

Philippines

Fisheries, Coastal Resources and Livelihood Project Supervision Report

Mission Dates: 15 February- 03 March 2021

Document Date: 07/04/2021

Project No. 1100001548

Report No. 5723-PH

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

ABC	Approved Budget for Contract
ABS	Aqua-based Business School
AWPB	Annual Work Plan and Budget
BARMM	Bangsamoro Autonomous Region in Muslim Mindanao
BFAR	Bureau of Fisheries and Aquatic Resources
BMC	Bay Management Council
BMMB	Bay Management and Multi-purpose Building
CDA	Cooperative Development Authority
CF	Community Facilitator
COA	Commission on Audit
COVID19	Coronavirus Disease 2019
CRM	Coastal Resource Management
DA	Department of Agriculture
DBM	Department of Budget and Management
DOF	Department of Finance
DOLE	Department of Labor and Employment
DSWD	Department of Social Welfare and Development
FARMC	Fisheries and Aquatic Resource Management Council
FAO	Fishery Administrative Orders
FLET	Fisheries Law Enforcement Team
FO	Fisherfolk Organization
FPIC	Free and Prior Informed Consent
GPPB	Government Procurement Policy Board
GPH	Government of the Philippines
ICC	Investment Coordinating Committee
IFAD	International Fund for Agricultural Development
KM	Knowledge Management
LBP	Land Bank of the Philippines
LGU	Local Government Unit
M&E	Monitoring and Evaluation
MAFAR	Ministry of Agriculture, Fisheries and Agrarian Reform
MOA	Memorandum of Agreement
NAMRIA	National Mapping and Resource Information Authority
NEDA	National Economic and Development Authority
PhilGEPS	Philippine Government Electronic Procurement System
Php	Philippine Peso
PRSA	Participatory Resource and Social Assessment
PSCO	Project Support and Coordination Office
RFQ	Request for Quotation
RPMO	Regional Project Management Offi
SCG	Savings and Credit Group
SEC	Securities and Exchange Commission
SVP	Small Value Procurement
TESDA	Technical Education and Skills Development Authority
USD	US Dollar
WA	Withdrawal Application

A. Project Overview

Region:	Asia and the Pacific Division	Project at Risk Status:	Not at risk
Country:	Philippines	Environmental and Social Category:	B
Project Name:	Fisheries, Coastal Resources and Livelihood Project	Climate Risk Classification:	2 - Medium
Project ID:	1100001548	Executing Institution:	Bureau of Fisheries and Aquatic Resources
Project Type:	Fisheries	Implementing Institutions:	Department of Agriculture
CPM:	Alessandro Marini		
Project Director:	Project Director; Ms Jessica Munoz Email: trisha975@gmail.com;		
	fishcoral1421@gmail.com M&E Officer;		
	Mr Raymundo dela Cruz, Jr. Email : fishcoralmande@gmail.com		
Project Area:	Region 5, Visayas, Region 13 and ARMM		

Approval Date:	15/09/2015	Last audit receipt:	05/11/2020
Signing Date:	26/10/2015	Date of Last SIS Mission:	03/03/2021
Entry into Force Date:	26/10/2015	Number of SIS Missions:	9
Available for Disbursement Date:	01/05/2016	Number of extensions:	1
First Disbursement Date:	25/05/2016	Effectiveness lag:	1 month
MTR Date:	12/03/2018		
Original Completion Date:	31/12/2020		
Current Completion Date:	31/12/2021		
Financial Closure:	not available yet		

Project total financing

IFAD Financing breakdown	IFAD: KfW loan	\$29,956,000
Domestic Financing breakdown	Beneficiaries	\$1,328,000
	National Government	\$6,125,000
	Local Government	\$5,636,000
Co-financing breakdown,		
Project total financing:		\$43,045,000

Current Mission

Mission Dates: 15 February- 03 March 2021

Days in the field: 2 days - 2 teams

Mission composition: Mission team is led by Mr Jerry Jing Pacturan, IFAD CPO and Mission Leader; Mr Richard Abila, IFAD Senior Global Technical Specialist for Fisheries & Aquaculture; Ms Sashwati Mishra, IFAD ECG Staff; Ms Evi Wulandari, IFAD ECG Staff; Mr Yolando Arban, Project Management and M&E Consultant; Ms Hilly Roa-Quiaoit, Coastal Resource Management Consultant; Ms Julie Roa, Livelihoods Consultant; Mr Arthur Tantuan, Procurement Consultant; Mr Zidni Marohombsar, Financial Management Consultant; Vivian Azore, IFAD CPA and Mission Logistics; and, Alessandro Marini, IFAD CD, participated in remote meetings.

Field sites visited: Region Caraga

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		4.29	Assessment of the Overall Implementation Performance		3.92

Effectiveness and Developmental Focus	4	Project Management	4
Effectiveness	3	Quality of Project Management	4
Targeting and Outreach	4	Knowledge Management	5
Gender equality & women's participation	5	Value for Money	3
Agricultural Productivity	4	Coherence between AWPB and Implementation	3
Nutrition	N/A	Performance of M&E System	4
Adaptation to Climate Change	5	Social, Environment, and Climate Standards requirements	4

Sustainability and Scaling-up	5	Financial Management and Execution	4
Institutions and Policy Engagement	5	Acceptable Disbursement Rate	3
Partnership-building	5	Quality of Financial Management	4
Human and Social Capital and Empowerment	5	Quality and Timeliness of Audit	4
Quality of Project Target Group Engagement and Feedback	4	Counterparts Funds	4
Responsiveness of Service Providers	4	Compliance with Loan Covenants	5
Environment and Natural Resource Management	4	Procurement	4
Exit Strategy	4		
Potential for Scaling-up	5		

Relevance	5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. The FishCORAL project is executed by the Department of Agriculture/Bureau of Fisheries and Aquatic Resources (DA/BFAR). It has a total project cost of USD 43.045 million composed of an IFAD loan of EUR 27.31million or approximately USD 29.956 million, an IFAD grant of USD 0.60 million; national and local government counterpart funds of USD 12.38 million; and beneficiary contributions estimated at USD1.25 million. IFAD financing became effective on 26 October 2015, with original project completion date of 31 December 2020 and a financial closing date of 30 June 2021. On 29 December 2020, Government requested for one year extension which was subsequently approved by IFAD on 19 January 2021. The Project Completion Date (PCD) is extended to 31 December 2021 and Financial Closing Date (FCD) to 30 June 2022.

2. The overall goal is to reduce poverty in poor coastal communities, improve food and nutrition security and increase household incomes in the Philippines. This will be achieved by building fishing communities' capacity to sustainably manage fishery and coastal resources and by ensuring sustainable engagement in diversified livelihood activities in the target coastal areas of four regions: Bangsamoro Autonomous Region in Muslim Mindanao, Caraga in Northeastern Mindanao, Eastern Visayas, and Bicol in Southern Luzon. More than 180,000 poor households living in coastal areas will benefit from the project.

3. Conducted mostly through remote / virtual meetings and selected field visits in Region Caraga, the mission (i) reviewed the accomplishments and progress and targets of 2020 based on the approved Annual Work Plan and Budget (AWPB) and Annual Procurement Plan (APP); (ii) assessed the status of the agreed actions of the SISM and ISM in 2020; (iii) identified implementation issues and bottlenecks; and (iv) agreed with DA and BFAR management on a set of actions to improve project implementation in the remaining ten (10) months of the Project. The mission was participated by the PSCO, the regional project management offices, DA-Special Projects Coordination and Management Assistance Division (SPCMAD) staff, selected project beneficiaries, representatives of local government units (LGU) and relevant government line agencies including the BARMM Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR).

4. Key findings, issues and recommendations listed herein were discussed and agreed upon with the Project team, DA-BFAR, DA-SPCMAD, BARMM-MAFAR, National Economic and Development Authority (NEDA) during the remote wrap-up meeting on 01 March 2021 chaired by DA Undersecretary Cheryl Marie Natividad-Caballero. Details of the findings and agreed actions are documented in the relevant sections of the main report. The mission expresses its sincerest thanks to DA and BFAR FishCORAL management and staff, LGUs and communities for their warm welcome and high participation during remote meetings and in the field visits and for the excellent mission coordination.

Key Mission Agreements and Conclusions

5. Disbursement. IFAD has disbursed 70.03% of the approved loan financing equivalent to USD 20.982 million (including outstanding advances to the Designated Account of USD 6.396 million). IFAD grant disbursements remain at USD 435 thousand or 63.09% (including advances to Designated Account of USD 240 thousand). Loan disbursement and actual utilization was at USD 17.461 million or 58.30% as at end of FY2020. Overall financial performance of 2020 AWPB is at 85.48% obligated and 53.56% disbursed.

6. Summary of physical progress. Overall weighted physical achievement (OWPA) as of December 2020 is at 77.62% from a 64.52% performance in 2019. Performance contribution in 2020 is at 13.10% to the overall targets. This leaves a high percentage target for 2021 at 22.8% (20.53% for component 1; 1.22% for component 2, and 1.03% for project management).

7. For **Coastal Resource Management (CRM)**, Project established 98% FARMCS and FLETS active in policy and enforcement with around 85% LGUs supporting the various activities using mostly the 78% constructed watch towers as observational platforms. 35 adopted 35 CRM Plans were adopted where 6 are implemented and 29 integrated in the Local Government Unit (LGU) Annual Investment Plan (AIP). 44 Plans (38%) are still due for adoption while 24 are to be finished. 13 BMCs were formed with its own buildings. Protection/rehabilitation of resources only achieved less than half of its targets, mangroves (40%), seagrasses (15%), fish sanctuaries (30%) and AR (44%). For all CRM investments, Project needs to ensure LGU policy and budget support beyond the Project life.

8. For **Livelihood Development (LD)**, Project has implemented 716 FO livelihood/enterprise projects with varying levels of achievement in terms of profit and incomes by using the Aqua-based Business School (ABS)-Gender with Climate Change (GCC) methodology and some clustering and commodity consolidation models. Component has reached only 28% of target of 2,586 enterprises. Good progress was made in supporting the formation of women-led/managed community savings mobilization in various regions with total savings reaching Php 12.7 million which is being utilized for social, educational and livelihood activities. Project needs to increase project outreach through this component and by facilitating more private sector buy-in from BDS providers and financial institutions and mobilize other relevant government programs including LGUs to support the enterprises started by the Project.

9. Targeting and outreach. Of the total target of 188,000 households (HHs), the project reported an outreach of 106,590

HH (56%). Actual number of HH beneficiaries directly receiving services from the project is at 22,283 HHs, 25% of the 90,596 direct HHs. Project outreach in the remaining implementation period can be increased through an improved approach of implementing the LD component by adding/expanding to a minimum of 393 FO enterprises to achievedirect outreach of 25,413 FFH and more.

10. Project Completion Review (PCR). Project has to start the process consisting of the following: i) procurement and conduct of a follow-up PRSA and the end-line outcome/impact survey to be completed not later than 31 December 2021; and, ii) procurement short of award for the preparation of the PCR whose contents include the thematic studies (building on the lessons learned), EFA (economic and financial analysis) and overall project accomplishments using the results of the PRSA2 and end-line outcome/impact survey.

D. Overview and Project Progress

Coastal Resources Management (CRM) Component

11. Fishery Law Enforcement Teams (FLETs). FLETs reached 101/103 target and are operational and capacitated, conduct enforcement operations with local security agencies creating visible impacts in apprehensions resulting in reduction of illegal, destructive fishing and commercial encroachment. 87 (84%) LGUs have annual FLET budget support ensuring their continuity and sustainability, with 100% LGU support for Region 8 and BARMM. Project should attend to the 16 LGUs since FLET members are volunteers with no regular budget allocated. Changes in LGU leadership puts at risk the continuity of meagre honoraria that some FLET members receive.

12. LGU Patrol Boats. Many of the LGUs utilized the 116 patrol boats for fishery law enforcement activities. 88 of the boats have provisions for maintenance and operational costs. These boats have strengthened the FLET with increased apprehensions of illegal activities. Continued use and sustainability of the boats and surveillance equipment require regular budget for operational and maintenance costs in the remaining LGUs.

13. Watch Towers. 80 of 103 (78%) watch towers were constructed, fully turned-over only for Region 8 and BARMM (except for 1 unit due this March) and 60% for Caraga. Region 5 planned for a turn-over of all 22 watch towers this March because the original one-time ceremonial turn-over was cancelled due to COVID restrictions. Watch towers are utilized for enforcement as observational platform for surveillance operations by FLET and local police force resulting to reduction of illegal fishing activities, highly utilized (from 83-88%) in Regions 8, Caraga and BARMM. Some watchtowers are not conducive for enforcement, e.g., difficulty in access due to steepness, location is eroded, too close to the waters, too far to observe the coast while some situated behind thick vegetation that affects visibility. LGUs have to address these considering, except Region 8 LGUs, most have no budget for maintenance.

14. Fishery Aquatic and Resource Management Councils (FARMCs). 101 of 103 FARMCs were established and strengthened. FARMCs are working with the Municipal Council in making recommendations, contributing their inputs in the preparation of CRM plans, drafting fishery ordinances to ensure proper management/protection of coastal resources that will enable increase production of fishery/marine products. Some FARMCS are also members of the Baywide Alliance. FARMCs need to be institutionalized in local governance and for their continued participation in managing the coastal resources of respective LGUs.

15. CRM and LGU Annual Investment Plans (AIPs). Overall, 35 CRM plans were completed and adopted, where 6 are implemented, 4 in Region 8 and 1 in each Region and Caraga, none implemented in BARMM. The remaining 29 Plans have only been integrated in the LGU AIP. 68 out of 103 LGUs have no adopted CRM Plans, because 44 (43%) are still due for adoption while 24 (23%) are still for completion. Finalizing CRM plans is high in Region 5 (71%), but lower for Region 8 (21%). Both CARAGA and BARMM have completed formulation of their plans, so will focus on the adoption (48-56%) and integration in the AIP (39-52%), respectively.

16. BARMM has Php20M annual budget allocation for 11 of its LGUs intended for CRM. In Caraga and Region 8, majority of its LGUs have annual budget allocation for enforcement, fisheries sanctuaries and coastal livelihood despite the absence of the CRM Plans. Project needs to finish formulating the CRM plans and lobby for its adoption.

17. Baywide Management Councils (BMCs). 13 BMCs were established each with Bay Management and Multipurpose Buildings (BMMBs) financed by the Project. 2 BMCs (CCAUSE and BBDA) have mobilized annual contribution from LGU members ranging from Php 100,000 to 200,000 per LGU which enabled these BMCs to hire their full time staff. In Guilan/Eastern Samar, the 7 Alliance BMC is operational with a local foundation (GDFI) as its secretariat. Some BMCs have adopted a system of LGU alternate hosting which is not sustainable. Project needs to work on the continuity and sustainability of BMCs as the coordinating and governance platform for law enforcement, management and protection of the bay's coastal resources and implement an ecosystem approach in its baywide strategies.

18. BMC Plans. While there are no firmed up BMC plans among the 13 BMCs, 3 BMCs in Region 8, CARAGA and BARMM have already enacted their respective bay wide unified fishery ordinance (UFO). There are established baywide-level FLET and FARMC in some BMCs in Region 8 and Region Caraga. Project needs to support the BMCs for the development of their respective plans and ensure that each BMC would have a set of staff that will implement such plans.

19. Municipal waters delineation. Region 8 has completely delineated their municipal waters (38 LGUs), followed by Caraga at 83% (15/18) and Region 5 at 58% (14/24). BARMM has delineated only 2 out of 23 LGUs because they have to adopt to the new policy in their area from 12 km to 15 km extent of the municipal waters. BMCs have facilitated delineation of municipal waters among LGUs to be able to exercise full jurisdiction and prevent encroachment over their waters. Project still needs to resolve 33% of 103 LGUs over the remaining project period, especially those with boundary conflicts.

20. Fish Sanctuaries. Only 30% (7,726 out of 21,456) have been established, provided with markers and supporting ordinances. In Caraga and BARMM, FSs were observed to have high social acceptance, while in Region 8 and BARMM, some have anecdotal information of increasing stocks. Regions 8 and Caraga have successfully arranged for annual budget and management plans for all its 73 FSs. For the rest, there are no supporting budget nor management plan for these FS which will put at risk on their sustainability. Project needs to establish more FS and enjoin LGU budgetary support in AIP or CRM Plan for the maintenance and sustainability of these FSs.

21. Mangroves rehabilitation. 433 out of 1,100 hectares (40%) targeted critical mangrove areas were rehabilitated. All regions are way below half of their targets, except Region 8 that covered almost 50%. Rehabilitation through planting of 1.2 M propagules has relatively high survival rate from 67-80%. There are already rehabilitated mangroves perceived to have increases in other organisms, probably as the breeding grounds/ shelter for other species. All regions still drafting a management plan, Region Caraga in partnership with DENR's Community Environment and Natural Resources Office, Caraga State University and the FOs for 100 hectares in Cabadbaran, Agusan del Norte; and, BARMM through the Bantay Kalikasan (Environment Watch) Teams. In Caraga, CCAUSE BMC sustained protection in LGU Bayabas. Surigao del Sur building on past 3 ordinances supporting the rehabilitated mangroves. Local ordinances and management plans to protect and regulate the use and harvesting of mangroves needs to be developed.

22. Seagrass rehabilitation and protection. Only 2 regions (BARMM and CARAGA) have seagrass beds protection with a low overall project-wide accomplishment at 15% or 516 out of 3,814 hectares. In BARMM there is perceived increase in the coastal assets with seagrass bed; and with 6 Ordinances approved on the role of seagrass beds in the blue economy integrating it into carbon trading. Increase of sea cucumber, crustaceans and seaweeds have been observed in the protected seagrass beds. Protecting seagrass beds should be given attention through LGU budget support and corresponding management plan for these protected areas.

23. Artificial Reefs (ARs). 2,299 of 5,200 ARs or 44% were deployed in only 2 regions. Major bulk of ARs is in BARMM (2,152 units) which already showed increase fish density and coral recruitment on the blocks. Less than a hundred units are deployed in Region 5 (97 units) but these are within the established Fish Sanctuaries. ARs markers to show where they are deployed are always subject to storms, so there is a need strengthen the deployment of these markers that can withstand the strong waves and winds.

24. Stock enhancements. A total of 14 stock enhancement projects were implemented out of the targeted 22 marine species stockings. Of the 64% stocks enhancements, the species ranged from milkfish, blue crabs, mangrove crablets, sea horse, sea cucumber, sea urchin, abalone and giant clams. These are either stocked into the natural environment, through sea ranching or in floating/submerged cages from natural stocks or cultured hatcheries stocks. In Masbate Island (Region 5), 5% increase in catch of blue swimming crabs was recorded by the Municipal Agriculture Office. BARMM has conducted catch monitoring and recapture in crablets and abalone. No monitoring was done in most of project sites but anecdotal information showed increase stocks after enhancement. Some of the cages were not climate-proofed so were destroyed in storms and strong waves. Project needs to ensure proper monitoring and climate proofing improvement of the stock enhancement investments.

25. Way forward. With ten months left the Project needs to mobilize LGU support for the following: i) the continuity and sustainability of BMCs through annual budgetary contribution; ii) FARMCs and FLETs continue to operate with budgetary support; iii) completion, adoption and integration of CRM plans into the AIPs; iv) patrol boats, equipment and facilities are supported with operations and maintenance budget; v) formulate management plans for the rehabilitated FSs, mangroves and seagrass. Also, Project has to conduct a follow-up PRSA for selected bays as input to the PCR. BFAR should phase in the regular staff to begin to undertake the functions of Project staff for a smooth transition of activities.

Livelihood Development (LD) Component

26. LD sub-projects (SPs) were implemented and developed FO enterprises with varying levels of achievement in terms of profit and incomes by using the Aqua-based Business School (ABS) methodology and commodity clustering/consolidation models. As of December 2020, LD has reached about 28% from a target of 2,586 enterprises.

27. FOs and enterprises. Project established 716 FO enterprises with a reach of 21,613 FHH comprising 264 in Region 8 (27.6%), 171 in Caraga, 142 in Region 5, 139 in BARMM. Of the target 2,586 livelihood proposals, 1,095 were by the project short of 14 to reach the target of 1,109 FO enterprises. With 1,109 FO enterprises, Project aims to achieve 25,413 FHH by the end of the project, which means an additional 393 FO enterprises comprising about 3,800 FHH^[1].

28. ABS-GCC. As of December 2020, there were 37 ABS FOs with 846 enrolees (73% women); 179 graduates in Region 8 that launched at least 12 aqua-based and 1 crop-based product in 2019. While the project has experienced a drop-out

rate of 16% due to internal issues and differences within the organization, non/indirect involvement of enrollees in the livelihood projects, and seemingly failure of the enterprise to operate, such can be good basis for improving the curriculum.

29. Facilities and equipment. Project has provided equipment in fishery production, processing and postharvest to LGUs and FO beneficiaries resulting in improved supply of fingerlings with the provision of 1 hatchery per region; improved the quality and shelf-life of marine and fish products with the provision of 184 solar dryers (180 for seaweeds; 4 for fish drying); reduced postharvest losses with the use icemakers (25 units), freezers (193 units, upright; 71 chest freezers, 8 blast freezers, provided. The acclimatization facility and harvesting platform provided in Region 8 resulted in less stress and improved post-shipment survival of the marine product. It made monitoring and harvesting of milkfish relatively easier. Region Caraga seaweeds FO was provided with 1 baling machine necessary for more efficient logistics in marketing raw dried seaweeds.

30. Processing facilities. Provision of processing facility improvements (e.g. 7 stainless steel working tables) in Jiabong (Region 8) mussel processing contributed to improved product quality; a hygienic and pleasant working environment. Mussel value addition has increased markets beyond the region, reaching Metro Manila and other areas. 12 Processing Centers (1 in Region 8; 11 in BARMM) were constructed and turned over to the recipient LGU (Jiabong municipality) and FOs in BARMM that are mostly into fish processing (Basilan 8 FOs; Sulu 2 FOs; Maguindanao 1 FO). 3 seaweed warehouses were constructed, turned over to FOs in BARMM, 1 each in Basilan, Maguindanao and Sulu.

