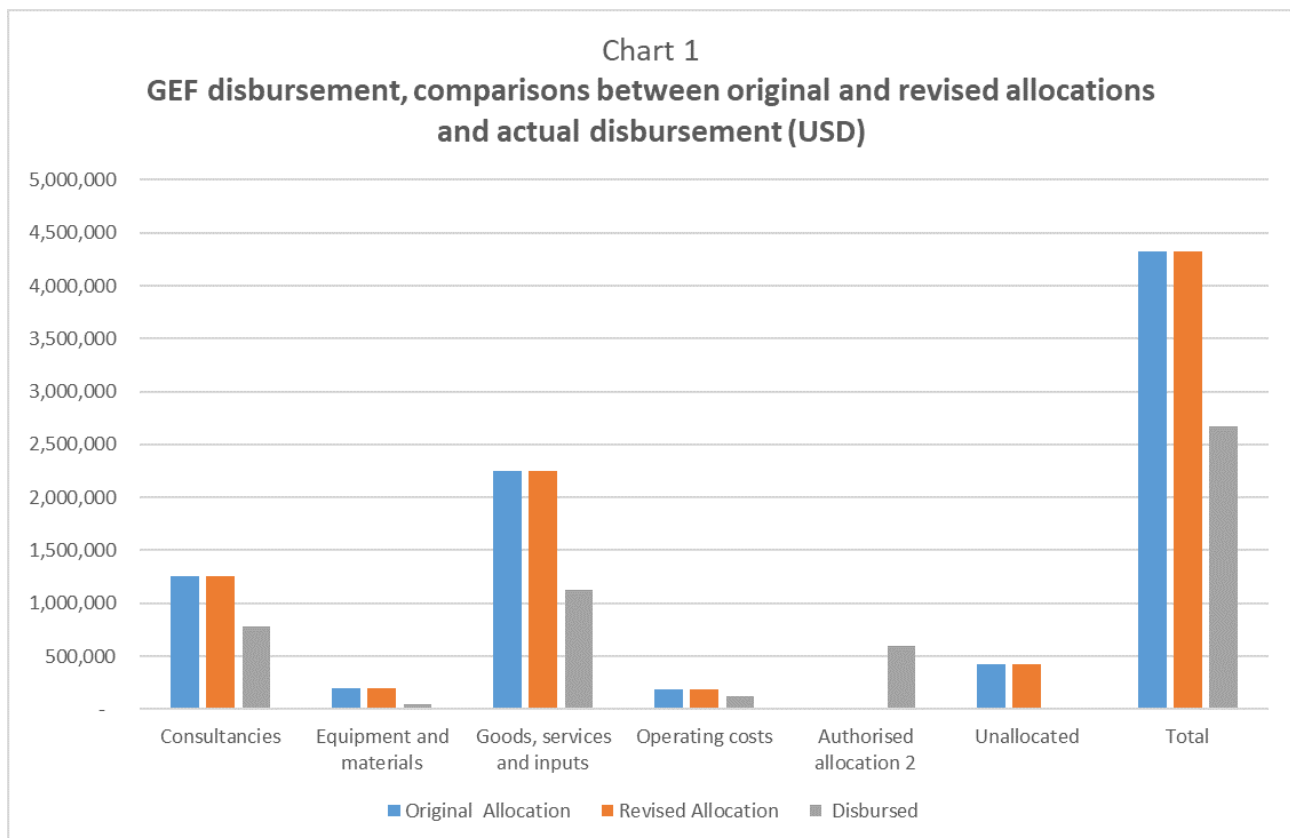
Component	GEF grant			GOL			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Reduced Vulnerability of Agricultural Production	3,054	1,835	60%	2,020	-	0%	5,074	1,835	36%
Enhanced Capacity to support agricultural production in the context of climate change	1,069	288	27%	-	-	0%	1,069	288	27%
Project management	207	146	71%	-	224	0%	207	370	179%
Total	4,330	2,269	52%	2,020	224	11%	6,350	2,492	39%

Component	GEF grant			GOL			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Reduced Vulnerability of Agricultural Production	3,054	1,835	60%	2,020	-	0%	5,074	1,835	36%
Enhanced Capacity to support agricultural production in the context of climate change	1,069	288	27%	-	-	0%	1,069	288	27%
Project management	207	143	69%	-	224	0%	207	367	177%
	4,330	2,266	52%	2,020	224	11%	6,350	2,490	39%

Table 2C: IFAD loan disbursements (USD, as at 21 April 2020)

Category	Category description	Original Allocation	Revised Allocation	Disbursed	Pending WAS	Balance	Per cent disbursed
I	Consultancies	1,260,000.00	1,260,000.00	778,741.65	-	481,258.35	62%
II	Equipment and materials	200,000.00	200,000.00	41,731.74		158,268.26	21%
III	Goods, services and inputs	2,250,000.00	2,250,000.00	1,125,669.20		1,124,330.80	50%
IV	Operating costs	190,000.00	190,000.00	125,540.67		64,459.33	66%
V	Authorised allocation 2	-	-	600,000.00		(600,000.00)	0%
	Unallocated	430,000.00	430,000.00	-		430,000.00	0%
	Total	4,330,000.00	4,330,000.00	2,671,683.26	-	1,658,316.74	62%

Figure 1:



Appendix 2: Compliance with legal covenants: status of implementation

Section	Covenant	Target/Action Due Date	Status/Date
Section B.4	Maintaining a designated account denominated in US\$ at the Central Bank of Lesotho	Continuous	Complied
Section B.4	Maintaining a project account in local currency at a Commercial Bank acceptable for the benefit of MAFS	Continuous	Complied
Section B5	Counterpart financing by borrower of US2,020,000	Continuous	Partial. USS 223,776 contributed at MTR
Section E.1 (a)	Suspension of SADP agreement	Continuous	Complied
Section E.1 (b)	Waiver, suspension, termination, amendment, modification of PIM without IFAD's prior approval	Continuous	Complied
Schedule 3 Para 1	Mainstream gender concerns in all programme activities	Continuous	Complied
Schedule 3. Para 2	Enter into MOU with Lesotho Meteorological Services	Continuous	Complied
GC Section 7.01.b.ii	LPA to submit reviewed draft Project AWPB for each Project Year to the IFAD for comments no later than sixty (60) days before the beginning of the relevant Project Year	31 st January each year	Not complied, AWPB for FY2020/21 not submitted to IF
GC:S. 7.8 (a) In	(a)The Borrower/ the Lead Project Agency shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practice.	Continuous	Complied
	(b)The Borrower or the Lead Project Agency shall insure the goods imported for the Project against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation in accordance with sound commercial practice	Continuous	Complied
GC Section 7.12 Project Parties	(b) employ competent and experienced management and personnel;	Continuous	Complied
	(c) operate, maintain and replace its equipment and other properties; (d) not sell, lease or otherwise dispose of any of the Project's assets, except in the normal course of business or as agreed by the Fund.	Continuous	Complied
GC Section 8.3 (a)	Furnish to the Fund periodic progress reports in such form and substance as required	Half-yearly	complied
GC Section 8.3 (b)	Jointly carry out a review of Project implementation no later than the midpoint of the Project Implementation	2019	Complied
GC Section 9.02	Deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in accordance with standards and procedures acceptable to the Fund and deliver such financial statements to the Fund within four (4) months of the end of each Fiscal Year.	31 July, each year	Not complied
GC Section 9.03	(a)each Fiscal Year, have the accounts relating to the Project audited in accordance with auditing standards acceptable to the Fund and the Fund's Guidelines on Project Audits (for Borrowers' Use);	31 March each year	Complied
	(b)within 6 months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report. The Borrower shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof;	30 September, each year	Complied
GC Section 9.04. (a)	The Borrower and the Project Parties shall promptly furnish to the Fund such other reports and information as the Fund shall reasonably request on any financial matter relating to the Financing or the Project or any Project Party.	Continuous	Complied

Appendix 3: Physical progress measured against AWP&B

Component/Outcome Sub-component or Output	Indicator	#Activities	AWP&B	Period: to Actual March 2020	%	Cumulative Actual	Appraisal Target
Component 1	Reduced Vulnerability of agricultural production	15	1 834 545,21	1 613 686,3	88%	1 834 545,21	3 054 286,00
Component 2	Enhanced Capacity to support agricultural production in the context of climate change	8	288 146,35	142 498,87	49%	288 146,35	1 068 572,00
Component 3	Project Management, Monitoring and Evaluation	4	143 483,48	101 988,90	71%	143 483,48	207 142,00

Appendix 4: Technical background analysis

Technical Annex 1: Major Lessons and Areas for Innovation/Scaling-up

Introduction

The Lesotho Adaptation of Small-Scale Agricultural Production Project (LASAP) was designed as a complement to the Smallholder Agriculture Development Project (SADP), implemented jointly by the World Bank, IFAD and national partners in Lesotho. While the SADP goal is to reduce rural poverty and enhance rural economic growth on a sustainable basis, the additional GEF-resources under LASAP are aiming to increase the resilience of small-scale agriculture to climate change impacts by promoting climate-proofing investments for agriculture-based development, as well as by enhancing the resilience of agricultural productivity under increased climate variability.

Initially designed in 2011 to be implemented in parallel over a period of six years, SADP became effective in 2012, while LASAP approval took much longer and its first GEF-funded investments only began in 2017. Therefore, LASAP operated with a 'double-burden' since its early days – it started with a delay of five years and had to contend with the much larger SADP (4,3 to 20 million \$). SADP in 2017 received an extension for 2 more years (2018-20) with additional funding by the World Bank of 20 million \$. While this allowed SADP and LASAP to operate in parallel and to build on established implementation structures as initially planned, the PMU in charge of both projects was more focused on continuing the implementation of SADP operations than on pushing for a full integration of LASAP into the ongoing investments.