31. Community savings and credit groups (SCGs). There are 73 on-going SCGs with 2,342 members (57% are women) with Php 12.7 M savings. These groups continued to grow as self-help capital formation scheme for social, educational and disaster related needs (e.g. typhoon damage, needs during pandemic) and some for livelihood activities. Diligent monitoring and mentoring strategy is key to the strength and stability of these groups.

32. There is relatively low percentage of enterprises generating profits and still lower levels of HHs with increased incomes, varying across regions. In Region 5, 26 MEs or 32% are generating profit; 2,382 FHHs increased income of 0.13%. Region 8, 56 microenterprise generating profit or 21%, 278 FHH with increased income of at least 10%; BARRM, 78 microenterprise or 56% are generating profit, FHH with 10% increased income. Region Caraga accounts for relatively higher percentage due to the established seaweeds export market link in Metro-Manila. 88 livelihood projects or 51% are already generating income in more than 2 production cycles. 40 seaweed FOs earn Php20,000-25,000/cycle average household income earned; and Fishpot group households (47 FOs) earn Php2500-Php3,000/ month.

33. The low percentage of enterprises generating profit and low percentage of FHH with income increases are due to the following: most FO enterprises have not reached the maturity level for profit generation due to challenges with supply inputs, delays in the provision of needed support facilities and equipment, disruptions in production due to typhoons, undeveloped markets, inadequacy of capital or enterprise resources, inadequacies in business capabilities; and, the 2 year delay in BARMM due to structural changes.

34. Way forward. For the next ten months, the following are the key action points for implementation.

i. Commodities. For 2021, each region has identified focused commodities for clustering and consolidation involving additional 393 FO enterprises: Region 5 – seaweeds, grouper, dried danggit, milkfish (31 FOs); Region 8 – seaweeds, tilapia, grouper, green mussel, lobster, sea cucumber, milkfish (128 FOs); CARAGA - seaweeds, fishpot, dried fish and lobster (25 FOs); and BARRM- seaweeds, dried fish, aqua-silviculture (206 FOs).

ii. ABS Project will continue to use this methodology in developing / improving enterprise at the community level where fisherfolk learn business processes, attitude and behaviour change in organizing and starting a commodity-based enterprise. Emerging platforms like the ABS School-on-the Air (SOA in Caraga), BFAR-LGU partnership in extension-livelihood projects (Region 8), and web-based mentoring can enhance adaptation.

iii. Consolidation and scaling up Project will adopt the clustering/consolidation approach started in the seaweed industry yet cognizant of the location-specificity of certain critical factors (e.g. logistics, socio-cultural bounds of governance and relationships; access to business support services; institutions, e.g., financial, and markets).

iv. Sustainability. Project needs to: i) complete inventory of facilities/equipment, and assist LGUs & FO beneficiaries to develop operations/maintenance plan to sustain them after the project; ii) savings mobilization should be integrated in the business capability and skill building training-mentoring; iii) facilitate the provision of crop insurance to FOs and FHH that were not covered yet; iv) tap financial institutions and other government agencies for rural financial services to FOs and FHH.

[1] The mission notes that this a very conservative estimate of about 10 FHH members only per FO which is rather low based on current membership per FO. Project should revisit this number and aim for more FHH outreach.

Agreed Action	Responsibility	Agreed Date
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Support LGUs for CRM Plan completion and related legislations Facilitate the completion of all the remaining CRM plans and provision of technical support for CRM related legislations and harmonization of FO livelihood activities with CRM plans	RPMO with LGUs	12/2019
Delineation of municipal waters Increase the number of municipalities with delineated municipal waters (i.e., at the minimum having the NAMRIA maps for issuance of LGU ordinance)	RPMO with LGUs	12/2019
Implementation and monitoring of livelihood sub-projects Improve the implementation of the “Livelihood Monitoring Tool” and compile/analyze data on completed cycles and plan out for the next cycle	RPMOs and Regional Livelihood Officers	03/2020
Fisherfolk participation Improve beneficiaries’ participation in providing equity for the implementation of livelihood subprojects	RPMOs and Regional BFAR	03/2020
Operation and maintenance of equipment Assess the current situation of solar driers, refrigeration and other equipment and develop a plan for continued operation and maintenance	RPMOs and Regional BFAR	06/2020
Construction of watchtowers Complete the construction and delivery of watchtowers to the LGUs	RPMO with LGUs	09/2020
Patrol boats & FLETs Complete delivery of patrol boats; assess the overall situation of the patrol boats and respective FLETs and implement corrective measures	RPMO with LGUs	09/2020
Revise the FO organization assessment tool making it more practical and can be used to improve the capacity of FOs for livelihood/enterprise development.	NPSCO/RPMOs	10/2020
Completion of the CRM plans Complete all the remaining CRM plans; ensure all are approved at LGU level	RPMO with LGUs	12/2020
Lobster seed assessment Carry out seed assessments in Regions V, VIII & Caraga	RPMOs and Regional BFAR	12/2020
Complete the formulation/updating of CRM plans and lobby for inclusion of livelihood activities in the plan in the LGU annual investment plans.	RPMOs	12/2020
Conduct an inventory of NRM and livelihood related infra facilities and equipment to include users and uses of these facilities and equipment and effect corrective measures when necessary.	RPMOs	12/2020

Gather supply chain/value chain analysis of selected focus fishery commodities and conduct VC analysis for those commodities that have none. New livelihood/enterprise proposals should be anchored on the VC analysis.	NPSO/RPMOs	12/2020
Review the ongoing and approved livelihood/enterprise projects for clustering and consolidation. Together with the concerned FOs and private sector, prepare business plans for clustered commodities.	RPMOs	12/2020
Assess the existing and planned new FO enterprises and identify the FOs that can be integrated in the clustering and consolidation approach; and develop the implementation plan	PSCO, RPMO	03/2021
Make the Baywide Management Councils operational Fixed the annual member contribution, hire fulltime staff or arrange seconded staff from Regional BFAR and LGU members, draft to adopt baywide management plan and at least one approved unified fisheries ordinance.	RPMO, LGUs	12/2021
Integrate the adopted CRM Plans into AIP/ MDP and finish formulating the remaining CRM Plans into adoption	RPMO, LGUs	12/2021
Arrange a fixed allocation/ lumpsum in the annual LGU budget for enforcement covering FLETS honoraria, maintenance patrol boat & watch tower; Monitor utility of these infra for enforcement using simple template; Adopt the operational enforcement plan; Complete the turnover of all infrastructure and supporting equipment from FishCORAL to the LGUs.	RPMO, LGUs	12/2021
Formulate management plans for established FS, mangroves and seagrasses, include in the enforcement and secure annual budget allocation, make and adopt ordinances on harvest regulations including ARs and stock enhancement.	RPMO, LGUs	12/2021
Finalize formal agreement for regular assessment with the BFAR Regional Office with NFRI and with partner academe in the areas as part of their R&D and volunteers from NGOs or other partners.	PCSO, RPMO	12/2021
Strengthen partnership with LGUs and public and private support service providers for the continued support of non-ABS FO enterprises for sustainability	RPMO	12/2021
ABS: Continue and strengthen the existing ABS FOs/POs through completing the cycle to launch their enterprises; and provision of required post-ABS support. Apply relevant ABS curriculum in enterprise improvement in the clustered and non-ABS FOs/POs	RPMO	12/2021
Develop the operational scheme for improved capital formation through access to private micro-finance institutions, self-help community savings mobilization, and other viable means	PSCO, RPMO	12/2021
Facilitate the provision of crop insurance to FOs and FHH that have not been covered yet with PCIC insurance; lobby with PCIC for a modified scheme for FOs with collective enterprises.	PSCO, RPMO	12/2021

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 3

Previous rating: 3

Justification of rating

35. There are indications that the Project is likely to achieve its development objectives and component outcomes. To date, around 1,300 fishing households/HHs have reported increase of income, and 14% of women in FOs are involved in fishery enterprises. There are also anecdotal reports of increase in fish density, coral cover, and presence of other fish species in fish sanctuaries and artificial reefs. FOs active engagement in both CRM & Livelihood activities has reached to 861 groups. Actual number of HH beneficiaries directly receiving services from the project is at 22,283 HHs, 25% of the 90,596 of target HHs. Increase in reach may not be significant by project end, but it can focus on the quality of its services towards sustainability of its investments.

Log-Frame Analysis & Main Issues of Effectiveness

36. The Project's LF submitted to the NEDA-Investment Coordinating Committee (ICC) for project's one-year extension is the same original logframe approved by the NEDA Board at design stage. This action confirms that the Project retains its original targets which are very high. In its development objective, it aims that 60% of the targeted 90,596 poor hhs or 54,358 hhs in the Project area have (i) increased ownership of household assets by 20% of baseline, and (ii) decreased child malnutrition (ages 0-5 years) by 4% from baseline of 24.4%. It also targets for an annual income of participating fishing community households to have increased by 10% from baseline. It is very unlikely to have a very significant increase in the outreach. The highest projection is to reach around 36,000 hhs or about 40% of the targeted households. It is also unlikely to have a significant increase in income on an annual basis because livelihood projects were delayed. Of the target 2586 livelihood proposals, 1,095 have been approved by the project with 21,613 fishing hhs as direct beneficiaries. Of the 1,095 approved, 766 proposals are implemented on the ground. The project has still to implement several livelihood projects which may be on its first cycle of operation only. To increase the reach, the Livelihood component has outlined actions to improve project strategies.

37. The CRM component may have stronger likelihood in achieving its component objective as it has accomplished most of its target outputs as reported. However, there are areas that the Project and consequently DA/BFAR need to address win the last ten months and beyond the Project life: (i) the continuity and sustainability of BMCs; (ii) continuity of FARMCs and FLETs; (iii) completion, adoption and integration of CRM plans into the LGU Annual Investment Plans; (iv) operation and maintenance of patrol boats, equipment and facilities; and (v) formulation of management plans for the rehabilitated FSs, mangroves and seagrass. All of these should be included in the sustainability plans of LGUs and DA/BFAR.

38. On another note, the second participatory resource and social assessment (PRSA2) should be conducted in selected areas that have concluded their PRSA1 sometime on or before 2019. The PRSA2 will focus on coastal and fishery resources assessment. This is important to capture the changes for at least two year of intervention in the coastal and fishery resources in the 11 bays, and to determine the outcome results of component 2.

39. There are some issues in the formulation of indicators in the original logframe that have to be corrected for M&E purposes. Some of these concerns are: (i) some indicators have actually two indicators (e.g. 11 bay management councils formed, strengthened and sustained with their bay wide fishing ordinances implemented which could be further broken down as to (a) number of BMCs formed and strengthened, and (b) number of bay-wide fishing ordinances implemented; (ii) some indicators contained both output and outcome indicators (e.g. 11 bay management councils formed and strengthened is an output indicator while bay wide fishing ordinances implemented is an outcome indicator; (iii) some output indicators are outcome indicators: (e.g. 11 bay-wide multi-year CRM and fishery management/ investment plans adopted by LGUs). To correct the above, the Project has to expand this logframe for M&E purposes, in preparation for the project completion reporting. This can be done through a zoom-based workshop by NPSCO and regional M&E officers/staff by March 2021. Thereafter, data entry in the logframe indicator tracking sheet should be adjusted.

Development Focus

Targeting and Outreach

Rating: 4

Previous rating: 4

Justification of rating

40. Of the total outreach of 188,000 HHs, the project reported an outreach of 106,590 HHs (56%) which is lower than the total outreach of 110,794 HHs reported in 2019. Actual number of HH beneficiaries directly receiving services from the

project is at 22,283 HHs, 25% of the 90,596 direct HHs. Of the 22,283 HHs, 5,112 (23%) are female headed HHs. The Project also accounted outreach of 2,676 youths and 968 indigenous peoples.

Main issues

41. Total HH outreach may increase between 60 to 70% by the end of the project, however, direct HH outreach may fall within the 40%-50% range. Increasing direct HH outreach can be through modifying the livelihood approaches like linking fisherfolks to financial institutions; clustering approach for promising enterprises to encourage fisherfolk participation in value chain; e.g. seaweeds; and increasing membership in savings organizations. Further, the Total Project Reach (TPR) tracking guide should be reviewed incorporating Mission suggestions

Agreed Action	Responsibility	Agreed Date
Review the TPR guide and thereafter improve outreach data collection	PSCO and RPMOs	04/2021

Gender equality & women's participation

Rating: 5

Previous rating: 5

Justification of rating

42. Of the 29,450 fishing HHs reached by the Project, 34% are women, 10% youth, 4% IPs. Project made significant contribution to addressing gender needs and achieving GEWE, in all 3 gender policy objectives: economic empowerment, voice and representation, equitable workloads. It has mainstreamed gender equality and social inclusion in the responsibilities of all Project staff. There is a dedicated gender staff at national and regional levels with women comprising more than 50% of staff. Project is monitoring targeting performance, beneficiary tracking, including gender and has developed a collection and analysis of sex/age-disaggregated data. The target groups- women, youth, and IP are participating meaningfully in the platforms developed by the project activities.

Main issues

43. Economic empowerment: 42% of leaders are women in FOs contributing to representation and meaningful participation in economic decision-making. The project has reported equal access to productive resources as evidenced by actively participating in Coastal Resource Management (CRM) activities and production for their livelihoods by women, youth and IPs. Based on the discussion during the mission, it is clear that target groups including women, youth and IPs have the ability and skills to participate in the project's livelihood activities, including but not limited to markets, production, processing of products, marketing etc. As a result of Saving Mobilization Clubs, Women are more empowered to buy for themselves and reinvest in livelihood activities and their family's basic needs, pay tuition fees for their children, and buy household items.

44. Voice and representation: The Project has contributed in promoting women, youth and IP membership in fishing organizations. There are 365 of the 862 or 42% fishing organizations that the Project has formed or reactivated. The women members of which are at 40%, 7% are youths, and 6% are IPs in FOs. 24% of BMC members are women and 2% are youth; moreover, 38% of holding executive positions comprises of 38% women and 13% youth. Women can facilitate meetings and are pro-active in all forums reactivated or developed by projects. They are able to lobby with the partners for securing and claims of indemnity for free insurance to PCIC, securing requirements and submission of registration to different registering agencies. Women have a high participation rate in activities of the People's Organization such as meetings and any other activities related to livelihood, CRM activities such as coastal clean-up, mangrove planting, and others. Women are also active members of the fishery advisory and policy-making body (FARMC); 20% of the members are female, 18% are youth, 0.29% are IPs and 21% of FARMC Leaders are women.

45. Equitable workloads: Due to project interventions, there are many successful stories of women entrepreneurs, women management of fish sanctuaries, enhanced women participation across the fishery value chains and women in leadership position in FARMC, FOs, and BMCs etc. Women are taking up non-traditional role and working actively outside the household chores. The project has facilitated the development of women as economic agents with enhanced decision-making power. This has also resulted in many regions in shared parenting and sharing of household chores. The project is encouraged to target men/households in the regions and encourage them to move towards a more equitable distribution of workloads at the household level, especially towards shared parentings. The project can consider involving women in technology demonstrations and applications in order to assess and ease workloads; develop skills and improve access to services to improve the well-being of women and other family members (nutrition training, maternal health care, health services); work with rural communities to move towards a more equitable distribution of workloads between women and men and promote labour-saving technologies for activities performed by women in relation to marketable commodities, as well as other household tasks. This is key to ensure gender-related impacts are likely to be sustainable beyond the life of the project.

Agreed Action	Responsibility	Agreed Date
Women and youth participation Conduct a review on the extent of women and youth participation and corresponding benefits derived from the Project. This can be included in the PCR.	PSCO	10/2020
Integrate gender and social inclusion in ToRs of all Impact/Thematic Studies	Institutions and Gender Specialist (IGS) & PC	12/2021
Focused efforts on equitable distribution of workload in FHH across the regions through use of labor saving technology, improving access to services to improve the well-being of women and other family members (nutrition training, maternal health care, health services and mentoring at household level for equitable sharing of household chores)	Institutions and Gender Specialist (IGS) & PC	12/2021

Agricultural Productivity

Rating: 4

Previous rating: 4

Justification of rating

46. On CRM, stock enhancements seemed to be already observed in the anecdotal increase in natural stocks, including in the deployed AR. For livelihoods, there has been improvement in the number of livelihood projects, which have completed their first and second production cycles, increased productivity and quality of produce. Data on actual results of those completed are systematically collected by the FOs with support from the CFs and collated by the Regional Livelihood Officers, who have developed and implemented a livelihood monitoring tool.

Main issues

47. CARAGA has increased volume and quality of seaweed, and improved lobster culture; Region 8 and Region 5 completed more than two cycles of bangus due to improved fingerlings supply resulting from the provision of hatcheries; and, Region 8 for improvements in grouper, lobster, and longline culture of mussel and bangus. Productivity in value adding of mussel, oyster, fish and seaweeds processing show highly promising results in CARAGA and Region 8. BARRM has shown improved productivity in seaweeds and mudcrab production, and in cassava yield and value-adding: a crop-based enterprise of three FOs that offer supplemental income to address risks of pure aqua-based livelihood.

48. There are no technical data to support the reported stock enhancement except for a few sites. This requires a quantitative analysis of the contribution of the enhancement to fisheries. The project must conduct a technical assessment of selected enhancement project in each region which should be included in the PRSA2. BARRM can already pilot and demonstrate with the technical data on the results of the stocks enhancement. For livelihoods, anecdotal evidence on increased production for the species supported by the Project has been shared across regions from LGU and fisherfolk beneficiaries. Some areas have documented and quantified results, but with limitations in a number of livelihoods. Project still needs to improve and finalize the monitoring tool and complete the data sets and analyse them against the initial assumptions of the respective Business Plans such as expected productivity, sales and incomes.

Nutrition

Rating: N/A

Adaptation to Climate Change

Rating: 5

Previous rating: 5

Justification of rating

49. The resiliency of Project's coastal communities to climate change is enhanced with the protection of the natural habitats, on coral reefs and mangroves as natural ecological buffers against climate hazards. The mangroves rehabilitation through the planting of 1.2 M propagules has a high survival of 72%, which in time will build this mangrove stand buffering against climate related hazard. This natural green belt in the coast will reduce the climate risk impact of stronger storm surge amplified by the sea level rise and intense typhoons that is frequent especially in Regions 5, 8 and 13.

Main issues

50. Other climate adaptation measures adopted are: (i) construction of watchtowers using concrete materials which is more resilient towards typhoon or storm surge; (ii) the adoption of Aqua-based Business School with Gender and Climate

Change perspectives (ABS-GCC) which has improved the awareness of project beneficiaries on climate change-related risks and increased their capacities to manage their livelihoods and enterprises; (iii) environment-friendly solar dryers spread through the focused regions that significantly improved product quality; (iv) the use of submersible cages in bangus and other specie culture to reduce risks and damages of extreme weather; and, (v) crop insurance coverage for FHH livelihood projects that minimize losses from natural calamities.

51. An increase of the coral cover at 15% means a healthier coral reef that will provide stronger natural buffers that reduces the wave energy as it reaches the coast. However, only 30% (7726 ha) of the targeted Fish Sanctuaries have been established with only 44 FS with management support in only 2 Regions. There is no data yet if these FS have been effective in improving the health cover of the corals, still to be determined in the PRSA2 in some sites.

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 5	Previous rating: 5
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Justification of rating

52. The formation of BMCs, formation/strengthening of FARMCs, establishment of FLETs have strengthened the rural institutions of poor fisherfolk communities to participate in local governance at provincial, municipal and barangay levels. The CRM plans, BMC Unified Fishery Ordinances and inclusion of CRM plan in the AIP are by themselves localized policies that further strengthened the capacity of communities and enabled a multi-stakeholder approach in managing and protecting the coastal resources.

Main issues

53. A number of policy issues that requires policy development and engagement with relevant institutions refer to: (i) development of a national industry road map for lobster; (ii) policy modification of insurance coverage for collective enterprises; (iii) BMCs as building blocks for the Fishery Management Area (FMA) framework and Agri Industrial Business Corridor programs of DA; and, (iv) use of the ABS-GCC curriculum in BFAR's regular operations in fisherfolk communities.

Partnership-building	Rating: 5	Previous rating: 5
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Justification of rating

54. Project has facilitated partnerships with academic, government and private institutions to support the coastal communities and FO beneficiaries. Business development support services were extended to most livelihood FOs in technological (DOST, Caraga State University for blue swimming crab studies), commercial interventions (DTI), financing and funding support (Land Bank of the Philippines, MFIs, DOLE, DSWD, DOST, CDA), and insurance (PCIC). Private institutions (e.g., MFIs, seaweed processors and export companies, food chains, cooperatives) have significantly driven the growth of the seaweeds industry, and other emerging sectors like the dried fish, grouper and lobster, and processed mussel and oyster among others.

Main issues

55. The convergence of these different institutions contributed to the establishment, strengthening and expansion of livelihood enterprises and needs to be sustained after the Project life through a value chain approach involving private sector institutions and tapping into the National Convergence Policy of government to bring in additional support and sustained support for for CRM and livelihood development activities established by the project.

Human and Social Capital and Empowerment	Rating: 5	Previous rating: 5
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Justification of rating

56. All the 13 BMCs established have started to implement ecosystem approach in its baywide strategies and unified ordinances to protect the coastal resources and environment. FARMCs and FLETs were established and capacitated and actively participating in policy formulation and law enforcement. On livelihoods, FOs have been trained in various production related and organizational strengthening programs and the use of ABS-GCC has effectively improved the FOs business management skills and enabled their respective enterprises to access better paying markets and improved their productivity and product quality.

Main issues

57. Project needs to consolidate and expand the use of ABS-GCC for ongoing ABS FOs and for expansion FOs.

As there are no fulltime staff in all of the BMCs, except for CCAUSE and BBDA, DA-BFAR and FishCORAL should

explore a tentative arrangement of deploying its organic staff in tandem with the LGUs to support the management of the BMCs until such time that BMCs have mobilized LGU contributions for the hiring of full time staff.

Quality of Project Target Group Engagement and Feedback	Rating: 4	Previous rating: 4
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Justification of rating

58. There are active and strong FLETS and FARMCs in most of the project areas that have contributed significantly in the enforcement of policies for protection and even adoption of plans, respectively. BMC members consisting of LGU representatives and fisherfolk leaders are active in BMC/CRM-related activities. For livelihoods, many FOs have reached better levels of organization, and members are more participative contributing their own resources in initial operations of livelihood projects while waiting for Project inputs. With Project's facilitation, beneficiaries have participated and organized savings and credit groups, without external grants. These FOs are now enabled to engage more in savings mobilization and implementation of more intensive postharvest and marketing engagements.

Main issues

59. Project's feedback mechanism has been informal. FO members voice their complaints during FO meetings which are relayed by FO leaders to Project staff. FO members also express their complaints during supervision missions. There were reported cases that FOs also communicated directly to RPMOs for actions on their complaints. Region Caraga has good level of community participation in the M&E system.

Responsiveness of Service Providers	Rating: 4	Previous rating: 4
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Justification of rating

60. The service providers were responsive in terms of the PRSA, finishing up the field work within a year and submission of a reports a few months after. They have followed standard survey methods for the assessments. These are all done by technical experts from state universities in the area. Their results have been utilized by the project in drafting CRM plans (Leyte Gulf), used in FS management plans (Eastern Samar), for the establishment of coral nursery units for AR deployment (Illana Bay) and even in RPIA analysis for poverty and livelihood (Asid Bay).

Main issues

61. For procurement, in general most suppliers awarded with contracts under the 2020 Procurement Plan were able to complete deliveries. Out of 143 contracts there were 103 contracts with completed deliveries. Fifteen (15) contracts are still within the delivery period with the rest either partially delayed or with no deliveries. Most deliveries have been accepted without reports of noncompliance with technical specifications.

Environment and Natural Resource Management	Rating: 4	Previous rating: 4
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Justification of rating

62. Project support on governance and law enforcement activities (e.g. municipal water delineation, establishment of FARMCs and FLETs, patrols) as well as CRM planning have generally resulted in improved capacities of the government in managing coastal and marine resources as well as combatting illegal activities. These and combined with resource management and rehabilitation activities have contributed in the improvement of ecological condition of such ecosystems. Anecdotal increase of some species have been noted (e.g. fish, sea cucumber and blue swimming crab) indicating improved habitat upon project implementation in these ecosystems.

Main issues

63. The project has also made good progresses on capacity building activities. Trainings on Good Aquaculture Practices and Good Manufacturing Practices/Sanitary Standard Operating Procedures (GMP/SSOP) were undertaken to raise awareness and enhance capacities of farmer and fisherfolk beneficiaries on the good aquaculture practices and proper waste management and sanitation in product processing.

64. All increases in the natural stocks in these rehabilitated and protected habitats in the project are for now anecdotal evidence, from fish sanctuaries, rehabilitated mangroves, seagrass beds, deployed artificial reefs and the stock enhancements.

65. The project needs to conduct a technical assessment in selected sites in each region in the upcoming PRSA2. Conduct of PRSA in the 11 bays is almost complete with the Sulu Seas expected to be concluded this year. The PRSAs were accomplished in different timelines: 2018, 2019 and 2020. Utilization of the study results was mainly to provide data for CRM planning. Aside from planning, PRSA results were intended to provide benchmarks in assessing the

contribution of CRM activities in improving the coastal and fishery resources. The project finds difficulty in utilizing the results in assessing CRM interventions due to the proximity of dates in the conduct of the studies with project completion. To measure the improvement in coastal resource management, it was agreed that PRSA 2 will be sampled only in bays which completed the assessments in 2018 and 2019 and that PRSA2 assessment will focus only on coastal and fishery resources.

Exit Strategy	Rating: 4	Previous rating: 4
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Justification of rating

66. Project has prepared a draft exit and sustainability plan covering CRM, Livelihood Development and post-project Program Management. The plan needs to be improved and will take into account all the project investments as indicated in Components 1 and 2 ways forward. In finalizing the plan, the BFAR regular staff should start to phase in to ensure ownership by the agency.

Main issues

67. With the eventual implementation of the Mandanas-Garcia Ruling in 2022 that will increase by three folds the revenue transfers from national government directly to LGUs, BFAR should work closely with the LGUs to provide technical support and capacitate the LGUs to design, plan and implement livelihood and enterprise projects and continue supporting the FishCORAL livelihood investments.

Agreed Action	Responsibility	Agreed Date
Exit and Sustainability Plans Prepare exit and sustainability plans for the CRM and livelihood sub-projects, and for continuity of FOs in every region. The plan should include the O&M of productive rural infra, facilities and equipment.	PSCO, RPMOS	05/2020

Potential for Scaling-up	Rating: 5	Previous rating: 5
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Justification of rating

68. The DA Senior Management has laid out the overall exit plan for the project comprising of the following: (i) The recent Fishery Management Areas (FMA) thrust of the DA/BFAR will build on the experiences and lessons of the BMCs, and the BMCs will form part of the FMAs; (ii) Agri/Fishery-Industrial Business Corridors will be established in each FMA; (iii) Agri-Business Incubators will be established in the industrial business corridors with ABS-GCC as a capacity building component, in partnership with other government agencies such as TESDA and DOST. For this plan, a legislative bill championed by the Department of Agriculture has been submitted and being deliberated in the Philippine national congress.

Main issues

69. With the upcoming World Bank financed FishCORE project that will be implemented by DA/BFAR in some of the FishCORAL project sites, the DA-BFAR committed to ensure that the WB project will build on the gains and successes of FishCORAL project.

Agreed Action	Responsibility	Agreed Date
Documentation for Scaling Up Capture project lessons, good practices, and innovations for PCR and for policy and programme recommendations to BFAR	PSCO, RPMOs	12/2020

c. Project Management

Quality of Project Management	Rating: 4	Previous rating: 4
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Justification of rating

70. Current project staffing is at 204 with 59% women, compared to 242 in 2020. Reduction is in the hired staff particularly among community facilitators (CFs), from 37 in 2020 to 18 in 2021. Regions 13 & BARMM have no CFs, however, Caraga shows confidence that even without CFs, monitoring of FishCORAL activities will be undertaken by LGUs. There is also a 13% reduction in the assignment of BFAR regular staff in Region 8 to the project; whereas Region Caraga &

BARMM posted increase in the number of regular staff to the project, 50% & 54% respectively. Despite staff reduction, in mid-2020, the newly-designated DA Undersecretary for Agri-Industries Modernization and Fisheries has taken very active and direct leadership in the Project which resulted to better management guidance for the Project.

Main issues

71. In BARMM, the significant drop is the absence of CFs (24 CFs in 2020, none in 2021). As BARMM has still high targets to achieve as well as very remote covered barangays, BARMM project management office (RPMO) has to hire community facilitators by 15 March 2021.

72. Decrease in the number of staff started in 2020 with a 37% cut compared to 2019 staffing. The four recommended actions in the previous mission to mitigate the limited staffing remain valid, namely: (i) involve the LGUs in providing extension and monitoring activities; (ii) tap fishery commodity supply chain experts to assist in focused commodities; (iii) increase the assignment of BFAR regular staff for the project, (iv) increase logistical support, e.g. travel and communication to project staff. Active involvement of the LGUs in the extension services to FOs and in monitoring of livelihood activities now become more imperative as the project is about to close. Effective involvement of BFAR regular staff should increase as they have to assume the full responsibility of project continuity.

73. There were promising initiatives done in 2020 for interproject sharing. The PSCO national project coordinator started a monthly virtual meeting with regional project managers . discussing on progress and solutions There were also information interactions among M&E/MIS officers, Livelihood officers, and Gender and Institutional Development specialists. This virtual interactive mode of solutions sharing should be formalized, regularized and supported by a digital interactive platform effective March 2021.

74. With the extension of project completion to 31 December 2021 FishCORAL management at all levels will have to: (i) complete the key CRM and livelihood activities and establish additional 393 FO livelihood/enterprise projects; (ii) provide technical support to FOs with livelihood projects that have greater impact and chances of continuity, (iii) prepare exit strategies and facilitate the handover of project facilities and equipment to FOs, LGUs and BFAR, and (iv) initiate project completion review activities. More technical support should be provided by project management to BARMM as the bulk of funds and activities are in that region which was affected by a delayed project implementation for 2 years and which was further interrupted with BARMM's restructuring.

75. The project has to start a project completion review (PCR) by the second half of 2021. The Project has also to draft Terms of Reference (ToR) for the conduct of (i) end-line outcome/impact survey, (ii) thematic studies, and (iii) economic and financial analysis (EFA) review. The ToRs should be submitted to IFAD for No Objection by April 2021.

Agreed Action	Responsibility	Agreed Date
PCR Planning Prepare a PCR plan together with a ToR for the conduct of outcome/impact and EFA studies, and submit the plan and ToR to IFAD for NO.	PSCO	03/2020
Hire sufficient number of CFs in BARMM for facilitate the livelihood projects in the targeted areas	BARMM RPMO	03/2021
BFAR Regional Directors and BARMM MAFAR to issue a new special order with an updated list of organic staff deployed to the Project with corresponding TORs for the transition phase	PSCO and BFAR RDs	03/2021
Engage the services of the MIS consultant reviewing the project's MIS to assist the Project in implementing the recommendations of the project MIS review report	PSCO	03/2021
Prepare a PCR plan and ToRs for the following: (i) PRSA2 for selected bays, (ii) end-line outcome/impact survey, (iii) EFA analysis, (iv) thematic studies and submit the ToRs to IFAD for no objection	PSCO	04/2021

Knowledge Management

Rating: 5

Previous rating: 5

Justification of rating

76. FishCORAL has an elaborate Knowledge Management (KM) Strategy/Plan prepared in 2017/2018, which lays out the

strategic direction, approaches, deliverables and the responsibilities and roles of different project institutions in KM process. The Mission observed that KM implementation has closely followed that framework and it has been well coordinated both at the national project level and in the respective regions, ensuring the timely production of most of the envisaged outputs. Among the deliverables produced are project briefers, videos, radio programmes, posters, billboards, infographics, factsheets, case studies, all which have contributed to increased awareness about the project activities, disseminating data and results and the lessons and success stories.

Main issues

77. The project has employed different strategies to expand its communication outreach including translating knowledge products to local dialects, effective use of social media, interactive dashboard on project's website and other online platforms, workshops and social events and published news articles and/or press releases by the formal media. Social media and online platforms are particularly proving as effective communication media to target the youth beneficiaries. Besides, the project has produced a number of Learning and Monitoring Guides and Manuals on CRM, ABS and Livelihoods activities. The project has evidently made good progress in the knowledge management attributes, however the Mission observed that most effort has gone to knowledge generation, packaging and dissemination while there is need to investigate whether the beneficiaries and the change agents are fully applying the knowledge products to improve practices.

78. Two key challenges were experienced in KM delivery in the ensuing period; inadequate KM personnel in some of the regions and limited movements and interactions due to COVID-19, both which have reduced the KM implementation pace and outputs. To fully achieve the KM targets during the remaining period, the project should focus on the following; (i) Continue with the planned capture and documentation of lessons learned, good practices, innovations and success stories from the field; (ii) Conduct thematic studies and case studies that will feed into PCR (iii) Produce Policy Briefs based on the lessons, knowledge and information generated (iv) Increased effort with dissemination and depository of the knowledge products, including on the FishCORAL website, social media, workshops and other public forums.

79. Relevant reports, data and printed materials should be shared with RPMOs, DA, BFAR and FIMC and/or libraries; (v) Assess and enhance the application of knowledge products to promote change in practices.

Agreed Action	Responsibility	Agreed Date
Implement all KM activities in 2021 AWPB For capture and documentation of lessons learned, good practices, innovations and success stories from the field; thematic studies and case studies and produce 3 Policy Briefs	PSCO, RPMOs	12/2021

Value for Money

Rating: 3

Previous rating: 3

Justification of rating

80. CRM infrastructure and facilities were mostly delivered and operational. Habitats for fishery and coastal resources were rehabilitated/established (mangroves, sea grass, fish sanctuaries, deployment of artificial reefs). Management structures (BMCs, FARMCs and FLETs) are active and functioning despite the limited financial support from the LGU members. CRM and bay-wide unified fishery ordinances were prepared and are being implemented. LD component enterprises are generating profits and some households with increased incomes, varying across regions. Caraga accounts for relatively higher percentage due to the established seaweeds export market link. 88 livelihood projects are generating income in more than 2 production cycles.

Main issues

81. To gather evidence on the Project's impact, the PRSA2 and end-line survey need to be carried out this year as input to the PCR. Together with these studies, the detailed EFA as part of the PCR will confirm and validate the Project's VFM.

Coherence between AWPB and Implementation

Rating: 3

Previous rating: 4

Justification of rating

82. As of 31 December 2020, the calculated overall weighted physical achievement (OWPA) is at 77.62% from a 64.52% performance in 2019. Performance contribution in 2020 is at 13.10% to the overall targets. This leaves a high percentage target for 2021 at 22.8% (20.53% for component 1, 1.22% for component 2, and 1.03% for project management). Overall financial performance of 2020 AWPB is at 53.56% disbursed or 85.48% obligated.

AWPB Inputs and Outputs Review and Implementation Progress

83. There was difficulty in ascertaining the physical performance of the 2020 AWPB which was a combination of the

83. There was difficulty in accounting the physical performance of the 2020 AWWP which was a combination of the current and continuing funds and LGU fund transfer budgets with some having physical targets while other activities have no targets. Among those targeted, the project was doing well in the purchase and delivery of equipment and facilities like construction of watch towers, solar dryers, establishment of stock enhancement sub-projects, delivery of patrol boats, delineation markers, ice makers. As well, the project did not fare well in the formulation of bay-wide ordinances, conduct of PRSA, adoption of CRM plans, and FO enterprise strengthening.

Performance of M&E System	Rating: 4	Previous rating: 4
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Justification of rating

84. The project's M&E system is established with regular reporting timelines, standard formats of reporting, and responsibility centers for data gathering. Some data capture forms like the livelihood tracking template and beneficiary tracking systems using Google Sheets are implemented. The data capture forms are progressive providing flexibility in the type of data collected.

M&E System Review

85. Data capture forms are however prone to repetitive data collection. Descriptive data is captured in another template which reduces efficiency in data collection and aggregation. This can be improved by including descriptive data in the data capture form to allow single data collection process. Gaps in the data collection and aggregation can be improved by linking data collection tools to the MIS to automate the process and remove manual encoding which may be subject to human error/s.

86. Outcomes reporting began in 2019. During the mission, each project regional offices reported project outcomes in varied indications. The anecdotal outcome results can be synthesized by the project M&E officers/staff for common outcome measurement and can be inputs in improving the Project's Theory of Change in preparation for the project end-line survey and completion studies. This exercise should be concluded in April 2021.

87. Management Information System (MIS). The IFAD Country Office supported the review of the information system of the project. To implement the recommendations of the MIS review, FishCORAL management agreed to continue the services of a consultant who conducted the assessment in an intermittent basis (March-May 2021) to guide the M&E Officers and MIS specialists in setting up an MIS to aid management in its decision making, to support project completion reporting, and in migrating the FishCORAL data/information to the DA/BFAR's information system.

Agreed Action	Responsibility	Agreed Date
Engage the services of the MIS consultant reviewing the project's MIS to assist the Project in implementing the recommendations of the project MIS review report	PSCO	03/2021

Social, Environment, and Climate Standards requirements	Rating: 4	Previous rating: 4
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Justification of rating

88. FishCORAL was designed and approved when SECAP was not yet a requirement. Consequently, neither SECAP Review Note nor Environment and Social Management Plan (ESMP) were prepared to guide the project on environment, social and climate risks management. Considering the limited time left until project completion, the mission focused on evaluating how the project has identified environmental, social and climate risks notably for the sub-projects, and how mitigation measures towards these risks were planned and implemented.

SECAP Review

89. For the sub-projects under Component 2 on livelihood development, the mission was informed that risks towards proposed sub-project activities as well as the mitigation measures have been identified and included in the business plan (BP). Upon review of selected plans, it appears that such BPs need to identify the environmental, social and climate risks more comprehensively, and that the proposed mitigating measures towards these risks need to be strengthened. The mission suggested that risks management plan including practical mitigating measures should be strengthened in the upcoming BPs, and that risks management should be one of the core indicators for appraising sub-projects.

90. In the last supervision mission, there were reported cases of indigenous peoples' (IP) participation in project activities, specifically in Regions 13 and BARMM; thus free and prior informed consent (FPIC) complying the requirements of the Indigenous People's Rights Act (IPRA) should be carried out. As validated with NCIP of Caraga, there are 386 IPs reached by the project and the FPIC certification is on the process. In BARMM, there are 582 IPs. The mission suggested the project to consult with the Ministry of Indigenous Peoples' Affairs for the FPIC certification process, to be able to complete all FPIC requirements before project completion.

d. Financial Management & Execution

Acceptable Disbursement Rate	Rating: 3.0	Previous rating: 3
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Justification of rating

Automated rating based on IFAD disbursement data

Main issues

As of the mission, IFAD has disbursed 70.03% of the approved loan financing to the Project equivalent to USD 20.982 million (including outstanding advances to the Designated Account of USD 6.396 million). IFAD had recently recovered USD 904 thousand from Withdrawal Application (WA) No. 17, while WA Nos. 18 and 19 totalling USD 1.925 million is currently pending ICP approval and WA No. 20 for USD 954 thousand is being processed presently at PSCO. IFAD grant disbursements remain at USD 435 thousand or 63.09% (including advances to Designated Account of USD 240 thousand).

With the project completion date extended to December 31, 2021, loan disbursement and actual utilization of only 58.30% as at end of FY2020 could improve to approximately 81% considering the following: (a) authorized loan budget for FY2021 of Php 116.726 million (USD 2.432 million), including BARMM previous years balances; (b) Php149.48 million (USD 3.114 million) in outstanding obligations from prior years anticipated to be delivered and/or competed in FY2021, which is already net of terminated contracts PhP 45.755 million and pending LGU fund transfer PhP 6.043 million; and (c) actual utilization of PhP 61.321 million in outstanding LGU fund transfers, less PhP 946 thousand to be refunded.

Although the Project is committed to fully utilize available budget, the Project is advised to strictly manage fund liquidity in order to facilitate IFAD's early recovery of outstanding advances to the designated account (to make sure there will only be minimal funds to be returned by the Project during financial closing) while ensuring also availability of adequate loan proceeds at the operating units for use in project implementation.

The mission required the Project to formally submit a realistic recovery plan based on a feasible disbursement forecast that is acceptable to IFAD before any WA is processed for payment (WAs 18 and 19 currently pending approval in ICP). Based on initial projections and recovery plan drafted during the mission, the Project will need USD 3.450 million in IFAD loan replenishments in FY2021 including WAs 18 and 19 pending approval in ICP. The outstanding balance of designated account by the end of FY2021 is estimated at USD 1.728 million and recovery of advances is intended to be completed by April 30, 2022. The Project will not submit any Direct Payment WAs and all submission of WAs in FY2022 are subject to 100% recovery.

Subsequently, the Project agreed to revise projections and draft recovery plan that resulted to lower estimated disbursements for replenishments totalling USD 2.969 million. Estimated outstanding advances at the end of FY2021 is expected at USD 1.246 million. Nonetheless, the Project had indicated to request instead for change in future recoveries just in case actual disbursements will be higher.

Fiduciary aspects

Quality of Financial Management	Rating: 4	Previous rating: 4
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Justification of rating

Moderate shortcomings in financial management continue to exist specifically the long outstanding fund transfers to LGUs.

Main issues

The Project, through the concerned RPMOs, is advised to take more concrete measures or definitive actions in order to immediately resolve any unutilized or unliquidated balances at LGUs and prevent any further delay in the actual return of funds and/or in liquidation procedures. The book balance of fund transfers to LGUs totalled PhP 61.321 million (USD 1.196 million) as of the mission. PSCO, however, has still to review and record or deduct PhP 29.127 million in utilization reports received from LGUs through the RPMO V.

Moreover, Project Finance in close coordination with implementing or operating unitsshould closely monitor status of outstanding payables, budgeted activities, and projected disbursements and to promptly resolve any arising issues affecting liquidity, funds flow or transfers to RPMOs and LGUs, utilization and disbursements such as: (a) delays in procurement and inspection for payment processing in BARMM; remaining unliquidated LGU fund transfers in Region V of PhP33.364 million; and actual refund of PhP 946 thousand for discontinued LGU activities.

Overall financial performance of 2020 AWPB is at 53.56% disbursed or 85.48% obligated. While annual financial budgets are available for project activities, monitoring of actual expenditures are considered not fully effective and

significant variations need stronger and consistent follow up such as in the case of BARMM. Under the 2021 AWPB with total budget of PHP 117.1 million in loan proceeds, BARMM has the largest allocation with PHP 65.2 million in loan proceeds (PHP 12.1 million current plus PHP 53.1 million continuing or budgets coming from prior years).

Agreed Action	Responsibility	Agreed Date
Submit project unaudited financial statements to IFAD. Submit project unaudited financial statements to IFAD.	PSCO	04/2021
Completely account for all fund transfers to LGUs. Completely account for all fund transfers to LGUs (i.e., unutilized funds are actually returned to RPMOs and/or utilization or liquidation reports submitted to PSCO).	PSCO, RPMOs	06/2021

Quality and Timeliness of Audit

Rating: 4

Previous rating: 4

Justification of rating

New audit report on the revised financial statements was submitted on time with acceptable quality

Main issues

IFAD received the Project's audited financial statements for financial year 2019, submitted by email in the date of 1 August 2020. The Commission on Audit (CoA) has expressed a qualified opinion on the financial statements due to accounting errors/omissions and accounting deficiencies which affected the fair presentation of the financial statements and the accompanying notes.

The qualified audit opinion on the financial statements is due to accounting errors/omissions and deficiencies that affected the fair presentation of the financial statements for a total value of PHP 105,355,962.63 (equivalent to USD 2.17 million), which exceeded the audit materiality level set at PHP 1,032,233.62 (equivalent to USD 21,261). We also noted that the financial statements do not include the Withdrawal Application statement and the Designated Account statement.