The management and implementation of LASAP was fully embedded and integrated within SADP PMU structures, with LASAP funding one additional assistant M&E officer, one assistant accountant and four district climate-smart officers (DSCOs) for each of the districts in which the projects operate. However, in line with the above statement on an overall strong SADP focus, the DSCOs reported to the MTR mission that the majority of their tasks were more related to managing the rounds of competitive grants programmes (CGP) instead of providing follow-up to and training on climate-smart agriculture (CSA) for the grant beneficiaries. CSA components were implemented during CGP rounds 9 (2018) and 10 (2019) of SADP; CGP round 9 had a blended SADP/LASAP funding, while round 10 was fully resourced through LASAP. In addition, beneficiaries of earlier rounds were able to apply for climate-proofing of their investments.

Climate proofing

In line with the initial project strategy, LASAP's main conduit of delivering project services is through the CGP established under SADP. As of April 2020, 121 applications were selected for climate-proofing, 65 of which are still awaiting funding. The vast majority (114) is in horticultural production; six conducted piggery farming and one raised poultry. The climate proofing measures supported through LASAP co-funding include drilling of new and rehabilitation of existing boreholes, and provision of shade-nets, water harvesting tanks, drip irrigation and bio-digesters for heating/cooling piggery stables.

The climate rationale for greenhouses and shade nets is evident, as they protect crops against heavy weather and climate change-induced periods of drought or unseasonal temperatures while improving horticultural productivity. Furthermore, protective structures established in the latter rounds of SADP were reinforced with LASAP support to better withstand weather extremes. Similarly, water tanks and drip irrigation support farmers to maintain a steady water supply, to conserve water and to use it more efficiently, especially in times of drought.

It is, however, difficult to establish a stringent climate-reasoning for e.g. water boreholes. Certainly, water supply is a necessary precondition for commercial vegetable production and in this line of argument justifiable under SADP aims, but barely admissible with a climate adaptation rationale. Particularly so as there is no groundwater survey available, leading to a risk of over-abstraction and irreversible depletion of aquifers.

Recommendations: It is therefore strongly recommended to limit future grant applications for borehole drilling or maintenance under LASAP and SADP II to business plans that pay equal attention to water harvesting and conservation measures, such as surface and rainwater collection and storage or drip irrigation. To minimise the potentially negative environmental footprint of SADP/LASAP-funded agro-enterprises, it is further recommended to map all boreholes and to establish a metering plan, including installing meters at strategic locations, to monitor groundwater abstraction and facilitate regular measurements of the static water level in the boreholes. The committee managing water resources should ensure that beneficiaries stick to the water permit class issued, and auto-shut water taps should be installed to reduce water wastage. Regular education on the value of water and sustainable water consumption measures for enhanced conservation should be integrated into the project capacity development strategy and all training modules.

Training on climate adaptation opportunities

Since inception, LASAP trained 280 of its grantees - 126 on business management, 82 on social capital development, 51 on climate change adaptation and 21 environment and social management, e.g. on safe waste and agrochemicals disposal, or water management. Project environment and social safeguards (ESS) audit reports and interactions with beneficiaries demonstrate that these were generally aware of the environmental and social requirements of the project, and all selected LASAP grant applicants were trained on ESS and set up environment and social management plans (ESMPs). A closer follow-up on these ESMPs could support these good results in verifying whether the setting-up of ESMPs as a grant criterion also led to actually implementing the plans.

During the mission the team noted that beneficiaries showed an improved general understanding of climate change; however, training on CSA techniques is so far missing in the LASAP curricula, climate adaptation not fully integrated in the ESS and ESMPs, and technical follow-up and monitoring visits to grantees are limited. In line with the above-stated predominance of tried and tested SADP approaches, the missions' impression is that the PMU put laudable effort into encouraging the use of new and also climate-smart technologies such as water supply or protected agriculture, but not a similar amount of determination went into supporting technical training on climate adaptation opportunities e.g. through CSA methodologies, as was the initial aim of LASAP. Similarly noticeable is an emphasis on 'new' agricultural production such as horticulture and short-cycled animal rearing (pigs or poultry), while 'classic' field-crop production is under-represented in the selected grants, as are related climate-adaptive measures and CSA techniques demonstrated or trained on, e.g. intercropping, minimal tillage, terracing, wind braking or grass strips to reduce erosion, or actual introduction of drought-resilient varieties in the fields.

On the latter, good research is conducted by the Department of Agriculture Research (DAR) in the districts of Butha-Buthe, Leribe and Mafeteng to broaden the use of climate adapted varieties (maize, sorghum, beans, sunflowers); yet the necessary transmission from research to application and adoption by farmers should be strengthened, by DAR as well as LASAP.

Recommendations: To fulfil its potential of increasing the resilience of small-scale agriculture to climate change impacts, it is suggested that LASAP strengthens its focus on climate adaptation opportunities and CSA training to accompany LASAP grant applications with capacity development of its beneficiaries. The mission recommends the PMU to engage in a rapid training needs assessment and based on the determined demand to facilitate technical training on CSA to both old and new beneficiaries, including on conservation agriculture, irrigation management, integrated soil fertility management and soil erosion protection in the context of horticulture and field-crop production, and to develop an extension support system for grantees. Training should be intensified as a pre- or a parallel condition to grant applications and in collaboration with a technical service provider, together with existing initiatives such as DAR or the National University of Lesotho (NUL). Practical demonstrations on the application of CSA technologies, e.g. through a lead farmer approach should be incorporated into project activities.

Such renewed attention on CSA-focused training should be supported by the development of easy-to-understand manuals and factsheets on CSA techniques in English and Sesotho. To be practical and demand-driven, the documentation should be modular, including on horticulture, conservation farming, integrated pest management, and also include basics on food processing, business planning

and value chain approaches. Training and extension materials should encourage exchange and pooling of resources and knowledge. As smartphone use is widespread among farmers, documentation should take this into account and be equally tailored for digital use, upload and sharing. This would encourage the establishment of user groups, e.g. for experience exchange on technology use, identification of invasive species or pests, or even pooling of produce or resources for improved market access.

Institutional capacity development

In the initial LASAP design, mainstreaming of adaptive capacities was aimed for through outcome 2.1 *Increased knowledge and understanding of climate variability and climate change-induced threats on agriculture*, and outcome 2.2 *Strengthened capacity of government stakeholders to reduce risks to climate-induced losses on agriculture*. Two scholarships for supporting the education of agro-meteorologists in MAFS and the Lesotho Meteorological Service are maintained by LASAP. However, institutional capacity at these two agencies was deemed too sketchy to engage in the foreseen activities to a) develop downscaled climate models and scenarios at a sufficient resolution relevant for district-level agricultural use, particularly in the four SADP project districts; b) acquisition of four fully automated agro-meteorological stations; and c) associated training for met stations' operation and data collection. In conjunction with the relatively weak emphasis on climate adaptation training and individual capacity development, this reduced focus on institutional capacity development leaves the project with an Achilles heel with regard to the mainstreaming of adaptive capacities to climate change.

Recommendations: The mission therefore recommends substituting the discontinued activities with a capacity development strategy based on the training needs assessment suggested above. A capacity development strategy should not only target project beneficiaries, i.e. farmers, but equally the institutional structures established to provide follow-up and extension, i.e. extension services, service providers and project field staff (DCSOs and PFOs), aiming to ensure consistency and continuity of follow-up and advice to the farming community, also beyond project lifetime. Engaging with GoL agencies in joint monitoring and evaluation of project activities and achievements would equally pave the way for instilling M&E capacities at government institutions to observe and analyse changes in adaptive production practices, livelihood opportunities and household assets.

Partnership building

With regard to partnership building, LASAP benefited from its late start, as it was possible to build upon already recognized SADP partnerships with GoL agencies, beneficiaries, service providers and international donor agencies. At the same time, it limited the need to embark on the search for additional productive pathways or to establish new delivery modalities, thus LASAP to some extent remained dependent upon the SADP parent project and some partnerships could be strengthened to reinforce LASAP aims.

Partner Name (may also include networks, multi-stakeholder partnerships etc.)	Details of partnership <i>Indicate whether NGO, INGO, UN agency, Government ministry, department or agency etc. Is the partnership based on written agreement? Provide any additional details about the partnership</i>
Co-financing partnerships	
Ministry of Agriculture and Food Security (MAFS)	Government Agency Initially pledged co-financing to the amount of US\$ 2,020,000 to date materialized only partially (US\$223,776, or 11%).

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Beneficiaries	Farming cooperatives and individual farmers Beneficiaries contribute through cash co-financing in the competitive grants programme and in-kind contributions through work on their farming operations. It is estimated that their current contribution is at round US\$ 40,000 (status of 30 April 2020).
Knowledge management (KM) and Policy partners	
Department for Agriculture Research (DAR)	Government Department, within MAFS DAR has been working closely with the LASAP PMU in the field testing of various seed cultivars; demonstration plots were developed and the findings were reported on. Although the farmer-field days had a positive impact on farmers that participated, no clear evidence has been provided on adoption rates amongst crop producers. Collaboration with DAR in providing training to project field staff and extension services should be strengthened.
University of Cape Town (UCT)	South African Research Institution UCT is involved in research on the economic effects of climate change on selected value chains in Lesotho and the work of DAR and LASAP could benefit from a collaboration and partnership with UCT
International Council for Research in Agroforestry (ICRAF)	International Research Institution Within the Wool and Mohair Promotion Project (WAMPP), ICRAF conducts research on the use of satellite imagery and field data for land health surveillance. Both data and research results could be beneficial for LASAP aims and closer collaboration should be sought.
National University of Lesotho (NUL)	NUL's Department of Soil Science and Resource Conservation was fully engaged in the LASAP design and has Lesotho-wide training experience in CSA approaches through collaboration with FAO. So far, LASAP has not re-engaged with NUL for further collaboration.
Private Sector	
LASAP provided grant funding for beneficiaries to procure climate-smart production equipment from reputable suppliers of equipment, supplies and livestock. Some of these suppliers are based in Lesotho while others are in SA. During the implementation process lessons were learnt of which suppliers are reputable and can be trusted to provide good-quality equipment and who can provide after-sales services to clients in Lesotho. Dicl is for instance one such supplier of shade nets and greenhouses from SA that has provided good value for money and who could be trusted. The same applies for the supply of quality genetic material – pigs and various kinds of poultry products – egg-layers, mixed breeds, broilers, day-old chickens and parent-stock suppliers.	
Coordination/Implementing Partners	
Ministry of Agriculture and Food Security (MAFS)	Government Ministry LASAP's decentralised implementation is conducted from the MAFS district offices where project field officers are based and work in close collaboration with district agricultural officers, the extension staff and other subject-matter specialists from departments such as Livestock Services or Crop Services.