IFAD's letter dated on 28 August 2020 requested the project to redo the audit and submit a new audit report on the revised financial statements to IFAD before 31 December 2020. The project submitted the new audit report with unqualified opinion on 5 November 2020.

The project have adjusted the accounting errors and omissions with the exceptions of PHP 3,116,859.95 (or equivalent to USD 64,498.90) which still remain but did not exceed the audit materiality level of PHP 4,128,934.50 (or equivalent to USD 85,442.31).

There were no ineligible expenditures reported as a result of audit suspensions, disallowances and charges during the year. However, notice of suspension in prior year for transactions post-audited by RPMO BARMM is still outstanding with an unsettled balance of P1,086,780.78 (equivalent to USD 22,489.35) as of December 31, 2019.

This audit review is linked to CY2019 audit review for Grant no. 2000001275 - FishCORAL grant.

Agreed Action	Responsibility	Agreed Date
Follow up FY2019 financial audit recommendations The COA auditors observed 3 findings and made 6 recommendations from the financial audit. The findings include among others: <ul style="list-style-type: none"> - Accounting errors and omissions - Accounting deficiencies - Receipts and expenditures for the year not correctly presented The PSCO to follow up on these FY2019 audit recommendations.	PSCO	06/2021
Follow up FY2019 compliance audit recommendations The COA auditors observed 18 findings and made 45 recommendations from the compliance audit. The findings include among others: <ul style="list-style-type: none"> - CY2019 targets in three RPMOs were not achieved - Delays in project implementation - Low spending rate - Funds disbursed to RPMOs is above the CY2019 AWPB ceiling - Idle fund kept in the bank from unspent budget - Prior ineligibles from audit suspension - Unsupported disbursements - Reversion of dormant cash, unauthorized accounts and unnecessary fund - Delay/non-liquidation of fund transfer to NGA and LGUs - Inventory not supported by physical counts - Physical assets are not insured - Non-compliance with Procurement Law - Incorrect monthly monitoring report - Delay/non-submission of accounting and property reports - Delay/non-submission of government contracts - Non-proper withholding and timely remittance of taxes The PSCO to follow up on these FY2019 audit recommendations.	PSCO	06/2021

Counterparts Funds

Rating: 4

Previous rating: 5

Justification of rating

Government counterpart funding is not likely to cause significant issues as Php 45.172 million (USD 952 thousand) is authorized for use in FY2021 from current (re-appropriations) and continuing budgets.

Main issues

Out of total allotment of Php 250.838 million made available for the Project as at Dec 31, 2020, actual cumulative disbursement is only Php 185.340 million (USD 3.702 million) or 60.50% of the appraised GPH counterpart of Php 259.967 million (USD 6.120 million), which corresponds to actual loan utilization of 58.30%. This caused by the current pace of project implementation and/or delays due to operational reasons unrelated to availability of counterpart funding. GPH counterpart is also being committed to cover winding-up activities but the Project should be able to adequately consider all the necessary costs in BFAR's budget proposal for FY2022 such as the conduct of PCR.

Significant improvement is still to be reported as to actual LGU equity (USD 1.562 million) and beneficiary contributions (USD 441 thousand) with disbursement rates of only 27.70% and 33.21%, respectively. PSCO is still gathering actual data for project reporting. Project was advised to accordingly account for LGU equity disbursements as reported in submitted utilization reports, and ensure savings mobilization are accounted for in the reported beneficiary contributions. The Project should also be able to effectively assist LGUs and beneficiaries reasonably achieve appraised equity of USD 4.616 million and contributions of USD 1.152 million.

Compliance with Loan Covenants

Rating: 5

Previous rating: 4

Justification of rating

95. In general, the Project has complied with loan covenants that have become due. In relation to the 2019 lapsed contracts with partial or no deliveries, the Project is reminded to comply with Sec. 7.010a)(ii) of the IFAD General

Conditions for the Borrower to carry out the project in accordance with procurement and work schedules.

Agreed Action	Responsibility	Agreed Date
Submit Recovery Plan and disbursement projections to IFAD.	PSCO	03/2021
Submit project unaudited financial statements to IFAD.	PSCO	04/2021
Submit satisfactory CY2020 Project Audit Report to IFAD.	PSCO	06/2021

Procurement

Procurement

Rating: 4

Previous rating: 3

Justification of rating

96. The Project implemented the 2019 Procurement Plan (PP) until 31 December 2020. It continues to implement the 2020 PP because its budget validity is extended until 31 December 2021. Procurement activities under the 2021 PP is just starting. Due to the pandemic, the mission noted that procurement activities under the 2019 and 2020 PPs mainly progressed during that latter half of 2020. As consolidated as of December 2020, fifty nine percent (59%) of the total amount of programmed procurements were obligated consisting of sixty six percent (66%) under the 2020 PP and fifty two percent (52%) under the 2019 PP. Remaining 48% programmed procurements under the 2019 PP can no longer be procured.

Procurement Review

97. There is urgent need to evaluate what procurement packages will still be procured under the 2020 and 2021 PP and undertake procurement with dispatch. Procurement processes reviewed are generally compliant with the national procurement law. The Project faces challenges on contract management with Php46.9M worth of contracts with lapsed delivery/completion periods. P35.8M have partial deliveries/completion while Php11.1M have no deliveries. BARMM procurement need focal attention as most programmed procurements under the 2021 proposed PP will be undertaken by a single Bids and Awards Committee that handles all regular and project procurements for the Ministry of Agriculture Fisheries and Agrarian Reform (MAFAR).

98. The consolidated 2020 PP and the individual PPs of the procuring regions are not easily and publicly accessible and need to be posted in the BFAR website to demonstrate transparency and promote participation and competition.

99. For the 2021 PP, fifty seven percent (57%) of the total procurement allocation will be implemented by BARMM MAFAR. There is urgent need to evaluate what procurement packages need to be procured under both the 2020 and 2021 PPs and undertake procurement with dispatch. Given the tight timelines in the remaining months of project implementation, the Project needs to give focal attention to BARMM procurements. Like the other procuring entities, this entails closely monitored preparation and approval of business plans/proposals and Purchase Requests. The project has a self imposed deadline to complete such processes by end of March 2021 until June 2021. Considering the volume of procurements in BARMM MAFAR, it is recommended that a separate Bids and Awards Committee for FishCORAL procurements be created with focused assistance from the PSCO Procurement Specialist.

100. Under the 2020 PP, despite the pandemic, RPMOs 5, 8 and 13 have been efficient in completing programmed procurements with approved Purchase Requests from posting to approval of the resolution to award. However, the mission notes that RPMO 13 has been particularly most efficient even from pre-procurement to approval of resolution to award. RPMO 13 had an average of six (6) days to approve a Purchase Request from pre-procurement as compared to 61 days by RPMO 5. Across the regions, Project only needs to be consistent in ensuring that bidder Self-Certification Forms are submitted by bidders in their bid documents and submitted quotations.

101. Considering that the project is on its last ten months of implementation amid a pandemic and its accompanying movement restrictions, it is critical for the project to manage delays by suppliers and contractors in performing their contractual obligations. There are twenty five (25) suppliers/contractors with delayed/no delivery contracts nine(9) of them with at least two contracts. Contracts worth Php46.9M have lapsed delivery/completion periods of which P35.8M have partial deliveries/completion while Php11.1M have no deliveries. The RPMOs need to terminate the 2019 contracts where suppliers have completely defaulted in their obligations and blacklisting order issued. Delayed contracts with partial deliveries under the 2019 and 2020 PPs need to be seriously evaluated if they need to be terminated.

Agreed Action	Responsibility	Agreed Date
FishCORAL procurement BAC to prioritize FishCORAL procurement due to limited remaining project duration	RPMO	03/2020
Contract management Review status of projects for implementation by LGUs for cancellation of covering MOAs or immediate physical completion; Review ongoing goods/works contracts and closely monitor compliance by suppliers/contractors of delivery periods, required specifications and enforce warranties and performance securities	RPMOs, LGUs, PSCO	03/2020
Manage existing contracts by amending delivery periods due to the COVID-19 pandemic	RPMOs	08/2020
Undertake blacklisting pursuant to GPPB Resolution No.14-2020 dated 24 June 2020	RPMO CARAGA and BARMM	08/2020
Complete/terminate supply/construction contracts under the 2019 and 2020 Procurement Plans with partial deliveries/accomplishment as warranted	RPMOs	03/2021
Terminate supply/construction contracts under the 2019 and 2020 Procurement Plans with no deliveries/accomplishment	RPMOs	03/2021
Create of Special Bids and Awards Committee for FishCORAL Projects in BARMM	BARMM-MAFAR	03/2021
Provide procurement technical capacity to MFAR RBAC	PSCO	03/2021
Upload Project Procurement Plan in BFAR website	PSCO and RPMOs	03/2021
Complete posting of Requests for Quotation/Invitations To Bid under the 2020 and 2021 Procurement Plans	RPMOs	06/2021

e. Key SIS Indicators

Likelihood of Achieving the Development Objective	Rating: 4.29	Previous rating: 4.0
Assessment of the Overall Implementation Performance	Rating: 3.92	Previous rating: 4.0

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Overview and Project Progress		

Support LGUs for CRM Plan completion and related legislations Facilitate the completion of all the remaining CRM plans and provision of technical support for CRM related legislations and harmonization of FO livelihood activities with CRM plans	RPMO with LGUs	12/2019
Delineation of municipal waters Increase the number of municipalities with delineated municipal waters (i.e., at the minimum having the NAMRIA maps for issuance of LGU ordinance)	RPMO with LGUs	12/2019
Implementation and monitoring of livelihood sub-projects Improve the implementation of the "Livelihood Monitoring Tool" and compile/analyze data on completed cycles and plan out for the next cycle	RPMOs and Regional Livelihood Officers	03/2020
Fisherfolk participation Improve beneficiaries' participation in providing equity for the implementation of livelihood subprojects	RPMOs and Regional BFAR	03/2020
Operation and maintenance of equipment Assess the current situation of solar driers, refrigeration and other equipment and develop a plan for continued operation and maintenance	RPMOs and Regional BFAR	06/2020
Construction of watchtowers Complete the construction and delivery of watchtowers to the LGUs	RPMO with LGUs	09/2020
Patrol boats & FLETs Complete delivery of patrol boats; assess the overall situation of the patrol boats and respective FLETs and implement corrective measures	RPMO with LGUs	09/2020
Revise the FO organization assessment tool making it more practical and can be used to improve the capacity of FOs for livelihood/enterprise development.	NPSCO/RPMOs	10/2020
Completion of the CRM plans Complete all the remaining CRM plans; ensure all are approved at LGU level	RPMO with LGUs	12/2020
Lobster seed assessment Carry out seed assessments in Regions V, VIII & Caraga	RPMOs and Regional BFAR	12/2020
Complete the formulation/updating of CRM plans and lobby for inclusion of livelihood activities in the plan in the LGU annual investment plans.	RPMOs	12/2020
Conduct an inventory of NRM and livelihood related infra facilities and equipment to include users and uses of these facilities and equipment and effect corrective measures when necessary.	RPMOs	12/2020

Gather supply chain/value chain analysis of selected focus fishery commodities and conduct VC analysis for those commodities that have none. New livelihood/enterprise proposals should be anchored on the VC analysis.	NPSO/RPMOs	12/2020
Review the ongoing and approved livelihood/enterprise projects for clustering and consolidation. Together with the concerned FOs and private sector, prepare business plans for clustered commodities.	RPMOs	12/2020
Assess the existing and planned new FO enterprises and identify the FOs that can be integrated in the clustering and consolidation approach; and develop the implementation plan	PSCO, RPMO	03/2021
Make the Baywide Management Councils operational Fixed the annual member contribution, hire fulltime staff or arrange seconded staff from Regional BFAR and LGU members, draft to adopt baywide management plan and at least one approved unified fisheries ordinance.	RPMO, LGUs	12/2021
Integrate the adopted CRM Plans into AIP/ MDP and finish formulating the remaining CRM Plans into adoption	RPMO, LGUs	12/2021
Arrange a fixed allocation/ lumpsum in the annual LGU budget for enforcement covering FLETS honoraria, maintenance patrol boat & watch tower; Monitor utility of these infra for enforcement using simple template; Adopt the operational enforcement plan; Complete the turnover of all infrastructure and supporting equipment from FishCORAL to the LGUs.	RPMO, LGUs	12/2021
Formulate management plans for established FS, mangroves and seagrasses, include in the enforcement and secure annual budget allocation, make and adopt ordinances on harvest regulations including ARs and stock enhancement.	RPMO, LGUs	12/2021
Finalize formal agreement for regular assessment with the BFAR Regional Office with NFRI and with partner academe in the areas as part of their R&D and volunteers from NGOs or other partners.	PCSO, RPMO	12/2021
Strengthen partnership with LGUs and public and private support service providers for the continued support of non-ABS FO enterprises for sustainability	RPMO	12/2021
ABS: Continue and strengthen the existing ABS FOs/POs through completing the cycle to launch their enterprises; and provision of required post-ABS support. Apply relevant ABS curriculum in enterprise improvement in the clustered and non-ABS FOs/POs	RPMO	12/2021
Develop the operational scheme for improved capital formation through access to private micro-finance institutions, self-help community savings mobilization, and other viable means	PSCO, RPMO	12/2021
Facilitate the provision of crop insurance to FOs and FHH that have not been covered yet with PCIC insurance; lobby with PCIC for a modified scheme for FOs with collective enterprises.	PSCO, RPMO	12/2021

Development Effectiveness		
Women and youth participation Conduct a review on the extent of women and youth participation and corresponding benefits derived from the Project. This can be included in the PCR.	PSCO	10/2020
Review the TPR guide and thereafter improve outreach data collection	PSCO and RPMOs	04/2021
Integrate gender and social inclusion in ToRs of all Impact/Thematic Studies	Institutions and Gender Specialist (IGS) & PC	12/2021
Focused efforts on equitable distribution of workload in FHH across the regions through use of labor saving technology, improving access to services to improve the well-being of women and other family members (nutrition training, maternal health care, health services and mentoring at household level for equitable sharing of household chores)	Institutions and Gender Specialist (IGS) & PC	12/2021
Sustainability and Scaling up		
Exit and Sustainability Plans Prepare exit and sustainability plans for the CRM and livelihood sub-projects, and for continuity of FOs in every region. The plan should include the O&M of productive rural infra, facilities and equipment.	PSCO, RPMOS	05/2020
Documentation for Scaling Up Capture project lessons, good practices, and innovations for PCR and for policy and programme recommendations to BFAR	PSCO, RPMOs	12/2020
Project Management		
Inclusion in the M&E system tracking of CC indicators The current logframe will be revised and once of the indicators that will be included is related to climate change (CC). Further, the assumptions/risks should reflect also the vulnerabilities that Region V and VIII faces, and to some extent, the other Regions as well. The M&E system should now reflect the mitigating actions done by the Project to address CC and other related CC indicators	PCSO and RPMO	05/2018
PCR Planning Prepare a PCR plan together with a ToR for the conduct of outcome/impact and EFA studies, and submit the plan and ToR to IFAD for NO.	PSCO	03/2020
FPIC in IP communities Validate the IP data collected in Caraga and BARMM and conduct FPIC to concerned IP communities with proper documentation	PSCO and RPMOs in Caraga and BARMM	04/2020

Hire sufficient number of CFs in BARMM for facilitate the livelihood projects in the targeted areas	BARMM RPMO	03/2021
BFAR Regional Directors and BARMM MAFAR to issue a new special order with an updated list of organic staff deployed to the Project with corresponding TORs for the transition phase	PSCO and BFAR RDs	03/2021
Engage the services of the MIS consultant reviewing the project's MIS to assist the Project in implementing the recommendations of the project MIS review report	PSCO	03/2021
Engage the services of the MIS consultant reviewing the project's MIS to assist the Project in implementing the recommendations of the project MIS review report	PSCO	03/2021
Prepare a PCR plan and ToRs for the following: (i) PRSA2 for selected bays, (ii) end-line outcome/impact survey, (iii) EFA analysis, (iv) thematic studies and submit the ToRs to IFAD for no objection	PSCO	04/2021
Implement all KM activities in 2021 AWPB For capture and documentation of lessons learned, good practices, innovations and success stories from the field; thematic studies and case studies and produce 3 Policy Briefs	PSCO, RPMOs	12/2021
Financial Management & Execution		
FishCORAL procurement BAC to prioritize FishCORAL procurement due to limited remaining project duration	RPMO	03/2020
Contract management Review status of projects for implementation by LGUs for cancellation of covering MOAs or immediate physical completion; Review ongoing goods/works contracts and closely monitor compliance by suppliers/contractors of delivery periods, required specifications and enforce warranties and performance securities	RPMOs, LGUs, PSCO	03/2020
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Undertake blacklisting pursuant to GPPB Resolution No.14-2020 dated 24 June 2020	RPMO CARAGA and BARMM	08/2020
Submit Recovery Plan and disbursement projections to IFAD.	PSCO	03/2021
Complete/terminate supply/construction contracts under the 2019 and 2020 Procurement Plans with partial deliveries/accomplishment as warranted	RPMOs	03/2021
Terminate supply/construction contracts under the 2019 and 2020 Procurement Plans with no deliveries/accomplishment	RPMOs	03/2021

Create of Special Bids and Awards Committee for FishCORAL Projects in BARMM	BARMM-MAFAR	03/2021
Provide procurement technical capacity to MFAR RBAC	PSCO	03/2021
Upload Project Procurement Plan in BFAR website	PSCO and RPMOs	03/2021
Submit project unaudited financial statements to IFAD.	PSCO	04/2021
Submit project unaudited financial statements to IFAD. Submit project unaudited financial statements to IFAD.	PSCO	04/2021
Submit satisfactory CY2020 Project Audit Report to IFAD.	PSCO	06/2021
Complete posting of Requests for Quotation/Invitations To Bid under the 2020 and 2021 Procurement Plans	RPMOs	06/2021
Follow up FY2019 financial audit recommendations The COA auditors observed 3 findings and made 6 recommendations from the financial audit. The findings include among others: - Accounting errors and omissions - Accounting deficiencies - Receipts and expenditures for the year not correctly presented The PSCO to follow up on these FY2019 audit recommendations.	PSCO	06/2021
Follow up FY2019 compliance audit recommendations The COA auditors observed 18 findings and made 45 recommendations from the compliance audit. The findings include among others: - CY2019 targets in three RPMOs were not achieved - Delays in project implementation - Low spending rate - Funds disbursed to RPMOs is above the CY2019 AWPB ceiling - Idle fund kept in the bank from unspent budget - Prior ineligibles from audit suspension - Unsupported disbursements - Reversion of dormant cash, unauthorized accounts and unnecessary fund - Delay/non-liquidation of fund transfer to NGA and LGUs - Inventory not supported by physical counts - Physical assets are not insured - Non-compliance with Procurement Law - Incorrect monthly monitoring report - Delay/non-submission of accounting and property reports - Delay/non-submission of government contracts - Non-proper withholding and timely remittance of taxes The PSCO to follow up on these FY2019 audit recommendations.	PSCO	06/2021
Completely account for all fund transfers to LGUs. Completely account for all fund transfers to LGUs (i.e., unutilized funds are actually returned to RPMOs and/or utilization or liquidation reports submitted to PSCO).	PSCO, RPMOs	06/2021

Philippines

Fisheries, Coastal Resources and Livelihood Project Supervision Report

Logical Framework

Mission Dates: 15 February- 03 March 2021
Document Date: 07/04/2021
Project No. 1100001548
Report No. 5723-PH

Asia and the Pacific Division
Programme Management Department

Fisheries, Coastal Resources and Livelihood Project

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members				-63 370	28 805					
	1.a Corresponding number of households reached										
	Women-headed households				-1 725	3 235					
	Non-women-headed households				6 113	19 588					
	Households			90 596	4 388	22 823	25.2				
	1 Persons receiving services promoted or supported by the project										
	Females			362 000	2 006	9 870	2.7				
	Males			362 000	8 262	18 833	5.2				
	Young			72 400	649	3 744	5.2				
	Total number of persons receiving services			724 000	10 268	28 703	4				
	Groups receiving project services										
	Group				143	860					
Project Goal Contribute to reduce poverty in target coastal communities/ ecosystems in Regions V, VIII, XIII and ARMM	Decreased poverty incidence by 5% from baseline of 42% (mean poverty incidence)							RIMS+ Impact survey. NSCB FIES survey. LPGPMS. CBMS.			Controlled/managed calamity/disaster in the target coastal communities.
	Poverty incidence	42		37							

Results Hierarchy	Indicators							Means of Verification		Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Increased ownership of household assets by 20% of baseline for the targeted 54357 poor households							RIMS+ Impact survey. NSCB FIES survey. LPGPMS. CBMS.			
	Increased ownership of household assets			20							
	Decreased child malnutrition (ages 0-5 years) by 4% from baseline of 24.4%							RIMS+ Impact survey. NSCB FIES survey. LPGPMS. CBMS.			
	Child malnutrition (ages 0-5 years)	24.4		20.4							
Development Objective Realize increase in annual income of participating community households and employment of women engaged in income generating activities	Annual income of participating fishing community households increased by 10% of baseline							RIMS+ Impact survey. Outcomes surveys. LGU budget/ finance document. LGPMS.			Climate variability does not overcome the resilience of subprojects supported by the Project. No major financial shocks, stable inflation rate and purchasing power of fishing households maintained or increasing.
	Annual income increased			10		10	100				
	Employment of women engaged in income-generating activities increased to 40% from baseline of 20%							RIMS+ Impact survey. Outcomes surveys. LGU budget/ finance document. LGPMS.			
	Employment of women engaged in income-generating activities					2 187					
	Employment of women engaged in income-generating activities	20		40							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outcome Fishing communities adopted sustainable management of fishery and coastal resources	Fish density in coral reefs increased by an average of 15% from baseline							RPRSA result. Project M&E. LGU annual financial report.			LGUs, DENR and other agencies are vigilant in protecting and rehabilitating natural resources (ridge to reef).
	Fish density in coral reefs increased by an average			15							
	Hard coral cover improved in selected sample protected areas where scientific sampling of coral takes place by an average of 15% from baseline							RPRSA result. Project M&E. LGU annual financial report.			
	Hard coral cover improved			15							
Output Capabilities of LGUs and fishing communities to enforce sustainable management of fishery and coastal resources established	103 municipal/city FLETs (Fishery Law Enforcement Team) and 103 municipal/city FARMCs (Fisheries and Aquatic Resource Management Councils) formed, strengthened and sustained							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			National/local laws/ordinances favour the protection and rehabilitation off the municipal fisheries and coastal resources.
	Municipal/city FLETs formed, strengthened and sustained			103	10	101	98.058				
	Municipal/city FARMCs formed, strengthened and sustained			103	1	101	98.058				
	11 bay management councils formed, strengthened and sustained with their bay-wide fishing ordinances implemented							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Bay management councils formed, strengthened and sustained			11	2	13	118.2				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	103 LGUs (Local Government Unit) implementing fisheries and Coastal Resource Management plans and ordinances							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Number of LGUs implementing plans and ordinances			103	16	29	28.2				
	103 LGUs delineated municipal waters with accompanying zoning ordinances							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Number of LGUs delineated municipal waters with accompanying zoning ordinances			103	6	24	23.3				
	103 sets of patrol boat equipment for surveillance sustainably operated							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Number of patrol boat			103	32	116	112.6				
	11 climate proofed bay management, multi-purpose buildings constructed and maintained with 103 climate proofed watch towers constructed and maintained							Project M&E. LGU records. NAMRIA record on delineation. Law enforcement records.			
	Buildings constructed and maintained			11	1	13	118.2				
	Watch towers constructed and maintained			103	20	80	77.7				
	3.1.1 Groups supported to sustainably manage natural resources and climate-related risks										
	Groups supported			206	12	202	98.1				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Output Municipal/city and bay-wide fishery and coastal resources management and investment plans implemented	103 LGUs formulated/updated multi-year CRM and fishery management/investment plans which are integrated into the CLUP(Comprehensive Land Use Plan) /MDP(Municipal Development Plan) and AIP							Project M&E. LGU records. LGU Annual Investment Plans.			LGU leadership support to fishery/CRM development.
	Number of LGUs formulated/updated multi-year CRM and fishery management/investment plans			103	16	81	78.641				
	11 bay-wide multi-year CRM and fishery management/investment plans adopted by LGUs involved							Project M&E. LGU records. LGU Annual Investment Plans.			
	Management/investment plans adopted			11	3	13	118.2				
	1.1.4 Persons trained in production practices and/or technologies							Project M&E. LGU records. LGU Annual Investment Plans.			
	Total number of attendances to training sessions				0	8 347					
	Men trained in fishery				0	5 462					
	Women trained in fishery				0	2 885					
	Young people trained in fishery				0	1 764					
	Indigenous people trained in fishery				0	340					
	Total persons trained in fishery				0	8 347					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Output Habitats for fishery and coastal resources rehabilitated and established	3.1.4 Land brought under climate-resilient practices							Project M&E. LGU records.			LGU leaderships support fishery / CRM protection and rehabilitation. Laws/ordinances support protection and the sustainable management of the municipal fisheries/coastal resources.
	Hectares of land			26 370	113	8 534	32.363				
	Critical mangrove areas rehabilitated and managed sustainably							Project M&E. LGU records.			
	Hectares of land			1 100	7.4	433	39.4				
	21,456 ha of established and delineated or rehabilitated fish sanctuaries managed sustainably							Project M&E. LGU records.			
	Hectares of land			21 456	1 942	7 585	35.4				
	3,814 ha of rehabilitated/protected sea grass beds managed sustainably							Project M&E. LGU records.			
	Hectares of land			3 814	19	516	13.5				
	22 marine species stock enhancement projects implemented							Project M&E. LGU records.			
	Projects implemented			22	9	14	63.6				
	5,200 units of supplemental artificial reef deployed							Project M&E. LGU records.			
	Units of supplemental artificial reef deployed			5 200	632	2 299	44.2				
	5,150 ha of fish sanctuary provided with delineation markers							Project M&E. LGU records.			
	Hectares of land			5 150	1 942	7 726	150				
Outcome Income of fishing households in target coastal communities increased through sustainable engagement in diversified livelihood activities	Fishing households involved in fishery enterprises increased to 30% from a baseline of 20%, (30% are women from a baseline of 20%) in 103 target municipalities and cities							RIMS + Impact Survey. Outcome Survey. Project M&E. LGU records.			No major financial shocks that affect the growth of livelihood enterprises.
	Fishing households involved in fishery enterprises increased				9 817	17 736					
	Fishing households involved in fishery enterprises increased (Females)				2 594	4 781					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Fishing households involved in fishery enterprises increased	20		30		0	0				
	Fishing households involved in fishery enterprises increased (Females)	20		30		27	90				
	One micro-enterprise established per coastal barangay operating.							RIMS + Impact Survey. Outcome Survey. Project M&E. LGU records.			
	Micro-enterprise established			1 098	536	579	52.7				
Output Fishing households organized into livelihood groups	4,158 groups generating profit from aquaculture and marine enterprises, including seaweed farms, fish culture, fish processing and other fishery- related enterprises.							Project M&E. Group/cluster financial records.			Continued willingness of fishing and other poor hhs in coastal communities to work collectively in livelihood groups/clusters.
	female membership					40					
	Groups generating profit from aquaculture and marine enterprises			4 158		869	20.899				
	Woman Headed HH				2 594	4 781					
Output Livelihood projects (fishery and non-fishery) with corresponding climate-proofed infrastructure/ facility support implemented	Bureau of Fisheries and Aquatic Resources (BFAR) fully operational hatchery assisted							Project M&E. LGU records.			LGU leadership continuing support to allocate timely counterpart funds.
	BFAR fully operational hatchery assisted			1		1	100				
	Community-based hatchery development and enhancement facilities established							Project M&E. LGU records.			
	Facilities established			7		3	42.9				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated							Project M&E. LGU records.			
	Total number of facilities			515	102	196	38.1				
	Mobile ice makers and chest freezers managed sustainably							Project M&E. LGU records.			

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Mobile ice makers managed			49	15	34	69.4				
	Chest freezers managed			294	114	427	145.2				
	Fish-landing facilities constructed.							Project M&E. LGU records.			
	Facilities constructed (linear meters)			1 200	503.4	660.4	55				
	50% of the livelihood projects will be implemented by women							Project M&E. LGU records.			
	Livelihood projects implemented by women			50	22.09	27	54				

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

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

(As of 31 Dec 2020)

Table 1A:

Financial performance by financier (in US\$ '000)

Financier	Approval (USD '000)	Current (USD '000)	Disbursements (USD '000)	Percent disbursed
IFAD loan	29,960	29,960	20,982	70.03%
IFAD grant	690	690	435	63.09%
Government	6,126	6,126	5,910	96.47%
LGU	5,637	5,637	1,562	27.70%
Community	1,328	1,328	441	33.21%
Total	43,741	43,741	29,330	67.05%

Table 1B: Financial performance by financier by component (in US\$ '000)

Component	IFAD Loan			IFAD Grant			Government			LGU			Community			Total		
	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
<u>Component 1.</u> Coastal Resources Management	18,411	11,419	62.0%	212	15	7.1%	2,517	1,918	76.2%	2,715	1,237	45.6%	128	17	13.3%	23,982	14,606	60.9%
<u>Component 2.</u> Livelihood Development	11,333	5,710	50.4%	478	225	47.1%	1,754	604	34.4%	1,200	325	27.1%	1,200	424	35.3%	15,965	7,288	45.6%
<u>Component 3.</u> Project Management and Coordination	217	332	153.0%	0	0	0.0%	1,855	1,180	63.6%	1,722	0	0.0%	0	0	0.0%	3,793	1,512	39.9%
TOTAL	29,960	17,461	58.3%	690	240	34.8%	6,126	3,702	60.5%	5,637	1,562	27.7%	1,328	441	33.2%	43,741	23,406	53.5%

Table 1C-1: IFAD loan disbursements (in EUR '000)

Category description	Original Allocation	Revised Allocation	Disbursements	Percent Disbursed	WAs pending*	Balance	Percent Utilized (incl. pending WAs less AA)
A. Works	2,070	2,070	1,618	78.17%	619	-167	108.08%
B. Equipment and Materials	15,400	15,400	5,490	35.65%	1,202	8,708	43.45%
C. Consultancies	9,840	9,840	5,851	59.46%	557	3,432	65.12%
D. Authorized Allocation (AA)	0	0	5,639		0	-5,639	
Total	27,310	27,310	18,598	68.10%	2,378	6,334	56.16%

* WAs 18 and 19 in process in ICP; and WA 20 in process at PSCO.

Table 1C-1: IFAD loan disbursements (in US\$ '000)

Category description	Original Allocation	Revised Allocation	Disbursements	Percent Disbursed	WAs pending*	Balance	Percent Utilized (incl. pending WAs less AA)
A. Works	2,271	2,271	1,810	79.70%	749	-288	112.68%
B. Equipment and Materials	16,895	16,895	6,404	37.91%	1,453	9,038	46.50%
C. Consultancies	10,794	10,794	6,372	59.03%	673	3,749	65.27%
D. Authorized Allocation (AA)	0	0	6,396		0	-6,396	
Total	29,960	29,960	20,982	70.03%	2,875	6,103	58.28%

* WAs 18 and 19 in process in ICP; and WA 20 in process at PSCO.

Table 1C-2: IFAD grant disbursements (in US\$ '000)

Category description	Original Allocation	Revised Allocation	Disbursements	Percent Disbursed	WAs pending*	Balance	Percent Utilized (incl. pending WAs less AA)
A. Consultancies	690	690	195	28.31%	45	450	34.79%
B. Authorized Allocation (AA)	0	0	240			-240	
Total	690	690	435	63.09%	45	210	34.79%

**WA in process at PSCO.*

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Appendix 2: Physical progress measured against AWP&B

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Appendix 2: Physical progress measured against AWP& B

Objectives/Expected Results	Indicators	Unit	Period: [01-Jan-20] to [31-Dec-20]			Cumulative	Appraisal	
			AWPB	Actual	%	Actual	Target	
Component 1: Coastal Resource Management (CRM)								
Purpose: Fishing communities adopted sustainable management of fishery and coastal resources.								
Output 1.1: Capabilities of LGUs and fishing communities to enforce sustainable management of fishery and coastal resources established.	103 municipal/city FLETs and 103 M/C FARMCs formed, strengthened and sustained.	no.	111	10	9%	202	206	98%
Activity 1.1.1 Bay management councils (BMC) formed, strengthened and sustained with bay-wide fishery ordinances implemented.	Activity 1.1.1.1 BMCs formed	no.	NA	2	-	13	11	118%
	Activity 1.1.1.2 BMCs strengthened and sustained		NA	-	-	-	-	-
	Activity 1.1.1.3 Bay-wide fisheries ordinances implemented		3	0	0%	0	11	0
	Activity 1.1.1.4 FLETs sustained		NA	-	-	-	-	-
	Activity 1.1.1.5 FARMCs strengthened		NA	-	-	-	-	-

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Activity 1.1.2 LGUs delineated municipal waters with accompanying zoning ordinances	Activity 1.1.2.1 LGUs delineated their municipal waters and zoning ordinances approved by Sangguniang Bayan	no.	Continuing	6	-	26	103	25%
Activity 1.1.3 Development of database and support to the municipal fishery licensing system	Activity 1.1.3.1 Database program developed		NA	-	-	103	103	100%
	Activity 1.1.3.2 Support to the mun. fishery licensing system		NA	-	-	103	103	100%
Activity 1.1.4 Sustainable Operation of the patrol boats for surveillance and law enforcement.	Activity 1.1.4.1 Patrol boat engines procured for 4 RPMOs, 14 PFOs and 103 LGUs	no.	5	32	640%	116	122	95%
	Activity 1.1.4.3 Operation of patrol boats sustained	no.	NA	-	-	-	-	-
Activity 1.1.5 Construction and maintenance of climate-proofed bay management and multi-purpose buildings (BMMB) and climate-proofed watch towers	Activity 1.1.5.1 11 climate-proofed BMMB constructed and maintained	no.	Continuing	1	-	13	11	118%
	Activity 1.1.5.2 103 climate-proofed watch towers constructed and maintained	no.	6	20	333%	80	103	78%

Output 1.2: Municipal/city and bay-wide fishery and coastal resources management and investment plans implemented.	Output 1.2.1 103 LGUs formulated/ updated multi-year CRM and fishery management/ investment plans which are integrated into the MDP/ CDP.	no.	Continuing	16	-	29	103	28%
Activity 1.2.1 Conduct Participatory Resource and Social Assessment Study (PRSAS)	Activity 1.2.1.1 Institution to conduct the PRSAS contracted	no.	11	0	0%	9	22	41%
	Activity 1.2.1.2 PRSAS evaluated and validated		NA	-	-	9	22	41%
	Activity 1.2.1.3 PRSAS accepted and disseminated		NA	-	-	9	22	41%
Activity 1.2.2 Formulation/ updating of CRM and fishery management/ investment plans by the 103 LGUs and integration to the Municipal/ City Development Plans.	Activity 1.2.2.1 CRM Plans formulated/ updated and integrated to the MDP/ CDP	no.	18	16	89%	29	103	28%
Activity 1.2.3 Adoption of bay-wide multi-year fishery and CRM investment plans by LGUs	Activity 1.2.3.1 Bay-wide multi-year fishery and CRM investment plans formulated	no.	-	3	-	3	11	27%
	Activity 1.2.3.2 Bay-wide multi-year fishery and CRM investment plans presented to the SB	no.	-	-	-	-	11	-

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	Activity 1.2.3.3 Bay-wide plans adopted by the LGUs	no.	-	-	-	-	11	-
Activity 1.2.4 Fish landing facilities constructed/ rehabilitated.	Activity 1.2.4.1 11 fish landing facilities constructed	no.	-	7	-	11	11	100%
Output 1.3: Habitats for fishery and coastal resources rehabilitated and established.								
Activity 1.3.1 Rehabilitation and sustainable management of critical mangrove areas.	Activity 1.3.1.1 Rehabilitation of mangrove areas contracted		182	-	-	4	4	100%
	Activity 1.3.1. Mangrove rehabilitation completed	has.	-	7.4	-	433.4	1100	39%
	Activity 1.3.1.3 Mangrove managed sustainably		Continuing	-	-	-	-	-
Activity 1.3.2 Established and delineated/ rehabilitated fish sanctuaries managed sustainably.	Activity 1.3.2.1 Fish sanctuaries established and managed		NA	26	-	156	NA	-
	Activity 1.3.2.2 Fish sanctuaries provided with delineation markers	no.	112	253	226%	1829	5450	34%
Activity 1.3.3 Establishment of marine species stock enhancement projects.	Activity 1.3.3.1 Project proposals prepared and contracted							
	Activity 1.3.3.2 Stock enhancement projects implemented	no.	6	9	150%	14	22	64%

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Activity 1.3.4 Supplemental artificial reef (AR) constructed and deployed.	Activity 1.3.4.1 Construction of ARs contracted							
	Activity 1.3.4.2 ARs constructed and deployed	no.	-	632	-	2299	5200	44%
Activity 1.3.5 Protection and rehabilitation of sea grasses	Activity 1.3.5.1 Sea grasses rehabilitated	has.	-	19	-	516	3815	14%
Activity 1.3.6 Establishment of other resource management measures.	Activity 1.3.6.1 Resource management measures suitable to the 11 target bays/ gulfs identified							
	Activity 1.3.6.2 Selected resource management projects implemented	no.	10	-	0%	64	80	80%
Output 1.4: Technical support of 1 PSCO, 4 RPMOs, 14 PFOs and 103 LGUs to the communities.								
Activity 1.4.1 Provision of technical assistance (TA) and support to LGUs and communities	Set of equipment procured							
	Activity 1.4.1.1 PSCO		NA	-	-	1	1	100%
	Activity 1.4.1.2 RPMO		NA	-	-	4	4	100%
	Activity 1.4.1.3 PFO		NA	-	-	14	14	100%
	Activity 1.4.1.4 LGU		NA	-	-	-	-	-
	Vehicle procured							

	Activity 1.4.1.5 PSCO	no.	NA	-	-	2	2	100%
	Activity 1.4.1.6 RPMO	no.	NA	-	-	4	4	100%
	Activity 1.4.1.7 Motorcycles for operations	no.	NA	-	-	136	117	116%
	Activity 1.4.1.8 TA of contract staff of PSCO provided	no.	continuing	continuing	-	1	1	continuing
	Activity 1.4.1.9 TA of contract staff of 4 RPMOs provided	no.	continuing	continuing	-	4	4	continuing
	Activity 1.4.1.10 TA of community facilitators to 1,098 barangays provided	no.	continuing	continuing	-	1098	1098	continuing
	Activity 1.4.1.11 TA of government support staff provided	no.	continuing	continuing	-	122	122	continuing
Component 2: Livelihood Development								
Purpose: Income of fishing households in the target communities increased through sustainable engagement in diversified livelihood activities.								
Output 2.1: Fishing households organized into livelihood groups.								
Activity 2.1.1 Group formation and strengthening	Activity 2.1.1.1 People's organizations (POs) formed/ activated	no.	147	13	9%	704	1098	64%

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Output 2.2: Livelihood fishery projects with corresponding climate-proofed infrastructure / facility support implemented.								
Activity 2.2.1 Livelihood development in 103 municipalities/ cities	Activity 2.2.1.1 Livelihood technical working group formed							
	Activity 2.2.1.2 Livelihood projects selected and approved	no.	175	258	147%	1081	2586	42%
	Activity 2.2.1.2.1 Seaweed Farming	no.	35	-	-	184	675	27%
	Activity 2.2.1.2.2 Fish Culture	no.	44	11	25%	136	224	61%
	Activity 2.2.1.2.3 Aquasilviculture	no.	6	-	-	67	33	203%
	Activity 2.2.1.2.4 Mudcrab Fattening	no.	0	-	-	53	200	27%
	Activity 2.2.1.2.5 Oyster/ Mussel Culture	no.	4	4	100%	31	54	57%
	Activity 2.2.1.2.6 Fish Processing	no.	40	6	15%	101	320	32%
	Activity 2.2.1.2.7 Other Fishery Enterprises	no.	46	237	515%	509	1080	47%
	Activity 2.2.1.3 Livelihood projects established	no.	175	262	150%	579	2586	22%
	Activity 2.2.1.4 Livelihood projects evaluated							

Activity 2.2.2 Community-based and BFAR hatchery development and enhancement facilities	Activity 2.2.2.1 Design of the hatchery facilities prepared							
	Activity 2.2.2.2 Construction/ rehabilitation of hatchery facilities contracted							
	Activity 2.2.2.2.1 BFAR Reg. 5 hatchery facilities	no.	NA	-	-	1	1	100%
	Activity 2.2.2.2.2 Communal hatchery facilities	no.	-	-	-	3	6	50%
	Activity 2.2.2.2.3 ARMM hatchery facilities	no.	1	-	-		2	
Activity 2.2.3 Construction of communal seaweed solar dryer in stilts with storage	Activity 2.2.3.1 Site assessed and selected							
	Activity 2.2.3.2 Seaweed solar dryers constructed	no.	60	73	122%	196	515	38%
Activity 2.2.4 Provision and sustainable management of mobile ice makers and chest freezers	Activity 2.2.4.1 Site for mobile ice makers assessed and selected							
	Activity 2.2.4.2 Mobile ice makers procured and installed	no.	1	15	1500%	34	49	69%
	Activity 2.2.4.3 Site for chest freezers assessed and selected							

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	Activity 2.2.4.4 Chest freezers procured and installed	no.	NA	114	-	472	294	160%
Component 3: Project Management and Coordination (PMC)								
Purpose: BFAR and LGUs delivered Project services on time and to the satisfaction of coastal communities.								
Output 3.1: Project management structures, systems, procedures, at all levels established.								
Activity 3.1.1 Setting-up of PSCO and RPMO	Activity 3.1.1.1 Project orientation and team-building conducted	no.	NA	-	-	5	5	100%
Activity 3.1.2 Approval of MOA between BFAR and LGUs and other involved agencies	Activity 3.1.2.1 MOA with LGU prepared	no.	NA	-	-	103	103	100%
	Activity 3.1.2.2 Consultation with LGUs on the MOA conducted	no.	NA	-	-	103	103	100%
	Activity 3.1.2.3 MOAs approved by the Sangguniang Bayan	no.	NA	-	-	103	103	100%
Activity 3.1.3 Setting-up and operations of 1 PSCO, 4 RPMOs, 14 PFOs and 103 MPIUs	Activity 3.1.3.1 Orientation on the Project and MOA conducted	no.	NA	-	-	8	8	100%

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	Activity 3.1.3.2 Consultation with LGUs on setting up of local offices conducted	no.	NA	-	-	103	103	100%
	Activity 3.1.3.3 Operational costs							
	Activity 3.1.3.3.1 Travel		5	continuing	0	5	5	continuing
	Activity 3.1.3.3.2 Operations		5	continuing	-	122	122	continuing
	Activity 3.1.3.3.3 Repair/ Maintenance		5	continuing	-	122	122	continuing
Activity 3.1.4 Setting-up of systems and guidelines	Activity 3.1.4.1 Project Implementation Manual (PIM) completed		NA	-	-	1	1	100%
	Activity 3.1.4.2 M&E, and Knowledge Management System Manual completed		NA	-	-	1	1	100%
	Activity 3.1.4.3 Guidelines on Procurement completed		NA	-	-	1	1	100%
Output 3.2: Project managed in a timely, cost-effective, transparent and sensitive to gender.								
Activity 3.2.1 Preparation of planning and budget forms	Activity 3.2.1.1 MYPB prepared and finalized	no.	NA	-	-	1	1	100%
	Activity 3.2.1.2 AWPB prepared and finalized	no.	1	1	100%	5	5	100%

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Activity 3.2.2 Preparation of progress/ accomplishment reports	Activity 3.2.2.1 Monthly progress reports prepared and submitted to DA and IFAD	no.	60	60	100%	300	300	100%
	Activity 3.2.2.2 Quarterly progress reports prepared and submitted to DA and IFAD	no.	20	20	100%	100	100	100%
	Activity 3.2.2.3 Annual progress reports prepared and submitted to DA and IFAD	no.	5	5	100%	25	25	100%
Activity 3.2.3 Conduct of review mission and preparation of mission documents	Activity 3.2.3.1 Review mission coordinated	no.	2	2	100%	9	6	150%
	Activity 3.2.3.2 Review mission required documents prepared and submitted	no.	2	2	100%	9	6	150%

Note: 2020 AWPB targets based on the revised AWPB submitted in July 2020 for the current, continuing and fund transfer budgets.