Basotho Enterprises Development Corporation (BEDCO) and Ministry of Small Business Development, Cooperatives and Marketing (MSCM)	Government Agencies SADP and consequently LASAP are centring on small-enterprise development with a focus on agriculture production and agro-processing activities. There is an alignment with what BEDCO is doing and collaboration could be beneficial – especially where BEDCO could promote climate-smart technologies to rural entrepreneurs. Links with the Ministry of Small Business Development, Cooperatives and Marketing (MSCM) play an important role in creating fresh-produce markets for grantees, not only in the LASAP context, but also beyond.
World Bank (WB)	Due to the integration of LASAP into SADP, relations were also established with the World Bank, co-funding SADP. The WB expressed its support of LASAP during this mission (04/2020) and noted the important impact LASAP had on the design for SADP II in strengthening and integrating climate adaptation into the project strategy. As the two projects were implemented by the same PMU, and WB was the cooperating institution, every-day matters in terms of PMU equipment, staffing etc. were partly handled by the WB.
IFAD and GEF	IFAD is a co-implementing partner for SADP, together with the WB, and implementing agency for LASAP. In line with its operational procedures, the GEF as the LASAP funding agency delegated oversight and project management authority to IFAD. Through regular supervisory and review missions, IFAD fulfils its supervisory functions and supports the PMU with recommendations on project execution.

Exit strategy

Neither SADP, having completed operations in March 2020, nor LASAP have formulated an exit strategy. With only 11 months of normal project operations left for LASAP, this would cause great concern for any mid-term review mission. However, LASAP is not operating under normal circumstances, and some of the earlier-mentioned disadvantages now also turn into advantages.

- **Late start:** LASAP was designed as an add-on to SADP to operate in parallel for 6 years, from 2012 – 2017. As LASAP only became operational in 2017, it would have had only a very brief overlap with its parent project to influence its operations, but LASAP was able to build on already established delivery modalities.
- **SADP extension:** SADP was extended for another 2 years (2018-2020) and re-funded by the WB. Therefore, LASAP was able to collaborate for over 2 years, leaving its imprint on climate adaptation and resilience, albeit also struggling with the big shadow of SADP under which the establishment of a full project recognition was challenging.
- **SADP II development:** IFAD and WB agreed to further collaborate for a second phase of SADP. Both realised the need and demand for climate adaptation and resilience building in the agricultural sector of Lesotho and SADP II was designed with a strong integrated component on CSA, building on the emerging footprint of LASAP.

As said, the initial disadvantage of the late start turned into an advantage for LASAP, as subsequent adjustments allowed for a project interlacing and collaboration that has the opportunity of being much stronger than initially planned for, to broaden LASAP aims and to focus on closing the existing gaps in implementation and M&E.

Therefore, LASAP is 'by chance' presented with an exit strategy and the opportunity to build the climate adaptation foundations for and the resilience-bridge to its follow-up project (SADP II). LASAP for its final 11 months can thus concentrate on the mission's lessons to be learned, particularly to support the development of individual and institutional capacities for climate adaptation opportunities in Lesotho, as well as to strengthen LASAP's M&E to measure the impact of its operations, so as to pass on good practice and lessons learned.

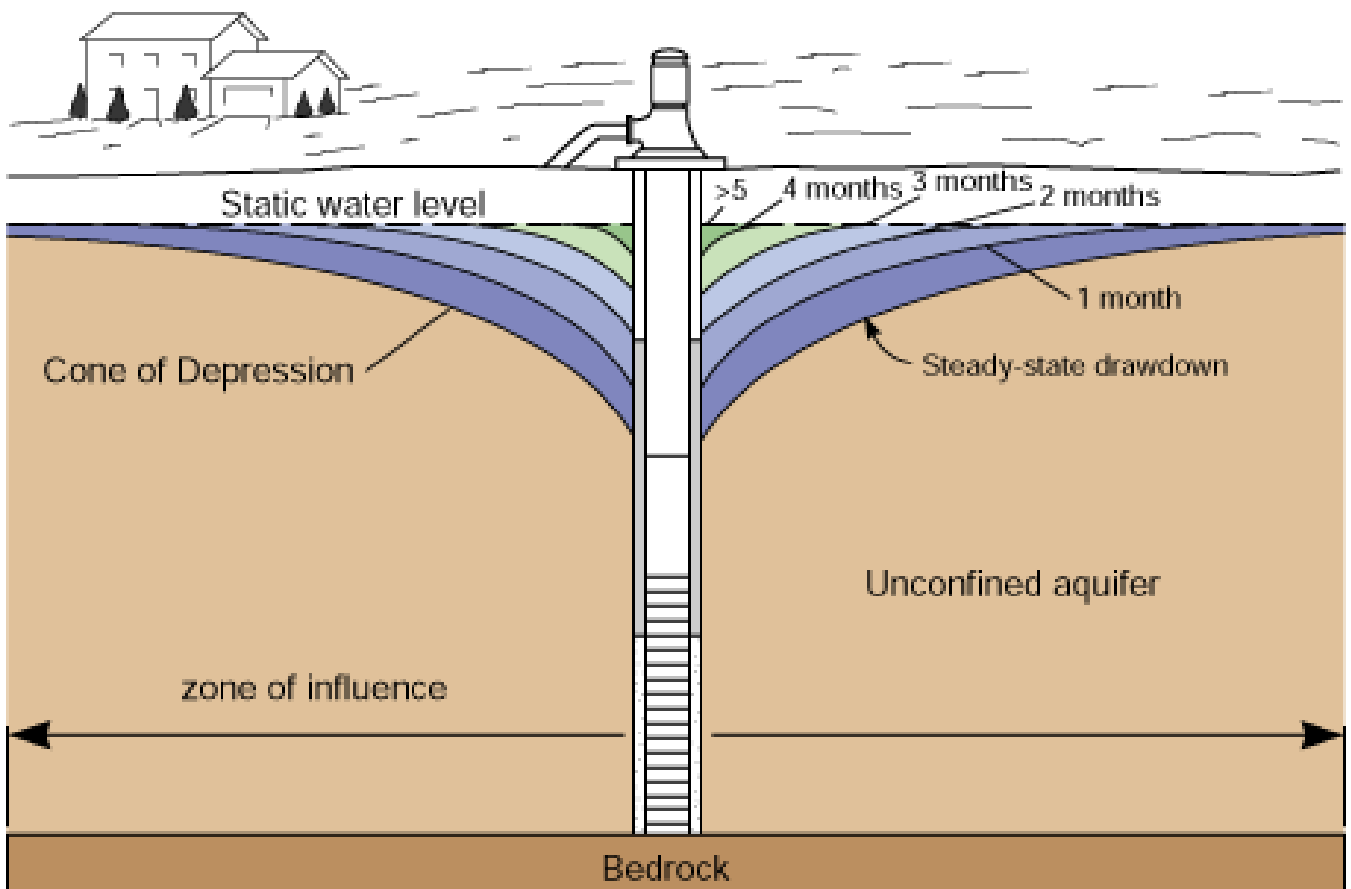
In terms of beneficiary support, it was agreed with SADP II to already take over supervision and capacity development from those agribusinesses supported under SADP I/LASAP that would still require it, as required and feasible. It is hence recommended that the improved M&E will also assess business viability and resilience at LASAP completion, and to 'pass on' those with continued need to SADP II. Yet, it is noted that, ideally, sustainability would require to either reach an established state of business, or connect those in need with available support from the private sector or government/parastatal agencies. Yet, the latter seems limited in Lesotho, partly justifying SADP II.