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Appendix 3: Compliance with legal covenants: status of implementation

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Appendix 3: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Sec. 7.01(a)(ii) IFAD General Conditions	Borrower to carry out the project in accordance with procurement and work schedules	Continuing	Ongoing	Bids and Awards Committees of all Project regions to prioritise FishCORAL procurement activities
Sec. 7.13 IFAD General Conditions	Borrower to provide health and accident insurance to key personnel	Continuing	For compliance	Assistant Bureau Director of LPA committed to implement

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Appendix 4: Technical background analysis

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Appendix 4: Fiduciary risk assessment – data sheet

PROJECT SUPERVISION

Fiduciary Risk Assessment – Data Sheet¹

Country: Philippines		Loan Number: IFAD Loan No. 1258-PH; and IFAD Grant No. 1275-PH	
Project Name: Fisheries, Coastal Resources and Livelihood Project (FishCORAL)			
Executing Agency: Bureau of Fisheries and Aquatic Resources (BFAR)		CPM: Alessandro Marini	
Reviewing Finance Officer/FMS: Arip Syaman Sholeh/ Mohammad Zidni Marohombsar		Date of this Review: Feb 15 – Mar 1, 2021	
Topic		Rating H/M/L	Issues / Comments / Recommendations
A. Inherent Risks			
B. Control Risks			
1. Organization and Staffing			
a.	Adequacy of organizational structure to meet functional needs of the project	M	Organizational structure has remained adequate. The Project's organizational structure (BFAR, PSCO, and RPMOs) is presented in the Project Implementation Manual (PIM). The Finance Division at BFAR Central and Regional Offices are comprised of the Budget and the Accounting Sections. The DA/BFAR leadership will continue to augment the management and technical capacity of the project staff in order to enhance the implementation capability of the Project. Reduction in project staffing was also reported by the mission. (See also Aide Memoire: Project Management)

¹ Include relevant findings of project supervision and progress reports, field visits, and audit report findings.

b.	Availability of clear job description for key project positions, including fiduciary positions.	L	Duties and functions of project personnel including all key positions at the national and regional levels are detailed in Annex 2 (Scope of Work of Project Staff) of the PIM.
c.	Adequacy of project financial management staff (numbers and skill) matching functional needs of project.	M	Organic or permanent BFAR Officers (i.e., Accountants and Budget Officers) at the Central and Regional Offices were delegated. Project National Finance Officer (NFO), and National Finance Assistant (NFA) were also hired as contractual staff on a full-time basis. The RPMOs have also filled positions for Regional Finance Officers (FOs) and Finance Assistants (FAs). The Project has made adjustments considering the extended project completion.
d.	Availability and adequacy of operating manuals and guidelines for staff.	L	The revised Project Implementation Manual (PIM) of August 2017 remains in effect. As indicated in the PIM, financial guidelines will be consistent with the Government Accounting Manual for National Government Agencies (GAM for NGAs) and IFAD policies, systems and procedures.
e.	Existence of performance based evaluation system in place and timely completion of performance evaluation for all staff.	L	Performance appraisal is being conducted semi-annually for organic or permanent officers. Contracted staff submits accomplishment reports twice a month every payroll processing, and contracts are renewed every one (1) year.
f.	Adequacy of health insurance coverage for all staff (where applicable).	L	Contractual staff pays for their own monthly contributions for health insurance, while the government pays that for organic or permanent project officers. The Project has ensured that all staff, particularly community facilitators are adequately covered by health and insurance coverage.
g.	Timely payment of social security fees (where applicable).	L	Contractual staff pays their own monthly mandatory contributions for social security, while the government pays that for organic or permanent project officers.

h.	Staff adequately informed about IFAD's anti-corruption policy and relevant contact details.	L	Project staff members are adequately informed, and are advised to report to BFAR Management any pertinent information.
2. Budgeting			
a.	Timely preparation and approval of AWPB.	M	2021 AWPB was made available during the mission.
b.	AWPB in line with exp. categories in Financing Agreement (FA) Schedule 2.	L	AWPBs have been in line with expenditure categories in the FAs.
c.	Financing sources and implementing agencies for each category in AWPB are identified.	L	Detailed AWPBs for PSCO and the RPMO's are being submitted, including financing sources (i.e., IFAD loan and/or grant, GPH, LGU and community counterparts).
d.	Linkage of AWPB and Procurement Plan are identified (for cost estimate and activities).	L	APPs are based on corresponding AWPBs.
3. Fund flows and Disbursements / Withdrawals			
a.	Timeliness of Funds disbursed by different sources, (and co-financiers funding if applicable)	L	Advances in loan proceeds and grant funds were deposited by IFAD to Designated Accounts, and replenished upon request by the Project through submission of Withdrawal Application (WA) and Statement of Expenditures (SOE). 96.6% of the agreed total GPH counterpart has been made available for the Project.
b.	Timeliness of counterpart funds disbursed.	M	In addition to GPH counterpart funds, LGUs and communities provide counterpart contribution. Project continues to take appropriate measures in collecting and recording information for LGU equity and beneficiary contributions.
c.	Efficiency of the funding channels. Timeliness and traceability of funds flows.	L	Funds flow through usual government procedures for foreign-assisted projects. IFAD funds are deposited to the Bureau of Treasury's (BTr) account at the BSP (Central Bank), and transferred to Project Designated, and Project Accounts maintained at the Land Bank.
d.	Efficiency of the funding channels for credit lines. Timeliness and traceability of funds flows, if applicable.	N/A	
e.	Special Account(s)/Dedicated Account(s) Management, Disbursements		

	i) Adequacy of the authorized allocation to ensure smooth flow of funds	L	Outstanding advances to DAs of the loan and the grant amounted US\$ 6.4 million and US\$ 240,000, respectively as of the mission, remain adequate.
	ii) Appropriateness of disbursement methods used	L	Disbursement methods for the Loan and the Grant per Letters to the Borrower (LTBs) remain appropriate (i.e., advance withdrawal, direct payment, special commitment and reimbursement).
	iii) Adequacy of documentary support for SOE disbursements, reimbursements, direct payments and Special Commitments	L	Expenditures were adequately supported with proper documentation based on the review of sample transactions reported in SOEs and submitted to IFAD.
	iv) Timely preparation and accuracy of Withdrawal Applications (WA)	H	The PSCO is currently completing SOEs for expenditures up to Dec 31, 2020. The PSCO was again advised to report promptly in SOEs the liquidations of LGU transfers. (Aide Memoire: Financial Management).
	v) Authorization of WA preparation	L	BFAR Undersecretaries, and Assistant Directors for Technical, and Administrative Services are the authorized signatories on WAs for both the Loan and the Grant.
	vi) Status on expenditures withdrawn from Special Account but not yet claimed for replenishment (old cases to be noted)	H	The Project was advised to closely monitor status and resolve issues on actual utilization and liquidation of funds transferred to LGUs.
	vii) Regularity of Special Account(s) Monitoring and monthly reconciliations and monthly reconciliations signed by the project manager.	L	The National FO prepares monthly DA Reconciliation Statement for approval by Project Director.
	viii) Disbursement rate compared to the AWPB and whether satisfactory given the remaining implementation time. Provide comments as appropriate.	H	The Loan's disbursement rate is 70%, and actual utilization as of Dec 31, 2020 is at 58%. This is due to perennial issues and challenges in project implementation, procurement and delivery or completion.
	ix) Recovery of SA balances by loan closure.	M	Early recovery was agreed with the Project. (See also Aide Mem: Disbursement)
4. Internal Controls			

a.	Segregation of duties - are the following functional responsibilities performed by different units or persons: (i) authorization of a transaction (ii) execution of a transaction ^[1] _{SEP} (iii) recording of the transaction; and ^[1] _{SEP} (iv) custody of assets involved in the transaction.	L	There is proper segregation of incompatible functions. The Project Director approves transactions; the Accounting Unit records, while assets are under Admin functions.
b.	Clarity and adequacy of decision processes and sequence of events for control functions in project implementation reflected in the Financial Manual (or equivalent there-of).	M	The PIM provides adequate FM and disbursement guidelines. Also, the GAM details accounting processes and procedures. Concerns regarding timely liquidation by LGUs of fund transfers are still being addressed by the Project. (Aide Memoire: Quality of Financial Management).
c.	Adherence to Financial Manual.	L	The Project complies with the PIM, as well as with the GAM.
d.	Effectiveness and efficiency of internal controls over inflows of funding sources other than IFAD.	L	GPH and LGU counterparts are covered by country FM systems. The Project is ensuring proper monitoring and reporting of LGU counterpart contributions.
e.	Adequacy of contract management (use of contracts register and monitoring form) and filing there-of.	L	The National FO consolidates and updates contract registry being maintained by the RPMOs.
f.	Effectiveness and efficiency of internal controls over expenditures (full cycle from commitment, payment, receipt of good and services, approval of payments, classification, etc.)	L	Project transactions are reviewed accordingly by FOs and/or Regional Accountants, and approved by Project Director.
g.	Documentary evidence to confirm delivery and acceptance of contracted goods, works or services.	L	The OIC- Project Director issues Certificate of Acceptance. Also, Inspection and Acceptance Report is being accomplished for every delivery of goods and services and are part of requirements and supporting documents for every contract payments. The RPMOs are closely coordinating with the auditors and/or concerned project staff to ensure proper and timely inspection of goods received and delivered directly to sites.
h.	Physical controls over cash, documents and records. Adequacy of filing systems. Is the petty cash subject to monthly reconciliation as well as surprise checks;	L	Original DVs and supporting documents are being filed at the COA. PSCO and RPMOs also maintain copies of project

	custody of cash box and control of keys.		expenditures. No PCF cash being maintained.
i.	Adequacy of physical management of cash.	L	Cash are deposited in Land Bank accounts and disbursed through checks.
j.	Timely payment to suppliers and consultants.	M	Outstanding payables include pending billings from suppliers/contractors and vouchers for payment at the RPMOs.
k.	Eligibility of expenditures with respect to Financing Agreements.	L	Expenditures are generally eligible for financing using loan proceeds and grant funds.
l.	Legality/eligibility of advances from project funds and timely justification for use there-of.	M	Fund transfers were made to RPMOs and LGUs. Project needs to closely monitor LGU transfers and obtain from the later timely liquidation reports. (See also Aide Memoire: Financial Management).
m.	Compliance with financial management covenants in the Financing agreements and LTB.	L	Project satisfactorily complies with financial covenants. Timeframes were also agreed to ensure timely and consistent compliance to FM covenants.
n.	Adequacy of up-to-date record keeping for fixed assets and inventories.	M	The Project maintains subsidiary ledgers of project assets in accordance with the GAM. The PSCO and RPMOs were advised to regularly update their respective records of all project assets transferred and/or distributed to LGUs in order to ensure sustained use by intended recipients.
o.	Adequacy of controls concerning project assets including: i) Vehicle and other assets management ii) Fuel management iii) Travel authorisations	L	Controls on expenditures such as fuel, training, per diem, etc. are provided in the PIM. Also, physical count is to be conducted annually. Organic or permanent staff at the RPMOs will be accountable for all project equipment, through Acknowledgement Receipt of Equipment (ARE). Fiduciary responsibilities on equipment support are also provided in the MOAs with LGUs.
p.	Adequacy of vehicles and assets insurance.	L	All vehicles procured are insured with GSIS as required by the Government.
q.	Workshops:	L	Procedures and controls for budgeting and expenditure on workshops are presented in the

	i) Availability of list of participants ^[1] _[SEP] ii) DSA paid to participants iii) Receipts for workshop expenditure ^[1] _[SEP]		PIM. Adequate supporting documentation for workshops or training is being required for payment of expenditures.
r.	Adequacy of controls and authorization process for use of funds (payments, transfers, Cash/Bank balance management) / and other operational accounts – non-special account.	L	Project and/or Regional Director approve disbursements from project bank accounts.
s.	Banking arrangement and controls (reconciliation of bank statements with financial accounts).	L	FOs prepares monthly bank reconciliation statements, which the Chief Accountant reviews and approves. The PSCO and RPMOs also considers the use of bank snapshots in its reconciliation of bank accounts to ensure timeliness of reconciliation of project bank accounts.
t.	Existence of a proper IT support unit in place.	L	IT units are in place or Fisheries Information Management Center (R/FIMC) in CO and ROs except, in ARMM. The PSCO provides support to the RPMO in ARMM.
5. Accounting			
a.	Basis of accounting (cash, accrual) and whether accounting standards are in line with IFAD's requirements (e.g. IFRS/IPSAS/IPSAS cash)	L	The Project's financial transactions are recorded and reported in accordance and compliance with the Philippine Public Sector Accounting Standards (PPSAS), as prescribed by the COA.
b.	Adequacy and reliability of accounting system, (is double entry accounting used, specify software used, is budget data entered into the accounting system, can the accounting system produce regular automated financial reports?).	L	The Project uses the government automated accounting system or eNGAS at the PSCO and at all RPMOs. The Project continues the use of eNGAS.

c.	Recordkeeping (including documentation and filing/archiving)	L	The COA retains all original signed copies of DVs and supporting documentation of project expenditures. There were some delays in the submission of DVs and documentation to respective auditors. The RPMOs were reminded to comply with COA's requirement of monthly submission of DVs and financial reports. The PSCO and RPMOs also maintain copies of transactions and other records.
d.	Fixed assets register maintained and reconciled (sample and physical check).	L	The PSCO and RPMOs maintain subsidiary ledgers or asset registers of all equipment purchased by the Project, including those distributed to LGUs and beneficiaries; and reconcile asset registers to results of physical count or inspection (Aide Memoire: Quality of Financial Management).
e.	Adequate documentation and controls for Information Systems, including documented accounting procedures, backup of financial records, integration of all sub-systems.	L	The GAM documents accounting procedures for government transactions. The Project also maintains manual financial records
f.	Adequacy of chart of accounts for project accounting purposes	L	Project chart of accounts is adequate, as prescribed by the COA.
g.	Timeliness of recording transactions, regularity of performance and approval of reconciliations, controls on erroneous recordings.	M	JEVs are prepared for every transaction and approved by the Project Accountant. JEVs are summarized at month-end. The PSCO and RPMOs has been updating e-NGAS records.
h.	Appropriate/ adequate accounting and reporting of counterpart funds contributions (incl. tax and tax exemptions) as well as beneficiary contributions.	L	GPH counterpart are recorded and reported properly. RPMOs has been recording and reporting LGU and community contributions but still needs improvement.
6. Reporting & Monitoring			
a.	Completeness, accuracy, usefulness, and timeliness of financial reports.	L	Quarterly financial statements are prepared and consolidated by the PSCO. The Project ensures that books of accounts are consistently being updated.

b.	Interim FM reports and linkage to progress reports - timely preparation, submission to IFAD.	L	The Project has been complying in the submission of IFRs.
c.	Preparation of reports showing actual vs budget income/expenditure and AWPB execution rate. <i>Ensure complete details (i.e. progress from preceding years)</i>	L	Financial accomplishments and progress against AWPBs were reported and reviewed during mission.
d.	Follow up of previous aide-memoirs fiduciary recommendations.	L	The Project has acted accordingly on fiduciary recommendations from previous Aide Memoires.
e.	Reasonable alignment between disbursement rate of recurrent versus investment cost categories.	L	There have been no changes in the percentage of appraisal amounts for recurrent costs (13%) and investment costs (87%) to total baseline costs.
7. External Audit			
a.	Adequacy of scope and TOR.	L	The Commission on Audit (COA) conducts annual audit on the project financial statements, SOE and Special Accounts. The terms of reference (TOR) for project audit are incorporated in Annex 5 of the PIM.
b.	Adherence to TOR.	L	The PSCO is in constant coordination with the COA regarding project audit requirements.
c.	Timeliness of audit report.	M	FY2020 Project Audit Report is due on June 30, 2021
d.	Quality of audit.	L	The project audit is being conducted in accordance with ISSAIs, and IFAD Guidelines for Project Audits. It covers financial transactions and implementation at the PSCO and at all the RPMOs.
e.	Implementation of audit recommendations/agreed plan in place to address these.	M	The PSCO and the RPMOs need to promptly resolve any COA's project audit findings and recommendations.

Summary of Project Fiduciary Risk Assessment at Supervision

	Risk Assessment H/S/M/L	Proposed Mitigation
Inherent Risk		N/A
Control Risks		

1. Organization and Staffing	M	Ensuring full complement of qualified finance staff, and augment management and technical capacity of project staff.
2. Budgeting	S	Regular monitoring and reporting by PSCO and RPMOs of financial progress against approved budgets, including analysis of variances for immediate actions.
3. Funds flow & Disbursement Arrangements	S	(1) Timely analysis of fund balances, and resolution of perennial disbursement issues and concerns. (2) Strict monitoring of status of utilization and liquidation of all funds transferred to LGUs. (3) Timely submission of WAs to IFAD based on approved Recovery Plan.
4. Internal Controls	M	(1) Strict monitoring of compliance by RPMOs, LGUs and/or communities to agreed fiduciary duties and responsibilities on project funds and assets. (2) Periodic physical count or inspection of all project assets acquired and/or distributed, and reconciliation with assets registers. (3) Efficient processing of invoices and timely payments to consultants, suppliers, and contractors.
5. Accounting	M	Regular reconciliation of all cash accounts, and subsidiary ledgers or asset registers with project books of accounts.
6. Financial Reporting and Monitoring	M	Timely consolidation and reconciliation of project books of accounts maintained by PSCO and by RPMOs.
7. External Audit	M	(1) Close coordination with respective auditors from the COA of PSCO and RPMOs on external audit arrangements for the

		<p>Project in accordance with IFAD's Guidelines on Project Audit and/or the new Conceptual Framework and Handbook for Financial Reporting and Auditing for IFAD-Finance Projects.</p> <p>(2) Immediate resolution of any project audit issues and recommendations.</p>
Overall Project Fiduciary Risk	S	
H=High, S=Substantial, M=Medium, L= Low		

Philippines

Fisheries, Coastal Resources and Livelihood Project Supervision Report

Appendix 5: Mission preparation and planning, TORs, schedules, people met

Mission Dates: 15 February- 03 March 2021
Document Date: 07/04/2021
Project No. 1100001548
Report No. 5723-PH

Asia and the Pacific Division
Programme Management Department

Appendix 5: Mission preparation and planning, TORs, schedules, people met

Terms of Reference Supervision and Implementation Support Mission (SISM)

COUNTRY OF ASSIGNMENT/LOCATION: Philippines

MISSION START AND END DATES: 15 – 03 March 2021

REPORT TO: Alessandro Marini, Philippines Country Director, APR / PMD

MISSION COMPOSITION:

IFAD Staff:

Mr. Jerry Pacturan, Country Programme Officer, Mission/Team Leader
Mr. Richard Abila, Senior Global Technical Specialist for Fisheries & Aquaculture
Ms. Sashwathi Mishra, ECG Staff

Consultants:

Ms. Hilly Quiaoit, CRM Specialist
Ms. Julieta Roa, Value Chain Specialist
Mr. Arthur Tantuan, Procurement Specialist
Mr. Zidni Marohombsar, Financial Management Specialist
Mr. Yolando Arban, Project Management and M&E Specialist

BACKGROUND

1. The FishCORAL project is executed by the Department of Agriculture/Bureau of Fisheries and Aquatic Resources (DA/BFAR). It has a total project cost of USD 43.74 million composed of an IFAD loan of EUR 27.31million or approximately USD 29.42 million, an IFAD grant of USD 0.69 million; national and local government counterpart funds of USD 12.38 million; and beneficiary contributions estimated at USD1.25 million. IFAD financing of FishCORAL Project became effective on 26 October 2015, with a completion date of 31 December 2020 and a closing date of 30 June 2021.

2. The overall goal is to reduce poverty in poor coastal communities, improve food and nutrition security and increase household incomes in the Philippines. This will be achieved by building fishing communities' capacity to sustainably manage fishery and coastal resources and by ensuring sustainable engagement in diversified livelihood activities. The project will target coastal areas in four regions: Bangsamoro Autonomous Region in Muslim Mindanao, Caraga in Northeastern Mindanao, Eastern Visayas, and Bicol in Southern Luzon. More than 180,000 poor households living in coastal areas will benefit from this IFAD-funded project. The project has two major components: (i) coastal resource management; and, (ii) livelihood development.

3. On 29 December 2020, Government requested for a one year extension. On 19 January 2021, IFAD issued the amendment letter for the project extension for 12 months from 01 January 2021 to 31 December 2021. With this extension of completion date, the financial closure date is now moved to 30 June 2022.

MISSION OBJECTIVES

In view of the international and local travel restrictions due to the pandemic, the mission will be conducted remotely. The mission team will hold virtual meetings with key government agencies and stakeholders, obtain photo and/or video documentation and validate M&E data and other progress reports. Live interviews of beneficiaries on field via remote connection will be carried out depending

upon government mobility guidelines and connectivity. Field visits may be conducted depending on government pandemic guidelines and availability of communities to be visited.