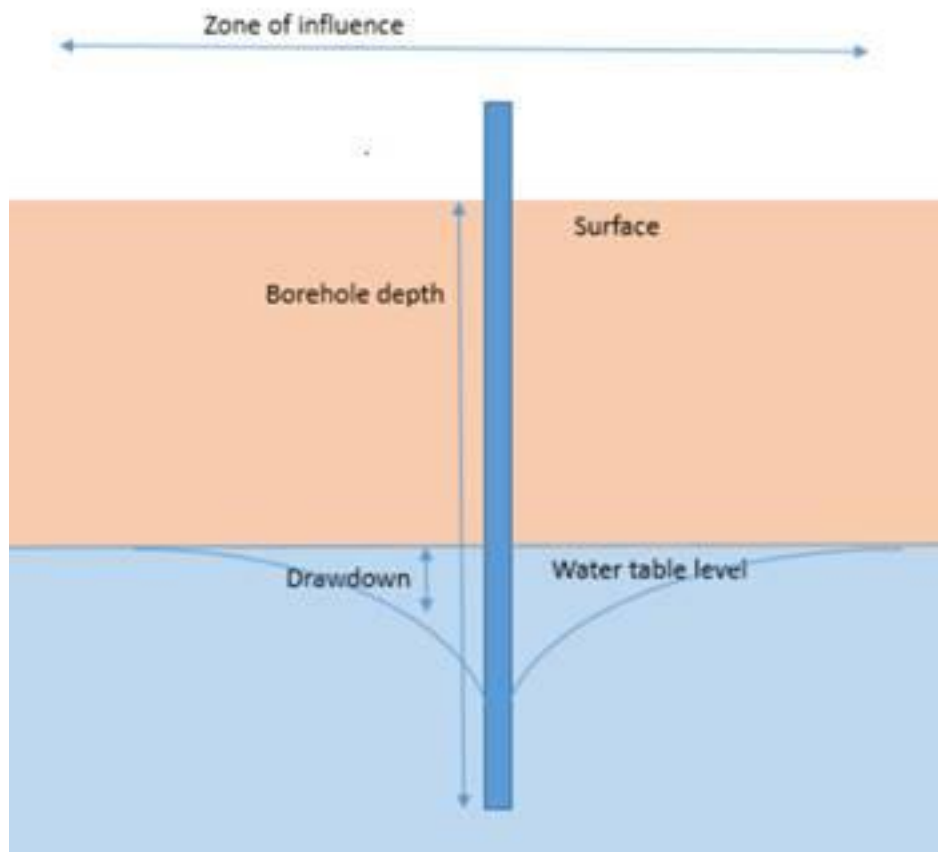
Technical Annex 2: Status of boreholes under LASAP

- **Boreholes** can secure agricultural production, especially during dry periods when sourcing water is challenging and market conditions are favourable.
- **Rainwater harvesting** can replace boreholes, but sufficient water storage capacities are required to bridge the dry season. This requires careful design for the right catchment area size and sizing of the reservoir. This is not normally the case in most projects.
- The **need for boreholes** may be greater in Lesotho's Lowland, and less in the Highlands or Orange River Valley, because of less water sources available that can be piped.
- IFAD follows good practice and all boreholes financed by IFAD should require the following, whenever feasible:
 - **Hydro-geological studies:** As much as feasible, hydro-geological studies should be done whenever intensive bore hole use is intended and in water scarce areas. The depth of the studies will depend on the intended abstraction rates of the boreholes. The studies will also be used to site best location for the boreholes, to increase the chances of success in drilling. There are low cost ways to site boreholes that can be used.
 - **Drawdown test:** The drawdown is the difference between the normal water table level (water table with no abstraction) and the level during water pumping. The drawdown test is measured by pumping at different rates until one gets the rate at which the water level in the borehole remaining static (or almost). A dipper is used to measure water table levels. When a borehole is drilled, the drawdown test is used to determine the sustainable yield of the borehole and the position to place the pump. When a pumping rate is selected, continuous pumping can be done for 8-48hrs (or intended duration of pumping) depending on intended use of the borehole, to ensure the water level in the borehole remains static during use. After this pumping, a recovery test should be done.
 - **Recovery test:** At completion of the borehole drilling and installation, a recovery test can also be carried out. This is a measure of long it takes for the drawdown to recover to the original level. The drawdown test helps to determine the recovery rate of the aquifer and the sustainable extraction rate.
 - **Zone of influence:** Determine zone of influence of the borehole. If needed, the test should be undertaken to see if other boreholes are in the zone of influence of the new drilled borehole and if they are affected by the new borehole. This is mainly for boreholes with large yields as the cost of drilling monitoring boreholes is high.
 - **GPS mapping** of all borehole locations (and existing nearby boreholes)
 - **Record keeping** of key borehole specifications such as drawdown, recovery rate and sustainable extraction rate (more specifications below)
 - **Systematic and regular monitoring** of the volumes and times of water extraction and drawdowns and recovery.
 - For large irrigation schemes, **observation wells** should be established, or use can be made of already existing boreholes, to monitor water table levels.

- The deeper the borehole is the more **energy** is needed to extract water, increasing the operational costs for the producer. In most cases, energy costs lead to failure of the borehole irrigation business. There is a risk that small producers underestimate the costs of water extraction and businesses go bust.
- **Solar pumps** are good for reducing the operational costs for the farmer, but tend to lead to over-extraction of groundwater, because energy comes at no cost and there is little incentive to save water as pumps are constantly in use.
- Common practice for boreholes for **domestic water/small gardens** is that few or no tests are done because water extraction is low.

WATER-TABLE DRAWDOWN AND RECOVERY AFTER PUMPING





Recommendations for LASAP and SADP2:

During borehole drilling:

- The service provider drilling boreholes has to conduct a drawdown test before installing the pumping device to determine the recovery period and recommended sustainable water extraction amounts and recommended duration of pumping. With an experienced driller, a blow yield test can adequately estimate the yield during borehole cleaning and development, avoiding rigorous tests for small boreholes.
- GPS mapping of all borehole locations and recording of borehole specifications (depth of water table, depth of borehole, diameter of hole by depth, thickness of aquifer, drawdown at completion, recovery time at completion, recommended pumping yield, recommended depth of pump placement, casing type by depth)
- Mandatory instalment of borehole logs measuring a) volumes; b) duration of water extraction; and c) drawdown

During borehole usage:

- Regular collection of or reporting on borehole log measurements

Other points of consideration:

- **Estimate water demand.** In particular with green or shaded houses, the demand for water for agriculture will of course overshadow any demand from other sectors / uses like drinking water, domestic (washing clothes), livestock (like pig rearing). It is still important

to collect the water demand from all household members and build a correct overview of the demand. Because this may impact the overall design of the “microproject” for which a matching grant is sought.

- **Test for drinking water.** Where the water from the borehole will be used for drinking, you may well want to ask for quality test to ensure it is OK for human consumption. On the other hand, drinking quality level of water available can also benefit agro-processing activity (= contributes to food safety).
- **Increase the efficiency and the productivity of the water used by agriculture.** Drip is relevant, in particular for greenhouses, but I am always reluctant to limit technology choice as a certain level of water productivity can be achieved through different pathways (crop variety, technology, cropping itinerary...).
- **Ensure that only renewable water is mobilized.** Your suggestion to shift towards rainwater harvesting (RWH) is good. And the topography illustrated by the pictures shared shows:
 - Regressive erosion from water (= runoff too important in view of soil quality). So runoff would need to be slowed down; gullies would need to be treated for the erosive process to stop (farmers may be motivated as they are losing area).
 - Gentle slopes. There may be an opportunity to harvest water:
 - A 1st step would be to include an estimate of the potential to be harvested (= simple water balance between rainfall and rate of infiltration in relation to the nature of the soil which gives an estimate of runoff to be caught).
 - This runoff can then either be stored in one or more locations (different elevations) to match the requirement in terms of volume and with low yield pumping devices to bring the water back to the greenhouses, or directed to groundwater recharge.
 - Water metering...

Further resources:

- <https://www.rural-water-supply.net/en/sustainable-groundwater-management/professionnal-water-well-drilling>.

In particular:

- [Borehole Drilling – Planning, Contracting & Management: A UNICEF Toolkit Professional Water Well Drilling](#)
- <http://www.kgs.ku.edu/HighPlains/atlas/apdrdwn.htm>

Appendix 5: LASAP Implementation Plan 2020/21 (Leading into SADP II)

	DESCRIPTION	OUTPUT	START BY	EN D BY	TOTAL AMOUNT (M)	TOTAL AMOUNT (USD)	Logfra me Target	Log Frame Indicator
Component 1: Reduced Vulnerability of Agricultural Production								
Sub Component 1.1 : Mainstreamed Adaptation in Local level Agricultural Planning								
Activity Group 1.1.1: Vulnerability Mapping, Analysis and Related Adaptation								
Guidance								
1.1.1.1	Conduct Beans on-station and on-farm studies and demonstrations in two districts (Leribe Berea).	Demonstrations	01-Oct	31-Mar	40 000,00	2 500,00	2	# and quality of appropriate of guidance products produced
1.1.1.2	Conduct sunflower on-station and on-farm studies and demonstrations in two districts (Leribe and Berea).	Demonstrations	01-Oct	31-Mar	40 000,00	2 500,00	2	# and quality of appropriate of guidance products produced
1.1.1.3.	Conduct Sorghum on-farm studies and demonstrations in two districts (Mafeteng and Quthing).	Demonstrations	01-Oct	31-Mar	40 000,00	2 500,00	2	# and quality of appropriate of guidance products produced
1.1.1.4	Conduct wheat on-farm studies and demonstrations in two districts (Mafeteng and Quthing).	Demonstrations	01-Oct	31-Mar	40 000,00	2 500,00	2	# and quality of appropriate of guidance products produced
1.1.1.5	Conduct ware potato on-farm studies and demonstrations in two districts (Butha Buthe and Quthing).	Demonstrations	01-Oct	31-Mar	40 000,00	2 500,00	2	# and quality of appropriate of guidance products produced
1.1.1.6	Conduct High Lift Rump pump and gravity fed/ drip irrigated vegetable production demos. in two districts (Quthing and Berea)	Demonstrations	01-Oct	31-Mar	40 000,00	2 500,00	2	# and quality of appropriate of guidance products produced
1.1.1.7	Conduct on farm Conservation Agriculture (CA) and Integrated Pest Management (IPM) study (striga) in Butha Butha and Quthing	Demonstrations	01-Oct	31-Mar	30 000,00	1 875,00	2	# and quality of appropriate of guidance products produced
1.1.1.8	Conduct on farm studies and demonstrations on vegetable production under the tunnels in seven districts (Botha Bothe, Leribe, Berea, Maseru, Mafeteng, Mohale's Hoek and Quthing)	Demonstrations	01-Oct	31-Mar	140 000,00	8 750,00	7	# and quality of appropriate of guidance products produced