The following are the mission objectives:

- i. Review implementation progress vis-à-vis the approved 2020 Annual Work Plan and Budget;
- ii. Review status IFAD and DA/BFAR agreed actions in the February 2020 SISM and August 2020 Implementation Support Mission (ISM);
- iii. Assess compliance with legal covenants and procedures, Project Financing Agreement, Project Implementation Manual and all relevant IFAD procedures and requirements;
- iv. Review the progress of the PCR preparation and provide advice/inputs to the Project and the PCR service provider; and,
- v. Review the effects of COVID19 and its impact on project implementation and agree on mitigation measures.

The two main outputs of the mission will be (i) an aide-memoire documenting the findings, conclusions and recommendations of the mission to be discussed with the Government during the wrap-up meeting; and (ii) a supervision mission report to be submitted to IFAD's management at the conclusion of the assignment, in the required format. With barely a year towards project completion, IFAD and Government will agree on the key steps required to deliver results and ensure utilization of loan and grant resources.

RESPONSIBILITIES OF TEAM MEMBERS

Jerry Pacturan, Mission / Team Leader. He will have overall responsibility for guidance and management of the mission's work. The Mission Leader will be responsible for debriefing the Government during the wrap-up meeting, and will ensure that all deliverables are met in a timely manner and comply with IFAD's required formats and quality standards. He will coordinate the preparation of the aide memoire and ORMS report. Specifically, the mission leader will:

- a) Lead the team's meetings with Government counterparts and partners throughout the mission;
- b) Coordinate mission activities, review the assessment of the overall project performance and quality of implementation and synthesise the findings and recommendations;
- c) Assess the overall quality of project management and coordination;
- d) Together with the SISM team, review, the overall implementation progress of each component since project effectiveness;
- e) Review, together with the team, the physical/financial progress of the project to date since effectiveness;
- f) Lead the drafting of the Aide Memoire before submission to the Government and the preparation and completion of the full mission report for IFAD ORMS.

Richard Abila, IFAD Senior Global Technical Specialist, will lead the team on Knowledge Management and will do the following:

- a) Assess the overall progress of programme interventions in the field of knowledge management and make time-bound recommendations to ensure knowledge and best practices are systematically captured and shared;
- b) Conduct inventory of all KM products produced by the project and review the effectiveness of dissemination and popularization strategies for the various Project stakeholders especially the fisherfolk beneficiaries and the local government units;
- c) Assist the Project in developing an effective strategy for dissemination and popularization;
- d) Resulting from KM products developed, identify policy issues that have implications for policy dialogue and engagement with national and local governments;
- e) Identify lessons for harvesting that the Project needs to develop as part of the Project Completion Report (PCR); and,
- f) Perform other tasks as may be requested by the Mission/Team leader.

Yolando Arban, Project Management and Monitoring & Evaluation (M&E) Specialist. He will do the following:

- a) Assess the overall Project management and M&E performance and quality of implementation in line with the defined result objectives;
- b) Assess the progress and implementation performance of Programme's components logical framework
- c) Assess the progress of project interventions in the field of general management and make time-bound recommendations to ensure knowledge and best practices are systematically captured and shared;
- d) Undertake an overall assessment and rating of the performance of M&E system;
- e) Revisit the baseline survey report and determine its needs and gaps, in preparation for the PCR; review outcome reporting;
- f) Conduct the assessment and rating of the performance of M&E system and related MIS;
- g) Summarize the overall programme implementation progress of the M&E and institutional aspects and make recommendations to improve program performance;
- h) Support Mr. Abila in assessing the progress of programme interventions in the field of knowledge management and make time-bound recommendations to ensure knowledge and best practices are systematically captured and shared;
- i) Preparation of the Appendices "Updated logical framework" and "Physical progress measured against AWPB" (including COI indicators);
- j) Review and update the yearly results and update the data in the ORMS logframe;
- k) Review the effects of COVID19 and its impact on project management and agree on mitigation measures;
- l) Review the effectiveness of implementing its targeting strategy and its outreach to all groups of beneficiaries, including women, young men, young women and indigenous people;
- m) Prepare written contribution to the relevant sections of the mission Aide Memoire and to the report including data, annexures, field observations, project results, findings and recommendations, within the deadline set by the Team Leader; and,
- n) Any other tasks assigned by the Mission/Team Leader.

Sashwati Mishra, IFAD ECG Staff, will be responsible for the review and technical support on gender, youth, nutrition, ethnic groups, targeting (in collaboration with the M&E specialist).

- a. Assess the overall quality of the performance on gender, targeting and issues of social inclusion;
- b. Develop an action plan to improve the performance of project on gender equality and women's empowerment by indicating pathways for improved decision making/agency development, economic empowerment and workload reduction;
- c. Assess the AWP/B and ensure sufficient budgetary allocations are made for meeting the gender and social inclusion activities;
- d. Provide overall implementation support to FishCORAL as required and recommend action plan for the remaining duration of the project;
- e. Identify lessons learned for harvesting as part of the PCR as well as sustainability and exit issues that need to be addressed by the project after the mission
- f. Contribute to the report writing requirements for the Aide Memoire and the ORMS report; and,
- g. Provide other necessary support and tasks as identified by the Team and the Team Leader.

Hilly Quiaoit, will be responsible for reviewing the progress of project activities under Component 1.

- a) Assess how the bay-wide management approach is being implemented; the pace of implementation; challenges and constraints; and relevance of the approach; the quality of participation of small fisher POs in CRM, link to IFARMCs, and how small fishers are integrated into the IFARMC at barangay/municipal level;
- b) Review the status of PRSA, including which bays or regions have begun implementation of PRSA, which bays have accomplished some outputs, and the plan for the other bays; assess project's utilization of the PRSA results for regions with completed PRSAs.
- c) Review the project's support on law enforcement; who are involved (e.g., LGUs? Small fishers? Government agencies? IFARMC?) and what are the activities, outputs and outcomes?

- d) Assess progress in preparing coastal resource management plans been prepared in relationship to PRSAs; and recommend how this can be improved.
- e) Review the availability of resource rehabilitation plans, and their technical activities, financial requirements, financing resources, participation (from small fishers organizations, the barangay LGU, the municipal LGU);
- f) Review infrastructure and equipment requirements identified by the project, and their relevance/responsiveness to project objectives and fishing community requirements; review the pace of procurement and delivery of equipment to partner LGUs and fisher organizations; a management and maintenance plans for their utilization; and financing strategies (including local counterpart funds);
- g) Assess the relevance and effectiveness of technical assistance including training for Component 1 given to primary stakeholders and staff in relation to design objectives, and the extent to which they have been given based on needs assessment and followed up on to determine their impact;
- h) Review and provide inputs on value for money consideration of the project in regard to Component 1 as required in the full mission report;
- i) Review the effects of COVID19 and its impact on project implementation and agree on mitigation measures;
- j) Identify lessons learned for harvesting as part of the PCR as well as sustainability and exit issues that need to be addressed by the project until PCD of 31 Dec. 2021; and,
- k) Contribute to the relevant sections in the mission Aide Memoire and full reporting requirements for ORMS and perform related tasks assigned by the Team Leader.

Julie Roa, will be responsible for reviewing the progress of the project activities under Component 2:

- l) Asses the progress of implementation of the livelihood component and the related project activities in facilitating commercial partnerships between small fishers and SME/private sector, and availment of financial services from rural financial institutions (eg, banks, insurance agencies, etc);
- m) Assess partnerships from other resource institutions (e.g., research, business development/enterprise services, academe, etc.), type of support and partnerships and efforts being made to establish synergies and partnerships with relevant institutions and complementing initiatives;
- n) Review types of livelihood activities that have been financed by the project; are the livelihood /fisheries business plan in place?; assess the quality and feasibility of business plans (eg, social, technical and financial), and the improvements required including technical assistance needed;
- o) Review fishers livelihoods linkages with markets; access to technical/technology and business development services; and the quality and cost-effectiveness of such services;
- p) Assess the relevance and effectiveness of technical assistance including training for Component 1 given to primary stakeholders and staff in relation to design objectives, and the extent to which they have been given based on needs assessment and followed up on to determine their impact;
- q) Assess the adequacy of budget allocation for livelihood vis-à-vis the number of target fishing households; and options to access other financing from financial institutions (coops, MFIs, rural banks, etc.) as well as willingness for these sources to finance the livelihood activities; and any linkages FishCORAL has established with such institutions;
- r) Review the presence of fishing businesses / SMEs in the project areas and nearby environs that can serve as markets, processors and technology providers of the fishers? Has the project identified these private sector buyers and processors and providers and facilitated tie-ups?;
- s) Are the infrastructure and equipment support for the livelihood component identified and already financed? Are they relevant and needed? Are the technical specifications sufficient? Is the right number of equipment being provided? Is the project budget allocation sufficient? What are the other needs that may be financed by DA/BFAR, LGUs and other partners?;
- t) Identify lessons learned for harvesting as part of the PCR as well as sustainability and exit

- issues that need to be addressed by the Project until PCD of 31 Dec. 2021;
- u) Review and provide inputs on value for money consideration of the project in regard to Component 2 as required in the full mission report;
 - v) Review the effects of COVID19 and its impact on project implementation and agree on mitigation measures; and,
 - w) Contribute to the relevant sections in the mission Aide Memoire and full reporting requirements for ORMS and perform related tasks assigned by the Team Leader.

Zidni Marohombsar, Financial Management Specialist. The Financial Management Specialist will handle all matters related to financial management, including disbursement performance. Using the IFAD FMAQ as the basis to collect the relevant information, the Financial Management Specialist will assess the strengths and weaknesses of financial management systems, internal controls and financial reporting systems relating to financial management and financial administration of project funds in order to ensure that they satisfy IFAD's fiduciary requirements and comply with the Financing Agreement and LTB. Specifically, the expert will:

- a) Review financial management progress, identify constraints in disbursements and expenditure programming; propose solutions where appropriate;
- b) Assess physical and financial project implementation progress against appraisal targets and Annual work plans and budgets;
- c) Identify actual, emerging or potential problems, constraints and bottlenecks in project implementation;
- d) Identify risks arising from material deficiencies and propose practical recommendations for improving financial management functions and/or staffing for financial operations needed to mitigate risk;
- e) Review the financial reporting systems, including Government reporting requirements. Assess the functionality of the accounting software used and make recommendations, if any, to customise the software in order to enhance its usefulness for project reporting purposes;
- f) Assess regularity of WA preparation. Recommend concrete measures to ensure faster and more efficient disbursements. Assess the project's treasury planning; analyse adequacy of DA authorised allocation, with respect to projected expenditure requirements;
- g) Review SOEs prepared since the last field review to verify adequacy, completeness and validity of claims by selecting on a sample basis expenditure items from each category of expenditures and performing a system 'walk-through'. Document findings on individual SOE items, noting down any ineligible expenditures. Provide recommendations on any internal controls weakness noted. Assess the adequacy of the project's filing of financial records;
- h) Review contractual and payment procedures (as well, assess (for quality, timeliness) and identify any capacity gaps in contractor/IP/SP preparation of documentation for payment of works, financial reports, etc.); check contract register, usage of contract monitoring forms, register of advances; highlight outstanding advances (ageing analysis); verify compliance with audit requirements foreseen in contracts/ MOUs, if applicable;
- i) Review status of counterpart funding, including checking if the Borrower/Lead Project Agency has made available financing proceeds to the Project, as planned and in line with the Financing Agreement;
- j) Review key internal controls in project expenditure management, assess number of days required for payment approvals;
- k) Assess compliance with financing agreement, LTB and applicable guidelines, including PIM;
- l) Review internal audit arrangements provided by COA, document findings of internal audit reports;
- m) Discuss findings of previous audit reports with finance team, describe planning for addressing audit observations;
- n) Discuss Mission recommendations with the project and relevant stakeholders and agree on a plan of action; based on above work, assign FM performance ratings to the projects, and update FM risk assessments, following CFS guidelines;
- o) Follow up on the audit report 2019 and 2020 submission and ensure that the audit TORs explicitly mention the right of the borrower/recipient and of IFAD to publish the audit report, with no limitation-of-use clause;

- p) Conduct specific analysis of value for money (VFM) at all levels and the reasonableness of prices for:
 - a. Goods, equipment, etc using available price indicators;
 - b. Civil Works, compared to locally accepted standards and prices; and
 - c. Services compare quality-output to international standards and prices; and,
- q) Contribute to the relevant sections in the mission Aide Memoire and full reporting requirements for ORMS and perform related tasks assigned by the Team Leader.

Arthur Tantuan, Procurement Specialist. The Procurement Specialist will be responsible for the following:

- a. Review the current Procurement Plan in order to assess it has been fully updated and upgraded, ascertain its completeness, its concurrence with the AWPB, and its consistency with the country systems and/or IFAD Procurement Guidelines and Handbook;
- b. Provide support, advice and recommendations on the following:
 - i. The thresholds, ceilings and preferences to be applied in the implementation of procurement under the project;
 - ii. The contract types and contractual arrangements for goods, works and consulting services required to implement the projects;
 - iii. The proposed methods of procurement;
 - iv. The related IFAD review procedures and provide suggestions to improve the overall quality of the procurement processes;
- c. Review a minimum sample of 10% of all procurement contracts for compliance;
- d. Carry out spot checks on past procurement activities and assess the extent these adhere to Government and/or IFAD Procurement Guidelines and Handbook; in particular, verify that the goods, services and works procured correspond with the approved AWPB and Procurement Plan, in terms of quality and quantities;
- e. Review the procurement, contracting and implementation processes and timeliness and appropriateness of procurement actions;
- f. Assess contract administration and management procedures;
- g. Assess the procurement capacity of all entities to be reviewed in terms of manpower, levels of training of procurement staff, work environments and independence of procurement staff to carry out their statutory assignments;
- h. Conduct specific analysis of value for money (VFM) at all levels and the reasonableness of prices for:
 - a. Goods, equipment, etc using available price indicators;
 - b. Civil Works, compared to locally accepted standards and prices; and
 - c. Services compare quality-output to international standards and prices;
- i. 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;
- j. Verify to the extent possible, whether goods, works and consulting services contracted were supplied/completed according to the required specifications and technical standards;
- k. Review issues identified in the previous procurement review and aide-mémoire and procurement related issues identified in project audit reports;
- l. Identify deficiencies and make recommendations for improvements and control mechanisms in the procurement procedures and processes;
- m. Conduct a review of any significant changes in the borrower/recipient's procurement system and practices, and ensure project procurement procedures and systems are updated accordingly;
- n. Review/update the Procurement Risk Assessment, using the IFAD Procurement Risk Matrix (Module I of the IFAD Procurement Manual);
- o. Assess further procurement staff training needs and ensure relevant training is planned and provided to project management and procurement staff in a timely manner;
- p. Submit an assignment report (as per IFAD format), and any other relevant ancillary documents;
- q. Review the effects of COVID19 and its impact on project implementation and agree on mitigation measures; and,

- r. Carry out any other activity, as required by IFAD.

DOCUMENTATION

The following documentation will be made available to the team: (i) AWPB and Procurement Plans for 2018, 2019 and 2020; and, (ii) Other relevant project documents that will be requested by the mission. A google link drive was created for the Project and Mission to upload documents needed for the mission -

https://drive.google.com/drive/folders/1owVJSvojaqJtrjYL4dfftCDco3_NN6PK?usp=sharing.

MISSION SCHEDULE

(All in Philippine time; +7 hours Rome time)

15 February	930am: SISM Team internal meeting (remote) 1pm: Kick-off meeting of SISM Team, Government Officials & Project Team
16 February	9am: Component 1 presentation and discussions (remote) 130pm: Component 2 presentation and discussions (remote)
17 February	9am: Project Management presentation and discussions (remote) 130pm: Parallel presentation/discussions on Procurement & Financial Management (remote)
18-20 February	Simultaneous field visits in Caraga Region (Arban/Pacturan), Region VIII (Roa) – <i>subject to Government pandemic guidelines; IFAD Medical Unit and local United Nations Department of Security approval</i>
21 February	Review of project documents and SISM Team report drafting
22-23 February	Additional remote meetings and drafting of Aide Memoire
26 February	9am: Technical meeting of SISM Team and Project Staff
27 February	SISM Team report preparation on revised Aide Memoire
01 March	1pm: Wrap-up Meeting with Government Officials and Project Staff
02-3 March	SISM Team report preparation for ORMS (internal to IFAD)

IFAD SUPERVISION AND IMPLEMENTATION SUPPORT MISSION (SISM)
15 FEBRUARY TO 01 MARCH 2021
DETAILED SCHEDULE OF ACTIVITIES

Date/Time	Activity	Meeting Link
15 February 2021, Monday		
9:30 am – 12:00 nn	SISM Team Internal Meeting	
1:30 – 5:00 pm	Kick-Off Meeting (1) Mission Members, (2) PSC Members, (3) MAFAR Management and Officers, (4) BFAR Management and Central Officers, (5) BFAR Regional Directors and Focal Persons/Officers (6) RPMO Heads/ Officers (7) PSCO Officers	https://ifad.zoom.us/j/97398756608?pwd=aIZEbWN0SXlKMfQ2UGVVVzZ5VG1xdz09
16 February 2021, Tuesday		
9:00 am – 12:00 nn	Meeting on Finance Zidni Marohombzar and Raul dela Cruz (1) Mission Members; (2) BFAR Finance/Accounting Officers; (3) Regional Finance/ Accounting Officers; (4) RPMO Heads, Technical and Finance/Admin Officers; (5) PSCO Officers	https://ifad.zoom.us/j/91918693535?pwd=WTE1bGEvS21lbjR6WkhRQWFEOhOZz09
9:00 am – 12:00 nn	Meeting on Procurement Atty. Arthur Tantuan and Allan Urtal (1) Mission Members; (2) BFAR Central/BAC Officers , (3) Regional BAC Officers, (4) RPMO Procurement/Technical Officers (5) PSCO Officers	https://us02web.zoom.us/j/81425119220?pwd=Q1BweXIrMVhzeWF6cGFJZFhL2VDQT09
1:30 – 5:00 pm	Meeting on CRM Component Hilly Roa-Quiaoit and Jessica Muñoz (1) Mission Members; (2) BFAR Management and Central Officers, (3) Regional Directors and Focal Persons/Officers, (4) RPMO Heads/Officers (5) PSCO Officers	https://ifad.zoom.us/j/91658255545?pwd=eG1SZy8zWmYwU29QSGowUmVnLzRjdz09
17 February 2021, Wednesday		
9:00 – 12:00 am	Meeting on Project Management, Outreach, M&E/MIS Jing Pacturan/Lando Arban and Jessica Muñoz/Raymund de la Cruz (1) Mission Members; (2) BFAR Management and Central Officers, (3) Regional Directors and Focal Persons/Officers, (4) RPMO Heads/Officers (5) PSCO Officers	https://ifad.zoom.us/j/98412952390?pwd=TjhpNy8yTkZDQzUrYjNSNzFYSGUwUT09
1:30 – 5:00 pm	Meeting on Livelihood Development Component Julie Roa and Mariquit Alano (1) Mission Members; (2) BFAR Central Officers, (3) Regional Directors and Focal Persons/Officers, (4) RPMO Heads/Officers (5) PSCO Officers	https://us02web.zoom.us/j/86052687649?pwd=Y3k4MjRkZnBTN2hMcTFmeGZVSHRSZz09
18 February 2021, Thursday		
9:00 am – 12:00 nn	Follow-up Meeting between SISM Team and Concerned Staff (1) Mission Members; (2) BFAR Central Officers, (3) Regional Directors and Focal Persons/Officers, (4) RPMO Heads/Officers (5) PSCO Officers	Zoom Link to be posted once meeting is finalized.