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1.1.1.9	Sorghum Dehuller	Equipment	01-Apr	30-Jun	100 000,00	6 250,00	1	Quality of appropriate of guidance products produced
1.1.2.10	Oil Presser	Equipment	01-Apr	30-Jun	110 000,00	6 875,00	1	Quality of appropriate of guidance products produced
1.1.2.11	Soil Moisture Propellers	Equipment	01-Apr	30-Jun	20 000,00	1 250,00	10	Quality of appropriate of guidance products produced
1.1.2.12	Handheld Rotavators	Equipment	01-Apr	30-Jun	80 000,00	5 000,00	1	Quality of appropriate of guidance products produced
1.1.2.13	Demonstration of post- harvest equipment's	Equipment	30-Jun	31-Oct	240 000,00	15 000,00	1	Quality of appropriate of guidance products produced
1.1.2.14	Awareness campaigns, publications and field days	Training	01-Apr	20-Dec	240 000,00	15 000,00	5	17 field days held, 8 radio programmes held, pamphlets published & at least 25% adoption
Sub Total					1 200 000,00	75 000,00		
Sub Component 1.2: Increased Adaptative Capacity of Small-Scale Farming Systems								
Activity Group 1.2.1: Adaptive Measures Introduced to Minimize Climate Change Impacts								
1.2.1.1	Grants awarded - 10th Round of applications	10th application	01-Apr	31-Mar	18 723 172,16	1 170 198,26	121	Grants implemented that promote resilience
1.2.1.2	Sub Projects to climate proof	Grants	01-Apr	31-Mar	3 249 504,00	203 094,00	60	Sub projects implemented that promote resilience
1.2.1.3	Salaries - District Climate Officers	Salaries	01-Apr	31-Mar	1 260 000,00	78 750,00		To support project implementation
Sub Total					23 232 676,16	1 452 042,26		
Activity Group 1.2.2: Innovative practices, Technologies and Infrastructures								
1.2.2.1	Training of Nutrition Officers at National Food Technology Research Centre in Botswana	Training	01-May	30-Jun	110 000,00	6 875,00	14	Nutrition staff trained who each would train 15 farmers & total of 210 farmers to increase capacity to understand climate smart information technology
1.2.2.2	Study Tour to South Africa to various Agribusinesses and processors	Training	01-May	30-Jun	800 000,00	50 000,00	121	121 Beneficiaries undertake a study tour to South Africa
1.2.2.3	Training of farmers on Pest Control and Management under the shade nets	Training	01-May	31-Oct	350 000,00	21 875,00	250	250 farmers trained by the extension on pest control management
1.2.2.4	Lessons learnt workshop for the 10th round beneficiaries	Training	01-Sep	30-Sep	180 000,00	11 250,00	150	10th beneficiaries meet to take stock on what has worked and learn from their counterparts in the previous rounds
1.2.2.5	Enhanced M & E System	Consultancy	01-Sep	31-Dec	160 000,00	10 000,00	1	To improve M & E in order to improve data capturing and processing
1.2.2.6	Adoption studies by DARS and the PMU	Studies	01-Jul	31-Mar	320 000,00	20 000,00	1	To increase adoption of the trials undertaken by DAR
1.2.2.7	Needs Assessment to feed into design of trials for vegetable production	Studies	01-Sep	31-Mar	160 000,00	10 000,00	1	To improve vegetable productivity and profitability

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1.2.2.8	Prepare Lesotho's food system for COVID: identify key areas for interventions to ensure the agricultural value chains can restart and continue to function	Consultancy	01-Sep	31-Dec	800 000,00	50 000,00	1	To determine the policy interventions and propose the possible mitigation measures
Sub Total					2 880 000,00	180 000,00		
2.0 Enhanced Capacity to Support Agricultural Production								
Sub component 2.1: Increased Knowledge and Understanding of Climate Variability and Climate Change Induced threats on Agriculture								
Activity Group 2.1.1: Monitoring System in place to Disseminate Timely climate Information								
2.1.1.1	Train the trainers approach for CSA, i.e. for CSA officers, PFOs, service providers and GoL extension services incl. extension	Consultancy	01-Jul	31-Mar	400 000,00	25 000,00	150	150 farmers trained on CSA approach
2.1.1.2	Development of CSA manual in English and Sesotho	Consultancy			640 000,00	40 000,00		
2.1.1.3	Training needs assessment & develop capacity development strategy to improve CSA uptake and Business skills	Consultancy	01-Jul	31-Oct	480 000,00	30 000,00	121	121 farmers trained on CSA and business management
2.1.1.4	Training on Capacity development strategy	Consultancy	01-Jul	31-Oct	560 000,00	35 000,00	1	To develop the capacity development strategy
2.1.1.5	Follow up on ESMP implementation and extension of ESMP templates to include climate considerations	Consultancy	01-Jul	31-Dec	225 923,10	14 120,19	1	To develop templates on ESMP
2.1.1.6	Travelling costs	operational	01-Apr	31-Mar	180 000,00	11 250,00	1	To support project implementation
2.1.1.7	Procurement of the Monitoring and Evaluation software	Equipment	01-May	30-Jun	80 000,00	5 000,00	1	To improve data collection and capturing of indicators
2.1.1.8	Procurement of tablets	Equipment	01-May	30-Jun	80 000,00	5 000,00	10	To improve data collection and capturing of indicators
2.1.1.8	Staff salaries - Assistant M & E	Operational	01-Apr	31-Mar	360 000,00	22 500,00	1	To support project implementation
2.2.1.9	Knowledge Management	Training	01-Apr	31-Oct	233 300,00	14 581,25	2	Climate change workshops, meetings or other events
2.2.1.10	Completion Survey	Study	01-Jan	31-Mar	500 000,00	31 250,00	1	To assess the performance of the project
2.2.1.11	Operational costs	operational	01-Apr	31-Mar	15 615,48	975,97	1	To support project implementation
2.2.1.12	Training of Accounts staff on IFAD disbursement procedures	Training	02-Sep	01-Dec	160 000,00	10 000,00	2	
Sub Total					3 914 838,58	244 677,41		

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Activity Group 2.1.2: Climate and Agro Metrological Information included in Agricultural Information systems								
2.1.2.1	Study tour to Cape Town on climate change and adaptation	Training	01-Sep	30-Sep	200 000,00	12 500,00	1	# of trained extension staff who understand and apply improved climate information at field level
2.1.2.2	Effective Stakeholder Management Training	Training	01-Sep	30-Sep	300 000,00	18 750,00	1	# of trained extension staff who understand and apply improved climate information at field level
2.1.2.3	Develop youth and gender action plan	Consultancy	01-Sep	31-Mar	300 000,00	18 750,00	1	To develop an action plan that will guide SADP2
Sub Total					800 000,00	50 000,00		
Sub Component 2.3: Strengthen Capacity of Government Stakeholders to reduce risks to Climate- Induced losses on agriculture								
Activity Group 2.3.1: Capacity of Met Service and MAFS staff on the links between Climate Change and Agriculture Strengthened								
2.3.1.1	Scholarships for Department of Agricultural Research on MSC on Agro Metrology continues	Training	01-Apr	31-Mar	213 000,00	13 312,50	1	DAR staff dedicated to agro-meteorological services in MAFS and LMS at the end of the project, % of which are women
Sub Total					213 000,00	13 312,50		
Sub Component 2.4: Awareness and Capacity of local actors								
Activity Group 2.4.1: Effective Awareness raising and communication campaign								
2.4.1.1	Awareness Workshops on climate change, resilience and Adaptation	Training	01-Oct	31-Oct	150 000,00	9 375,00	1	# of trained extension staff who understand and apply improved climate information at field level
Sub Total					150 000,00	9 375,00		
Component 3: Project Management								
Sub Component 3.1: Project Management Unit								
Activity Group 3.1.1: Project Management Unit								
3.1.1.1	Staff salaries - Assistant Accountant	Operational	01-Apr	31-Mar	360 000,00	22 500,00	1	To support project implementation
3.1.1.2	Operational costs	operational	01-Apr	31-Mar	30 000,00	1 875,00	1	To support project implementation
Sub Total					390 000,00	24 375,00		
GRAND TOTAL					32 780 514,74	2 048 782,17		

Appendix 6: Annexures from LASAP Aide-Memoire that guide a response to the effects of COVID-19

Annex 1: Lesotho Adaptation of Small-Scale Agricultural Production (LASAP) COVID-19 Response Proposal

The resulting lockdown of countries and their systems to contain the spread of COVID-19 has led to the breakdown of food production and distribution due to disruptions in input supply and output marketing. Even where agricultural value chains are recognised as essential services in government decrees, the complication and lack of awareness of how to apply for permission for opening of stores, ability to travel to input or output markets, and to be allowed to work etc is very limited. This has resulted negatively on food systems, rural livelihoods, food security and nutrition, and wage labour employment.

- LASAP is proposing to hire a consultant to evaluate the impacts of COVID-19 on Lesotho's food systems and to identify key areas for interventions to ensure the agricultural value chains can restart and continue to function. The consultant will work with the different line ministries/departments, propose what decree(s), protocol(s) and license(s) etc would be needed to ensure a safe food supply.

The key areas for this work would be to evaluate the impacts of the lockdown on agricultural value chains and propose solutions to address these impacts. The terms of reference for this work will include, but not be limited to:

- LASAP District teams to collect data and information on the status and evolving impacts of the crisis in their respective areas. Consolidation and analysis at central level.
- Establishment of certified transport and logistics systems operating based on COVID-19 safety protocols issued by WHO. This will cover harvesting, drying, processing, storage, and movement to output markets, as well as movement of inputs. Key interventions will be:
 - COVID-19 testing of all actors along the value chain
 - Provision of personal protective equipment (masks, gowns, sanitisers)
 - Provision of disinfected trucks (inc. refrigerated trucks if needed)
 - Provision of ambient and cold storage facilities, depots and warehouses
 - Use of mobile payments system and avoidance of cash handling
- Communication along the value chain so all actors understand the processes. Key interventions will be:
 - Community awareness campaigns providing information to farmers and microenterprises on the safe transport and logistic system being set up and detailing how input and output markets will operate.
 - Development of approved stakeholders lists and circulation through national and local communication channels.
- Review of the needs of microfinance organisations, SMEs and others supplying micro-credit to smallholder farmers and value chain actors. Key interventions will be:
 - Assessment of working capital needs to enable existing businesses to remain operational, so they are ready to restart full operations once the lockdown ends.
 - Assessment of SME/micro-finance lease financing for mechanisation (agricultural tools, power tiller, tractors, thresher equipment, small-scale rice milling) to mitigate labour shortages.
 - Assessment if loan repayments need to be deferred for a specified period.

Annex 2: Principles for COVID-19 Round (On the provision that funds are made available)

This annex reflects the mission's agreements on how the COVID-19 round should be operationalised, shall funding become available.

The mission was requested to support the GoL and MAFS in considering how government should respond to COVID-19 to the extent of M100 million could be channelled to increase production and productivity. At the request of MAFS, the mission confirmed the utilization of the majority of these funds for additional matching grants, which will be named the COVID-19 response round (internally 11th round) and apply slightly varied principles. During the mission, it became apparent that the funds are not yet available, and hence this work is captured here for reference, in the event that funds are availed.

Principles for COVID-19 round: The round will have a dedicated target to emerging and younger farmers, hence a 25% target for grants to farmers age 35 or younger is entailed. It will also be limited to productive activities that have proven successful under the SADP, including crops, horticulture, small livestock (limited to poultry, rabbits and fishery), as well as processing and packaging enterprises. Mandatory training will be given to all new beneficiaries on business management, marketing, CSA practices, social capital and environment. Service Providers should have a binding contract with clear terms and conditions to instil responsibility and provide continuous support.

Improved monitoring: As part of the SADP completion process, and during the MTR mission, weaknesses in quality and timely monitoring of grant recipients was noted. It is such a recommendation that the PMU is up-grading the internal monitoring system to capture the up-coming round more robustly. An available software from the market, shall be procured and PFOs can enter data on a monthly or a fortnightly basis. A short-term consultancy will support the PMU in developing the required protocols and ensure a light work-load for implementing officers (potentially using smart-phone data entry). The PMU M&E staff should be capacitated and focussed on tracking and reporting on the use of assets purchased with project grants, training compliance, service providers' follow-up activities with farmers. The M&E system includes a clear division of roles and responsibilities, and procedures/requirements on how data is collected, aggregated and disseminated amongst PMU staff members.

Improved financial management: The SADP had introduced a range of improvements in financial management. Yet it became apparent that a significant amount of grants were recorded as ineligible after a recent stock-take. This is partly explained by in-proper book keeping on the recipient side, but also weaknesses in the checking of invoices. The quality of reporting by some service providers were not to the level that was expected from them. The PMU will be required to address these issues and ensure that SPs, PFOs and grant officers have a clear understanding of what is exactly required from them.

Further Guidelines with respect to necessary actions required:

Agreed action	Responsibility
Recruit management consultant (for 8 months) to support Round 11 preparation and address shortcomings flagged by this and past mission	PMU
Update grant manual , and draft call for round 11 / COVID-19 round and submit for IFAD No Objection	PMU
Prepare a TOR and recruit a training consultant or firm to conduct training-of-trainers to capacitate SPs to provide improved technical assistance on progress and financial reporting, agricultural production activities, CSA orientation and provide mentoring support to beneficiaries; the mission team will also follow up with procurement of this training	PMU

A special and separate bank account will have to be opened to facilitate the COVID-19 funds from the GoL	PMU
Consider a 6 to12-month extension of LASAP closing date: In the event of additional funds, the project completion date should be revised with extension of up to 1 year and rescheduling of activities.	IFAD/GEF

Appendix 7: Mission preparation and planning, schedules, people met

Detailed LASAP Mission Schedule for Virtual Mission: 20 April - 30 April 2020			
Day	Start	End	Meeting
Monday - April 20	8:30: AM	9:30: AM	Kick-off discussion with the mission team.
	10:00: AM	10:30: AM	Mission logistic organisation
	10:00 AM	10:45 AM	Courtesy Call to the Principal Secretary of MAFS
	1:30 PM	4:00 PM	Presentation by the PMU
	4:00 PM	4:30 PM	Up-date of week plan
	4:30 PM	5:15 PM	Mission Debriefing
	6:00 PM	8:00 PM	Mission Planning
	Tuesday - April 21	8:30 AM	9:00 AM
9:00 AM		10:00 AM	Call with Director field Services (former director)
10:30 AM		11:00 AM	Bilateral Engagement with Procurement Officer
10:00 AM		4:00 PM	Bilateral Engagement with Finance Officer
10:30 AM		11:00 AM	Engagement with Beneficiaries - Boiteko Majakaneng Piggery Production
11:00 AM		11:30 AM	Engagement with Beneficiaries - Itekeng Bafokeng vegetable production under shade net
11:00 AM		12:30 PM	LASAP – Covid-19 Discussion
2:00 PM		3:00 PM	Call with DPPA MAFS
2:30 PM		3:00 PM	Afternoon engagement with Beneficiaries - Community Development & Peace Promotion (CDPPM) – vegetable production under plastic tunnel
3:15 PM		4:30 PM	Bilateral Engagement with M&E Officer (Standing-in)
3:15 PM		4:30 PM	Bilateral Engagement with CSA Officer
4:30 PM	5:15 PM	Mission Debriefing	
Wednesday - 22 April	9:30 AM	10:00 AM	Engagement with Beneficiaries - Itekeng Matsola Multipurpose Association
	9:30 AM	10:00 AM	Engagement with Beneficiaries - Nala Farmland
	9:30 AM	12:00 PM	Bilateral Engagement with Procurement Officer
	9:30 AM	12:00 PM	Bilateral Engagement with Finance Officer
	10:30 AM	12:00 PM	Group call with Project Field Officers
	11:30 AM	12:00 PM	Me with Pheko - fixing wholes
	1:30 PM	2:00 PM	Afternoon engagement with Beneficiaries -Tsehetsetsang – Vegetable Production under shadenet
	2:15 PM	3:00 PM	LASAP Finance Call
	1:30 PM	2:00 PM	Beneficiary Engagement
	2:30 PM	3:30 PM	Engagement with Beneficiaries - Itekeng Farm Pty Ltd (Protected vegetable production)
3:30 PM	4:30 PM	Presentation from RIA on LASAP	
Thursday - 23 April	9:00 AM	10:30 AM	Mission Meeting
	10:30 AM	8:00 PM	Write-up of Aide Memoire

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	1:00 PM	1:50 PM	Meeting with LASAP Project Director
	2:30 PM	3:15 PM	Courtesy with Min of Finance, Director Debt
	3:00 PM	5:00 PM	LASAP ME Clinic with PMU
	3:30 PM	4:30 PM	Meeting with Likotsi - Department of Agri Research
	4:30 PM	5:15 PM	Mission debriefing
Friday - 24 April	7:00 AM	3:00 PM	Team to engage in individual follow-ups if needed
	9:00 AM	10:00 AM	Call with Service providers (2-3 people) (can also be in afternoon, if easier)
	10:00 AM	11:00 AM	Courtesy Call with WB TTL SADP
	11:00 AM	11:30 AM	WhatsApp call with the Procurement Officer
	11:30 AM	1:00 PM	Meeting with Prof Marake - NUL
	4:00 PM	4:00 PM	Deliver written inputs to mission leader
	3:00 PM	10:00 PM	Compiling and Review of Aide Memoire
Monday - 27 April	7:00 AM	5:00 PM	Circulate draft aide memoire with the PMU/MAFS and Development Planning
	9:30 AM	11:30 AM	Mission Morning Meeting
	2:30 PM	3:00 PM	Budget Discussion
	2:30 PM	2:30 PM	Discussion around component 2 - Implications
Tuesday - 28 April	9:30 AM	11:30 AM	Discussion of agreed actions with PMU
	11:30 AM	1:30 PM	Finalise the write-up of the aide memoire
	2:00 PM	3:00 PM	Debriefing with MAFS
	3:00 PM	3:30 PM	follow-up call with PO
Wednesday - 29 April	9:00 AM	5:00 PM	Write up of ORMS/GEF Report
Thursday - 30 April	9:00 AM	10:00 AM	Follow-up with mission team on any outstanding issues
	10:00 AM	5:00 PM	Write up of ORMS/GEF Report
Friday - 1 May	7:00 AM	5:00 PM	Overflow meetings (if necessary)

List of People Met:

LASAP - LIST OF PEOPLE MET (20 April – 30 April 2020)			
Name and Surname	Position	Affiliation	Contact Details
Malefetsane Nchaka	Principal Secretary	Ministry of Agriculture and Food Security	mnchaka@yahoo.com
Nthoateng Lebona	Principal Secretary	Ministry of Development Planning	nthoatengc@gmail.com
Ntitia Tuoane	Former Director of Field Services	Retired	ntitia@hotmail.com
Lucia Phakisi	Deputy Director of Planning	Ministry of Agriculture and Food Security	phakil@yahoo.com
Motai Ramokoini	Senior Economic Planner - Aid Coordination	Ministry of Development Planning	motai.ramokoini@gmail.com
Mampukatsana Manyope	Project Field Officer - Quthing	Ministry of Agriculture and Food Security	mapulatsanatopo@yahoo.com
Makhoboso Nthimo	Project Field Officer - Maseru	Ministry of Agriculture and Food Security	nthimolee@gmail.com
Mampho Makhaola	Project Field Officer - Mohale's Hoek	Ministry of Agriculture and Food Security	mamphomakhaola@yahoo.uk
Kotleli Thella	SADP - Beneficiary	Boiteko Majakaneng Piggery Production	+266 58 524 437
Masentle Charlie	SADP - Beneficiary	Itekeng Matsola Multipurpose Association	+266 57 715 022
Masekonyela Tsekana	SADP - Beneficiary	Nala Farmland	+266 58 972 526
Mangoajane Kalake	SADP - Beneficiary	Itekeng Farm Pty Ltd	+266 57 381 731
Athur Mabiso	Technical Specialist (Economist)	International Fund for Agricultural Development	a.mabiso@ifad.org
Khotso Moleleki	Director of Public Debt Management	Ministry of Finance	kmoleleki90@gmail.com
Kakole Likotsi	Agricultural Researcher - Agronomy	Ministry of Agriculture and Food Security	likotsikg@gmail.com
Makoala Marake	Associate Professor - Soil science	National University of Lesotho	mv.marake@nul.ls
Bobojon Yatmiov	Senior Agricultural Specialist	World Bank	byatimov@worldbank.org
Charmain Grover	Officer	SABRI Consulting Firm	cgroves@sabri.co.za
Lebohang Nthake	Extension Officer	Ministry of Agriculture and Food Security	leboadel61@gmail.com
Retselisitsoe Pheko	Project manager	Smallholder Agriculture Development Project	pheko.daniel@gmail.com
Deliwe Khemisi	Project Accountant	Smallholder Agriculture Development Project	DKhemisi@gmail.com
Lesetla Makoe	District Climate Smart Officer - Mafeteng	Smallholder Agriculture Development Project	makoealesetla@gmail.com
Mpho Mosola	Assistant M&E Officer	Smallholder Agriculture Development Project	MphoMosola@gmail.com
Tsotelo Lebetse	District Climate Smart Officer - Maseru	Smallholder Agriculture Development Project	lebetetsotelo@yahoo.com
Lebesa Matela	District Climate Smart Officer - Berea	Smallholder Agriculture Development Project	abedmatela@gmail.com
Makelello Motsetsero	District Climate Smart Officer - Butha Buthe	Smallholder Agriculture Development Project	makellyjmotz@gmail.com

Mission Terms of Reference:

TERMS OF REFERENCE

COUNTRY OF ASSIGNMENT/LOCATION: Lesotho (Remote)

MISSION NAME: Remote Mid-term Review (MTR) Mission of the Lesotho Adaptation of Small-Scale Agricultural Production project (LASAP)

MISSION START AND END DATES: 20 April to 30 April 2020

REPORT TO: Philipp Baumgartner, Country Director, ESA, IFAD

MISSION COMPOSITION:

Name	Position	Days contracted (home-based)
Mr Philipp Baumgartner	Country Director	-
Mr Henri Minaar	Value Chain Specialist and team leader	16
Mr Oliver Mundy	ECG mainstreaming specialist and SECAP expert	-
Mr Uli Priest	Environment & GEF Specialist	16
Ms Alice Abillu	Financial Management Specialist	12
Ms Putso Nyathi	Senior Agronomist	-
Mr Alessandro Neroni	Procurement Specialist	12
Ms Tapologo Radithipa	M&E and knowledge management specialist	12
Mr Ivonald Da Cruz	Program Management Specialist	12

** All mission members should be awarded 50USD allowance for airtime /phone-calls*

BACKGROUND

The Lesotho Adaptation of Small-Scale Agricultural Production project (LASAP) aims to promote resilience in agricultural investments and to build the capacity of Lesotho's smallholders and institutions to address climate change impacts on agricultural production. The LASAP is financed by a grant from the Least Developed Country Fund under the Global Environment Facility and responds to priorities of the Lesotho's National Adaptation Programme of Action. The LASAP has a total volume of USD 4.3 M. It was approved in September 2017 and ends in March 2021. The LASAP has three components: 1. Reduced Vulnerability of agricultural production, 2. Enhanced Capacity to support agricultural production in the context of climate change, and 3. Project Management. The project's outcomes are:

- (i) Mainstreamed adaptation in local level agricultural investment planning;
- (ii) Increased adaptive capacity of small-scale farming systems;
- (iii) Increased knowledge and understanding of climate variability and change-induced threats on agriculture;
- (iv) Strengthened capacity of government stakeholders to reduce risks to climate-induced losses on agriculture;
- (v) Awareness and capacity of local actors increased on climate change impacts and related adaptation measures.

The LASAP is an add-on to the Smallholder Agriculture Development project I (SADP I) that is funded by the World Bank and IFAD with the aim of increasing market output among smallholders in Lesotho's agriculture sector. The project management structures and activities of the LASAP are fully aligned with the SADP I. The GEF-funded investments are delivered in the same districts, among the same beneficiaries as the SADP and using the same mechanisms. The SADP I will end in March 2020 and is succeeded by SADP II that became effective in August 2019. Some activities under the LASAP will transition from SADP I to SADP II. Other technical assistance activities are delivered by the Ministry of Agriculture as lead executing agency, in partnership with the Lesotho Meteorological Service. The PMU of SADP II will be administering the remaining activities of LASAP, as was done under SADP I.

MISSION OBJECTIVES AND OUTPUTS

The IFAD Remote MTR Mission of the LASAP will be undertaken in partnership with the Ministry of Agriculture and Food Security of the Government of Lesotho.

The mission's objective is to support the project management team to conduct an in-depth evaluation of implementation issues and project adjustment options to allow for timely and efficient project delivery in the remaining 12 months until completion. Together with the project's management unit (PMU) the mission team will reconsider the relevance, efficiency and effectiveness of the project design and of the implementation approach, and to make necessary adjustments to achieve the development objective. The MTR will assess the operational aspects of the project such as project management and implementation of activities, financial management and disbursement arrangements, monitoring and evaluation. The MTR team will examine progress of each project activity, identify achievements and any constraints that have hindered project progress, identify lessons learnt and make recommendations regarding project design, management, institutional arrangements, monitoring and evaluation aspects, etc. The mission will follow-up on recommendations and agreed actions made during the December 2019 implementation support mission. The mission will assess in particular the following three areas:

- (i) Confirm the institutional set up and project management for LASAP in the transition of SADP I to SADP II, since the activities will continue to be carried out by the same PMU;
- (ii) Support the project to strengthen its work to achieve greater outcomes on climate resilience;
- (iii) Programming the remaining funds under the LASAP, and ensure full utilisation of funds in line with project objectives, or flag necessary re-allocations or partial cancelations;

MISSION OUTPUTS

The mission will produce five main outputs:

- **A concise Aide Memoire** (max 6 pages), summarising key findings and recommendations, to be discussed at the wrap-up and with the team;
- **A full MTR report**, following IFAD standard requirements. The main recommendations need to be discussed and agreed with the project team prior to wrap-up.
- **A draft action plan** with concrete milestones up to completion, specifically regarding fund allocation and exit strategy, and clear responsibility for the project to finalise this plan by May 2020 and submit for No Objection to IFAD (the action plan will be an Annex to the MTR report in ORMS);
- **Annexes and appendixes** as per MTR template; and
- **Proposed Amendments** to the Project Financing Agreement, if needed.

To reach the above three outputs, the mission will rely on strong preparatory work and coordination with key partners. Relevant documents will be reviewed prior to and during the first days of the mission.

INDIVIDUAL RESPONSIBILITIES, EXPECTED OUTPUTS

Mr Philipp Baumgartner, Country Director

The Country Director (CD) will be responsible for the introduction of the mission to government, and lead on key government meetings. He will lead the mission when present, and else be represented by the team leader.

Mr Henri Minaar, Value Chain Specialist and team leader, will be responsible for coordinating the overall mission. Specific tasks include:

- Coordinate the mission preparations and planning;
- Assign specific responsibility to the team members at the start of the mission. Ensure the overall consistency and quality of all of the mission's written contributions;
- Assess the overall project performance and quality of implementation in line with the defined result objectives, legal and financial agreements;
- Assess the appropriateness of the project's targeting strategy and its effective execution on the ground;
- Assess the sustainability of project interventions and results achieved;

- Assess the projects effectiveness, and efficiency;
- Assess the projects value for money in line with IFAD guidelines for MTR reporting;
- Check timelines of the whole project's chain of delivery (output, outcome and objective) and review validity of Theory of Change;
- If necessary, formulate proposals of project modification;
- Lead the assessment of value chain aspects of the project and provide recommendations how the project can further support value chain actors.
- Any other tasks assigned by the Country Director;

Deliverables:

- Compiled full ORMS report with mission members inputs, 3 working days after mission end, including all appendices (May 5)
- Signed Aide Memoire at mission end (April 27/28)
- Draft Action plan until completion of project (May 5)

Mr Oliver Mundy, ECG mainstreaming and SECAP specialist, will undertake the following tasks:

- Assessment of LASAP towards set objectives and implementation arrangements of LASAP under SADP II;
- Draft and contribute to the sections of the MTR report dealing with mainstreaming themes (targeting, gender and youth, beneficiary engagement, climate change adaptation, environment and NRM and human/social capital);
- Review the compliance with SECAP and follow up on the implementation of the Environmental and Social Management Framework;
- Ensure that the project takes steps to incorporate climate change adaptation in its training materials and Environment and Social Management Plans;
- Verify that LASAP has a grievance redress mechanism;
- Undertake any other relevant task as agreed with Mission Leader.

Deliverables:

- Sections for the ORMS report and AM as above/agreed with TL

Mr Uli Priest, Environment & GEF Specialist, will undertake the following tasks:

- Review activities under component 2 'Enhanced Capacity to support agricultural production in the context of climate change'.
- Draft and contribute to the sections of the MTR report on the exit strategy, potential for scaling up, institutions and policy engagement and partnership building;
- Support the assessment of the project's focus on climate change adaptation and NRM. Elaborate recommendations to further increase the projects focus on climate and environmental outcomes;
- Identify the key innovations and learning aspects implemented under the project and draft the project section on lessons learned / innovation;
- Ensure that the MTR report is conform to GEF reporting standards in terms of content, structure and language.

Deliverables:

- Sections in ORMS MTR and AM reports (as above/ agreed with TL)
- Short technical paper on major lessons and areas for innovation/scaling-up and supporting project exit (mindful of starting SADP II and ROLL/LIMAP project in Lesotho) (3-4 pages)

In addition, the consultant will support the Lesotho country team in the preparation of the GEF PIF for the up-coming ROLL / LIMAP project. He will work with the team lead of ROLL, and the IFAD Climate Expert on the PIF and submit a final PIF by May 20.

Ms Alice Abillu, Financial Management Specialist, will undertake the following tasks:

- Based on the financial reports prepared by the project, review the financial performance by expenditure category and component to assess the project's overall financial performance to date against (i) appraisal and (ii) approved AWPBs since project start. Review the cumulative status of funds by category of expenditure, approved AWPB and the project commitments (contracts signed not paid) in order to estimate the adequacy of funds and the potential need for category reallocations. Summarize the reasons for significant variances between expected and actual disbursement rates. Identify actual or potential problems and bottlenecks;
- Assess the project performance and fiduciary risk and describe major changes since project's inception;
- Assess regularity of WA preparation. Recommend concrete measures to ensure faster and more efficient disbursements
- Review Project disbursement and flow of funds from IFAD. Identify any issues in disbursement and fund flow; Assess the project's treasury planning; analyse adequacy of DA authorised allocation, with respect to projected expenditure requirements;
- Describe banking arrangements. Examine utilization and status of the Special Account and Project Accounts. Summarize financial progress by expenditure categories and by component in line with the required Aide Memoire formats. Ensure that the bank reconciliations and DA account reconciliations are correctly prepared on a monthly basis. Validate the closing balances from copies of the bank statement and clarify the status of the reconciliation items (if any); Provide support to the appropriate Project staff as required;
- Identify financing agreement covenants and verify project's compliance;
- Describe internal audit arrangements including reporting lines, methodology/procedures, audit work plan and status/follow up on past recommendations; review IA reports [if the Borrower is willing to share them], describe findings;
- Provide guidance to the Project on preparing financial statements and withdrawal applications in line with IFAD procedures and requirements;
- Review functionality of accounting and financial reporting system identify accounting standards used and report differences with IFRS/IPSAS. Assess timeliness of recording transactions, budget posting and reconciliations. Assess suitability of the chart of accounts;
- Review the system for Statement of Expenditures (SOE), including the utilisation of funds and spotchecking of the documentation of expenditures claimed under SOE, the need for reallocations and compliance with financial covenants. Provide support and guidance to the Project as required;
- Document findings on individual SOE items, noting down any ineligible expenditures. Provide recommendations on any internal controls weakness noted;
- Review the expenditure process from the District offices in terms of quality, completeness, timeliness and compliance;
- Review the Borrower's record-keeping and accounting systems, including ensuring that the accounting records are kept updated;
- Review availability of counterpart funds (government and beneficiaries), identifying bottlenecks if any. Verify that the value of in-kind contributions from government and beneficiaries, if any, are estimated and recorded by the project;
- Review the issue of payment of taxes. Review compliance on the repayment of taxes;
- Review latest external audit report and project's audit log; assess status of implementation of management letter recommendations. Verify status of preparation of upcoming audit and make recommendations as appropriate for extending the scope of audit to specific implementing entities, physical checks, performance audit, transaction list or other;
- Review action taken to address recommendations of previous FM-related mission;
- Identify current risks arising from material deficiencies and propose practical recommendations for improving financial management functions and/or capacity of staff for financial operations needed to mitigate risks. Prepare the current Summary Risk Analysis;

- Prepare a technical note on the above areas and a relevant section for the Aide Memoire by the date agreed, and submit technical report no later than 2 days after the last day of the field mission; Input to Main body of the aide-memoire: - Section E. Fiduciary Aspects covering : (a) financial management; (b) disbursement; (c) counterpart funds; (d) loan covenants; (e) procurement; (f) external Audit; and the summary Risk Analysis table specifying, as relevant, the agreed actions, responsibilities and dates in respect of fiduciary mitigation actions;
- Any other tasks related to the mission as agreed with the Team Leader and Country Project manager;

Expected Outputs:

- Inputs to the Aide-Memoire on Fiduciary aspects
- FMAQ
- Inputs to the supervision mission report
- Financial Management appendices
- SOEs check checklist
- Checklist to evaluate the accounting software
- Up-dated CostTabs

Ms Putso Nyathi, Senior Agronomist, will only be able to join the mission for the 2nd week. She will support the mission remotely and is responsible for the following tasks:

- Support the review of technical issues on crop and livestock production and related value chains;
- Assess the effectiveness of the promoted agricultural technologies and methods especially for vegetable, piggery and poultry production, in light of the climate hazards and land degradation the country is facing;
- Review the capacities in crop and livestock production of the PMU and service providers and assess the project's approach towards agricultural extension;
- Draft the section on "agricultural productivity" of the MTR report and provide other inputs to the Aide memoire and MTR report as agreed with the team leader;
- Any other tasks as agreed with the team leader.

Deliverables:

- Inputs in ORMS and AM as above/agreed with TL
- Short technical paper on crop-livestock practices under LASAP and suggested improvements (mindful of SADP II start-up) (3-4 pages)

Ms Zira Mavungandize, Environmental Specialist, will be responsible for the following tasks:

- Support and work in tandem with both the environmental specialist and the ECG specialist in assessing the relevant aspects of the project;
- Support the drafting of the Global Environment Facility Project Implementation Report;
- Review and assess the projects' annual work plan and budget 2020/2021;
- Any other tasks as agreed with the team leader.

Deliverables:

- Inputs in ORMS and AM as agreed with the TL
- Inputs into and drafting of the GEF PIR

Ms Tapologo Radithipa, M&E and knowledge management specialist, will be responsible for the following tasks:

- Assess the existing LASAP M&E system and its linkage to SADP I and II. Assess potential overlaps in M&E systems and provide advice on required revisions in the M&E system, and modifications of the component and implementation arrangements;

- Verify programme physical achievements and up-dated log frame;
- Conduct an assessment of the implementation of recommendations of the previous supervision and implementation support missions with regards to M&E, programme planning and reporting;
- Contribute to the write-up of the Aide Mémoire, MTR Report and take the lead in section Project Management aspect namely 'Performance of M&E system' and 'knowledge management';
- Update the Appendices "Updated logical framework": (Progress against objectives, outcomes and outputs) and "Physical progress measured against AWP&B" (including RIMS indicators) of the mission MTR report;
- In consultations of the other mission members, assist Finance Expert in revising the programme costs tables;
- In addition, the consultant will assess the **staffing situation** of the PMU at the time of the mission, and until the end of the project (reviewing contracts, etc.), and highlight potential capacity short-comings until completion;
- Undertake any other relevant task as agreed with Mission Leader.

Deliverables:

- Annex on physical progress
- Validated log-frame
- Table overview on staff contract situation up to completion
- Inputs in ORMS and AM as above/agreed with TL

Mr. Alessandro Neroni, Procurement Specialist, will be responsible for the following tasks:

- Review the procurement, contracting and implementation processes and timeliness and appropriateness of procurement actions
- Determine whether adequate systems are in place for procurement planning, implementation and monitoring, and whether documentation are maintained as per required standards and can be relied upon;
- Review issues identified in the previous procurement review and aide-mémoire and procurement related issues identified in project audit reports;
- Support the project management unit in terms of procurement planning;
- Contribute to the write-up of the Aide Mémoire, MTR Report and take the lead in drafting the procurement review in the ORMS report
- Undertake any other relevant task as agreed with Mission Leader.

Deliverables:

- Write section in ORMS report on Procurement;
- Write section for AM on procurement, as required.

Ivonald Da Cruz, Programme Management Specialist, will undertake the following tasks:

- Assist with the overall coordination of the mission, in particular the mission preparations and planning, in agreement with the mission leader;
- Support the mission leader in reviewing the quality of written inputs by the respective mission members into both the aide memoire and annual work plan and budget;
- Provide guidance with respect to the logistical flow of the remote mission,
- Input written contributions into the aide memoire and ORMS report as agreed with the mission leader,
- Act as an interface between the mission leader and the mission team,
- Any other tasks related to the mission as agreed with the mission leader and country director

Deliverables:

- Ensure the ORMS report is finalised, with all appendices and captured for corporate reporting

Documentation

The mission will produce AM and MTR report in google docs. The SECAP specialist will lead on compiling the docs and folders as required and assist in up-loading into the IFAD systems.

The mission will have the following documents for review prior to the mission:

- LASAP / SADP Progress reports 2019 and 2018
- LASAP Logframe as of Feb 29, 2020 (to be validated)
- LASAP AWPB 2019/2020
- LASAP AWPB 2020/2021
- SADP ICP (completion file) Feb 29, 2020
- LASAP design documentation
- SADP/LASAP SM mission reports 2019/2018
- Draft Impact Assessment from RIA /SKD, 2020 (to link with Athur)
- IFAD COSOP 2020-2025
- WB 2019 Agriculture Expenditure Review
- WB 2019 Climate smart Investment Plan
- Draft NAIP Lesotho (2019 Dec version)

Deliverables,

Unless otherwise stated above, deliverables of individual team members are due to the TL on April 30 in final version and in complete compliance with IFAD requirements, in terms of language, word-count and suggested rating.