9:00 – 10:00 am	Meeting re FishCORAL OWPA: Lando Arban/Herbert Narisma/Raymund de la Cruz/Job Pareno (1) Mission Members; (2) NEDA MES Officers (3) Regional M&E Officers (4) PSCO Officers	https://ifad.zoom.us/j/96283690223?pwd=a05JbkRac1JqTEswTzE4N0dJdlhCdz09
1:30 – 5:00 pm	Meeting on M&E/KM/PCR Lando Arban/Richard Abila/Herbert Narisma and Raymund dela Cruz/Shayne Araullo (1) Mission Members; (2) BFAR Central Officers, (3) Regional Directors and Focal Persons/Officers, (4) RPMO Heads/Officers (5) PSCO Officers	https://ifad.zoom.us/j/97854652261?pwd=cVY2YXF1dGpNS05mZGVVVGJ0ckxOdz09
19 February 2021, Friday		
1:30 pm	Follow-up Meeting on Livelihood Development Juli Roa and Kit Alano/Joy Lesigues (1) Mission Members; (2) BFAR Regional Officers; (3) RPMO Heads/Officers (4) PSCO Officers	https://ifad.zoom.us/j/99745063532?pwd=V1gwV3AycGF0V2RxcmtiR053ZVh2Zz09
22-23 February 2021, Monday and Tuesday		
Caraga	Regional Visit of SISM - Jing Pacturan and Lando Arban RPMO c/o Mr. Allan Leopoldo	Separate Regional Visit Schedule
22 February 2021, Monday		
9:00 am	Follow-up Meeting on Procurement Atty. Arthur Tantuan and Allan Urtal (1) Mission Members; (2) BFAR Central/BAC Officers , (3) Regional BAC Officers, (4) RPMO Procurement/Technical Officers (5) PSCO Officers	https://ifad.zoom.us/j/96216469670?pwd=N3VZblpyUUZqc0JEQTZzU2h6MmNTUT09
9:30 am	Meeting on Environment and Climate Change (1) Mission Members; (2) BFAR Central Officers, (3) Regional Directors and Focal Persons/Officers, (4) RPMO Heads/Officers (5) PSCO Officers	https://us02web.zoom.us/j/87657056033?pwd=UTVXYUc2TVVqRHdqcmMvallDS3F1dz09
1:30 – 5:00 pm	Meeting on Targetting and Gender Sashwati Mishra and Joy Lesigues (1) BFAR Central Officers, (2) Regional Directors and Focal Persons/Officers, (3) RPMO Heads/Officers (4) PSCO Officers	https://ifad.zoom.us/j/95299782578?pwd=WVM3cWpHK0hrbFowRW9xUWISY2Y3QT09
23 February 2021, Tuesday		
9:00 am	Follow-up Meeting on Finance Zidni Marohombzar and Raul dela Cruz (1) Mission Members; (2) BFAR Finance/Accounting Officers; (3) Regional Finance/ Accounting Officers; (4) RPMO Heads, Technical and Finance/Admin Officers; (5) PSCO Officers	https://ifad.zoom.us/j/95123594121?pwd=bFZKUytoeWVWdjNpYXZkK1c2ZFhQQT09
24-25 February 2021, Wednesday and Thursday		
	Drafting of Aide Memoire, additional remote meetings with concerned consultant and staff	
26 February 2021, Friday		

1:30 pm	Pre Wrap-up Meeting Mission Members, RPMO Heads/Officers, PSCO Officers SISM Team report preparation on revised Aide Memoire	https://ifad.zoom.us/j/97948345869?pwd=L y9mZW45M01TY3JNZ mVMMWpLK3F2UT09
01 March 2021, Monday		
1:30 – 5:00 pm	Wrap-up Meeting (1) Mission Members, (2) PSC Members, (3) MAFAR Management and Officers, (4) BFAR Management and Central Officers, (5) BFAR Regional Directors and Focal Persons/Officers (6) RPMO Heads/Officers (7) PSCO Officers	https://ifad.zoom.us/j/93470325439?pwd=c IBFQmdPNkh5TE9sTW hXa0VnZ0tQZz09

Person Met by SIS Mission

Agency/Office	Name	Designation
Department of Agriculture (DA)	1. Cheryl Marie Natividad-Caballero 2. Fernando Flores 3. Reniel Dandan 4. Angelita Martir 5. Byron Gadiano 6. Josefina Venturanza 7. Bathsheba Aparillo 8. Maan Aquino 9. Mariam Camaso 10. Rechel Macalalad	Undersecretary for Agri-Industrialization and Fisheries (UAIF) Director, Project Dev't. Service (PDS) Office of UIAF DA- Special Projects Coordination and Management Assistance Division (SPCMAD) DA-SPCMAD DA-SPCMAD DA-SPCMAD DA – PDS DA – PDS DA – PDS
National Economic and Development Authority (NEDA)	11. Gemma Agagas 12. Ianah Olonan 13. Malou Magbojos	Monitoring and Evaluation Staff (MES) PIS
Department of the Interior and Local Government (DILG)	14. Mafe Morales 15. Candice Marie Santiago 16. Socrates Macaranas 17. Aimee Castino	Bureau of Local Government Development (BLGD) BLGD DILG Central Office BLGD
Mindanao Development Authority (MinDA)	18. Fatma Idris 19. Shiela Mae Almasa 20. Sylvestre Sales	Office of the Chairman Policy Formulation Division IPPAO
DA - BFAR	21. Eduardo Gongona 22. Juan Albaladejo 23. Mercedita Tan 24. James Braga 25. Christian Caluba	National Director Assistant Director for Operations Officer-in-Charge – BFAR PMO Fisheries Policy and Economics Division (FPED) Office of the Undersecretary
FishCORAL – PSCO	26. Jessica Muñoz 27. Zenaida Silao 28. Raul Dela Cruz 29. Raymundo Dela Cruz, Jr. 30. Allan Urtal 31. Mariquit Alano 32. Rhine Joy Lesigues 33. Shayne Marie Araullo 34. Job Parreño 35. Haidee Joy Cabiladas 36. Zenaida Santos 37. Michelle Allauigan 38. Michelle Abulad	Project Coordinator Planning Officer Finance Officer M&E Officer Procurement Specialist Livelihood Specialist Institutions/Gender Specialist Knowledge Management Officer Management Info. System Officer M&E Assistant Admin Officer Admin Assistant Finance Assistant Finance Assistant

Agency/Office	Name	Designation
	39. Mary Florence Rebleza	
<u>REGION 5</u> BFAR Regional Office FishCORAL RPMO	40. Nelson Bien 41. Nonie Enolva 42. Joelle Benavidez 43. Ruben Peyra 44. Aries Tang 45. Fermin Rempillo 46. Kathleen Ann D. Hilotin 47. Roberta R. San Agustin 48. Cesar Antonio Lanzuela 49. Eduardo P. Azuelo 50. Marites Pitogo 51. Edgar Jose Llorenz 52. Helengrace Costrua	Regional Director CRM Officer Planning Officer M&E Officer BAC Secretariat Regional Coordinator M&E Officer Finance Officer Livelihood Officer Institutions/Gender Officer (IGO) Procurement Officer Management Info. System Officer Administrative Assistant
<u>REGION 8</u> BFAR Regional Office FishCORAL RPMO	53. Norberto Berida 54. Cylet Lluz 55. Viodela Pen 56. Ruperto Sievert 57. Marilyn Budlayan 58. Darvin Rosa 59. Elaine Merro 60. Laarni Macalalag 61. Ma. Theresa Fumar 62. Paulyne Santos 63. Tessa Palmiano 64. Ferminda Cromente 65. Kent Albert Noblejas 66. Leo Abuda 67. Jeffrey Balboa 68. Marjorie Risos 69. Sandra Acuin 70. Elsie Mira 71. Danica Melquiades 72. Ladybird Quiminales 73. Fidel Laciste	Regional Director Assistant Regional Director Regional Focal Person Regional Coordinator Finance Officer M&E Officer Livelihood Officer CRM Officer Livelihood Enterprise Development Officer (LEDO) LEDO/ABS Lead Livelihood Assistant MIS Officer M&E Assistant Knowledge Management Officer Bay Coordinator, Leyte/Villareal Bay Coordinator, Leyte Bay Coordinator, Maqueda Bay Coordinator, Matarinao/Leyte Community Facilitator Community Facilitator Community Facilitator
<u>Caraga Region</u> BFAR Regional Office Fishery Provincial Office (PFO)	74. Visa Dimerin 75. Edgardo Balambao 76. Elvera Sayas 77. Loida Arreglado 78. Rustico Ranoco	Regional Director Asst. Regional Director Admin and Finance Officer CRM Officer Provincial Fishery Officer, Agusan del Norte

Agency/Office	Name	Designation
FishCORAL RPMO	79. Rolando Leopoldo 80. Glenfhy Hablo 81. Marisol Tuso 82. Ronald Camba 83. Arvin Sanoria 84. Adolf Angelo Sanoria 85. Jessel Apalla 86. Niel Lanquino 87. Joyce Wabina	Regional Coordinator M&E Officer Intitutions/Gender Officer Livelihood Officer Rural Infrastructure Officer Procurement Officer Management Info. System Officer Finance Assistant Admin Assistant
<u>BARMM</u> Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR) FishCORAL – RPMO BARMM	88. Pendatun Patarasa 89. Arphia Ebus 90. Macmod Mamalangkap 91. Honey Lou Marcelo 92. Felisa P. Poniente 93. Sandra P. Gani 94. Ziahara S. Esmail 95. Jeshia S. Serdoncillo 96. Aivey R. Palomo 97. Samson L. Pandita 98. Ahlam M. Ayob 99. Cherry Blossom D. Tan 100. Emily Mentang 101. Arbaya Kusain 102. Persing A. Dangkahan 103. Julhasim Halun	Assistant to Minister for Special Concerns, FishCORAL Focal Person Director for Fisheries Regional Coordinator Finance Officer Livelihood Officer Intitutions/Gender Officer CRM Officer M&E Officer MIS Officer Procurement Officer Finance Assistant Admin Assistant

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
CARAGA REGION					
Feb. 22, 2021	SIS Mission Visit & PO meeting	Bucto Aquamarine Assoc.	Bucto,Bislig City	Rey Mangin	PO member
		Bucto Aquamarine Assoc.	Bucto,Bislig City	Rodolfo Conjurado	PO member
		Bucto Aquamarine Assoc.	Bucto,Bislig City	Felixberto de Castro	PO member
		Bucto Aquamarine Assoc.	Bucto,Bislig City	Ronie Digidigan	PO member
		Bucto Aquamarine Assoc.	Bucto,Bislig City	Renato Sanchez	PO-Chairman

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
		Bucto Aquamarine Assoc.	Bucto,Bislig City	Edgar Dominguez	PO member
		Bucto Aquamarine Assoc.	Bucto,Bislig City	Lester Garcia	PO member
		CAO	Poblacion, Bislig City	Alberto Navale, Jr.	City Agriculture Office-staff
		San Fernando Fishermen Assoc	San Fernando, Bislig City	Jonathan Raquillo	PO member
		CAO	Poblacion, Bislig City	Marjon Maybanting	City Agriculture Office-staff
		BLGU Caguyao	Caguyao, Bislig City	Roberto Samontina	CFARMC
		FishCORAL	Butuan City	Rolando Leopoldo	FishCORAL Proj. Manager
		San Isidro Fishermen Assoc	San Isidro, Bislig City	Marites Jovita	PO Chairman
		San Isidro Fishermen Assoc	San Isidro, Bislig City	Marife Delmo	PO member
		San Fernando Fishermen Assoc	San Fernando, Bislig City	Virginia Abuda	P.I.O
		San Fernando Fishermen Assoc	San Fernando, Bislig City	Susan Gumahin	PO Treasurer
			Poblacion, Bislig City	Lolita Suliman	Acting City Agriculture Office
		San Isidro Fishermen Assoc	San isidro, Bislig City	Chris Salazar	PO Secretary
		San Isidro Fishermen Assoc	San Isidro, Bislig City	Oscar Pontillo	PO member
		FishCORAL	Marihatag, SDS	Lorjoy Calising	LHB Bay Coordinator
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Marlyn Megue	PO Secretary
		CODESPA	P-6-Talisay	Rene Frantillo	CODESPA staff
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Antonio Cacho	BOD
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Elkie Mamayabay	Cluster Leader
Feb. 22, 2021	SIS Mission Visit & PO meeting	Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Raynita Sulman	BOD

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Glenda Magsaulog	BOD & Cluster leader
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Eva Pagulong	Cluster leader
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Resalito Mamayabay	Chairman
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Maria Aurora Vallejo	Cluster leader
		Hinatuan SeaWeed Producers Assoc	Loyola, Hinatuan, SDS	Jimmy Acedella	Cluster Auditor
		FishCORAL	Butuan City	Joyce Therese Wabina	RAA
		FishCORAL	Butuan City	Arvin Sanoria	RMISO
		FishCORAL	Butuan City	Thomas Lusterio	Driver
		FishCORAL	Butuan City	Nemesio Soria	Driver
		FishCORAL	Butuan City	Niel Languino	Finance Assistant
		FishCORAL	Butuan City	Jessel Apalla	Procurement Officer
		FishCORAL	Butuan City	Estremilita Pocon	Procurement Assistant
		Sto. Nino RIC	Sto. Nino, Magallanes	Rudilyn Visual	Bookkeeper
		Sto. Nino RIC	Sto. Nino, Magallanes	Teresita Sixta	Chairman
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Edelmiro Lorenzo	Bus. Manager
		Sto.Nino RIC	Sto.Nino	Vangelina Anunciado	Treasurer
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Caridad Morales	Secretary
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Rosalinda Lorenzo	Treasurer
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Analiza Orongan	PO member
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Viviana Aca-ac	PO member
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Junnaly Fuertes	Auditor
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Anthony Fuertes	PO member
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Leah Mae Lorenzo	PO member

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Marvin Dalagon	PO member
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Melinda Trajano	President
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Rodel Ballenas	PO member
		Caloc-an Sustainable FA	Caloc-an, Magallanes	Jenelita Oyam	PO member
		Sto.Nino RIC	Sto. Nino, Magallanes	Adecio Taghoy	PO-M&E officer
		Sto.Nino RIC	Sto. Nino, Magallanes	Delia Ballenas	PO member
		FishCORAL	Butuan City	Glenfhy Hablo	M&E officer
		FishCORAL	Butuan City	Desiree Romerosa	Bay Coordinator
		BLGU	Caloc-an, Magallanes	Joven Endencia	Kagawad
		LGU	Caloc-an, Magallanes	Rolando Dapar	Sangguniang Member
		LGU	Caloc-an, Magallanes	Preciana Cabiad	Municipal Agriculturist
Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
CARAGA REGION					
Feb. 22, 2021	SIS Mission Visit & PO meeting	LGU	Magallanes	Marciano Cutamura, Jr.	Agricultural Technician
		LGU	Magallanes	Rustico Ranoco	Provl. Fishery Officer
Feb. 23, 2021	SIS Mission PO meeting	Masao RIC	Barangay Masao, Butuan City	Evangeline Ighot	PO Chairman/Business Manager
		Masao RIC	Barangay Masao, Butuan City	Belinda Alawinan	PO Vice Chairman
		Masao RIC	Barangay Masao, Butuan City	Teresita Perrez	Secretary
		Masao RIC	Barangay Masao, Butuan City	Myrna Dumo	Treasurer
		Masao RIC	Barangay Masao, Butuan City	Thelma Perrez	Auditor
		Masao RIC	Barangay Masao, Butuan City	Imelda Alejo Record Keeper	Recordkeeper

Date	Meeting	Office / Org	Municipality/ Province	Name	Designation / Office
		Masao RIC	Barangay Masao, Butuan City	Myrna Dumo	Treasurer
		City Agriculture Office	Butuan City	Engr. Jaymar Pal	AT Fisheries
		FishCORAL	Butuan City	Glenfhy Hablo	M&E officer
		FishCORAL	Butuan City	Desiree Romerosa	Bay Coordinator
		FishCORAL	Butuan City	Rolando Leopoldo	FishCORAL Proj. Manager
		FishCORAL	Butuan City	Arvin Sanoria	RMISO
		FishCORAL	Butuan City	Thomas Lusterio	Driver
		FishCORAL	Butuan City	Nemesio Soria	Driver
		FishCORAL	Butuan City	Marisol Tuso	Intitution and Gender Officer
		FishCORAL	Butuan City	Ronald Camba	Livelihood Officer

Philippines

Fisheries, Coastal Resources and Livelihood Project Supervision Report

Appendix 6: Procurement

Mission Dates: 15 February- 03 March 2021
Document Date: 07/04/2021
Project No. 1100001548
Report No. 5723-PH

Asia and the Pacific Division
Programme Management Department

Procurement Review Working Paper

Republic of the Philippines
Fisheries,, Coastal Resources and Livelihood Project (FishCORAL)
Supervision report - Mission dates: 15 February – 03 March 2021

Project Name: FishCORAL
Name of Procurement Specialist: ARTHUR F. TANTUAN
Mission Dates: 15-26FEB2020
Field Locations: Remote Supervision Mode

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Review of Procurement Plan	3
Review of Ongoing/Completed Procurement Activities and Documentation	2
Review of Contract Administration and Management	3
Review of project's procurement filing system and the ease of document retrieval	3
Review of any significant changes in the Borrower/Recipient's procurement system and practices	4
Assessment of further procurement staff training needs	4
Key findings and conclusions from the PRM assessment update	5
Procurement performance indicator rating and justification	5
Recommendations for improvement and follow-up actions for the Borrower/Recipient and/or IFAD	6
Annotated Guide for procurement review	7

i. Review of Procurement Plan

During the review period, the Project is implementing the 2019 and 2020 Procurement Plans(PP). Validity of the budget for the 2019 PP was extended until 31 December 2020. As consolidated as of December 2020, fifty nine percent (59%) of the total amount of programmed procurements were obligated consisting of sixty six percent (66%) under the 2020 PP and fifty two percent (52%) under the 2019 PP. Remaining 48% programmed procurements under the 2019 PP can no longer be procured. Project unable to cope with the volume that need to be procured exacerbated by the pandemic that slowed the preparation of business plans and consequently, conduct of procurement activities. The 2020 PP is aligned with the AWPB, is prepared and updated consistently and accurately and is based on

consultative and collaborative processes. It was updated during the mission to conform with latest IFAD PP template. It has a summary page with an AWPB reference column with methods and thresholds entered correctly. All procurements carried out are in the PP, as consistent with the Financing Agreement and the Letter to the Borrower. However, the consolidated 2020 PP and the individual PPs of the procuring regions are not easily and publicly accessible and needs to be posted in a government supported website to demonstrate transparency and promote participation and competition.

For the 2021 PP, fifty seven percent(57%) of the total procurement allocation will be implemented by BARMM. Procurement efficiency of BARMM in 2020 has deteriorated from an average of 26 calendar days to 90 calendar days from posting of the invitation to bid/request for quotation to rendition of resolution to award. Given the tight timelines in the remaining months of project implementation the Project needs to give focal attention to BARMM procurements. Given the volume of procurements in BARMM Ministry of Agriculture Fisheries and Agrarian Reform, it is recommended that a separate Bids and Awards Committee for FishCORAL procurements be created.

ii. Review of Ongoing/Completed Procurement Activities and Documentation

Ongoing and completed procurement processes were generally compliant with Philippine procurement law and consistent with IFAD Project Procurement Guidelines including the Letter to the Borrower. In general, processes and procedures applied, from initiation of procurement process to evaluation and contract award, exhibit consistency, fairness, value for money and competition. Items procured are in the Procurement Plan. A formal Procurement Requisition thru Purchase Requests reviewed and approved initiate the process. Procurement methods proposed in the PP are used. Procurement opportunities fifty thousand pesos and above are posted in the Philgeps, a government procurement portal to achieve competition. Sufficient time is provided for bidders to request and receive clarifications, before the submission deadline. Also, sufficient time are allotted for bidders to prepare quotations, bids and proposals. No late bids were accepted. Under the 2020 PP, despite the pandemic, RPMOs 5, 8 and 13 have been efficient in completing programmed procurements with approved Purchase Requests from posting to approval of the resolution to award. However, the mission notes that RPMO 13 has been particularly most efficient even from pre-procurement to approval of resolution to award. RPMO 13 had an average of six (6) days to approve a Purchase Request from pre-procurement as compared to 61 days by RPMO 5. Across the regions, Project only needs to be consistent in ensuring that bidder Self-Certification Forms are submitted by bidders in their bid documents and submitted quotations. With the exception of a few procurements from RPMO8 which the PSCO ordered rebid due to the failure to disclose ongoing contracts with other procuring entities, from evaluation to award, processes and procedures applied by the Lead

Project Implementing Agency and its procuring regional entities exhibited consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints. Processes and procedures are consistent and comply with the following: national procurement regulations and laws; IFAD Project Procurement Guidelines and Handbook (including any ancillary IFAD Procurement Documents/Templates); the Financing Agreement and Letter the Borrower (including provisions for prior review); and, other policies and requirements, such as the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations. At least five members compose the evaluation committee(Bids and Awards Committee) with at least 1 member with possessing technical knowledge and experience in coherence with the type of procurement. Evaluation done across 3 steps, Preliminary Examination, Technical Evaluation and Financial Evaluation, consistent with the methods of procurement. Evidence of signatures of evaluation committee members in the pages that carry final recommendation and final scores. For Prior Review procurements, Technical and Combined Evaluation Reports and Draft Contracts are filed with IFAD No Objection in NOTUS. Evidentiary documents and/or justification to show how bidders were eliminated from each step are on record. Being a remote supervision mission with travel restrictions and work from home arrangements implemented across the various procuring entities, delays in submission of documents were encountered.

iii. Review of Contract Administration and Management

The project is implementing the contracts 2019 and 2020 Procurement Plans. In general, the Lead Project Implementing Agency and its regional procuring entities have sound processes, procedures and systems in place for administration, supervision and management of contracts. Contract formats are consistent with bid documents and/or other legal templates. However, attaching the IFAD contract self-certification forms in Purchase Orders(small value contracts not more than Php1Million) is not widely practiced across procuring entities. Contracts are signed by Project/Government authorities. As applicable, warranties, guarantees (advance payment, performance, retention) and insurance are available or valid.

Considering that the project is on its last ten months of implementation amid a pandemic and its accompanying movement restrictions, it is critical for the project to manage delays by suppliers and contractors in performing their contractual obligations. Contracts worth Php46.9M have lapsed delivery/completion periods of which P35.8M have partial deliveries/completion while Php11.1M have no deliveries. The RPMOs need to terminate the 2019 contracts where suppliers have completely defaulted in their obligations and blacklisting order issued. Delayed contracts with partial deliveries under the 2019 and 2020 PP's need to be seriously evaluated if they need to be terminated. Under the 2020

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Procurement Plan, out of 143 contracts 103 have timely completed deliveries while 15 contracts(11 in BARMM) worth Php10.7M have delayed and not initiated any delivery. 4 other contracts have partial deliveries. These 15 contracts need to be closely monitored for compliance or termination, as warranted. Project has committed to apply liquidated damages on these delayed contract deliveries. IFAD prior review requirements are complied with. Contract register follows IFAD's template and is updated correctly and submitted in accordance with provisions in the Letter to the Borrower.

iv. Review of project's procurement filing system and the ease of document retrieval

Despite difficulties, the project was able to retrieve procurement documents needed for post review. Completion of records filing is in continuing. Files for each procurement activity will contain the following minimum information: copy of Procurement Plan, with the item highlighted; Signed Requisition; Bidding Documents; Bid Opening documents; Bids, proposals or quotations (when these are voluminous, a box-file should be used); Evaluation documents; Contract documents; and; any other relevant documents.

v. Review of issues identified in the previous procurement supervision and aide-mémoire and procurement related issues identified in project audit reports

With the exception of the imposition of blacklisting of contractors Carding Enterprises and Five Massive Infra and Supply Corp. by RPMO XIII, all previous agreed actions have been complied by the Project.

vi. Assessment of further procurement staff training needs

PSCO Procurement Specialist will provide technical capacity to new members of the Regular Bids and Awards Committee(RBAC) of the BARMM-Ministry of Agriculture Fisheries and Agrarian Reform. Project on its final ten months of implementation.

vii. Review of any significant changes in the Borrower/Recipient's procurement system and practices

During the review period, the Borrower's GPPB has issued Resolution No. 20-2020 removing the cost ceiling on infrastructure projects that may be undertaken by administration(force account).

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viii. Key findings and conclusions from the PRM assessment update

Being on its final ten months of implementation with Project Completion Date by 31 December 2021, no PRM assessment was undertaken during this mission.

ix. Procurement performance indicator rating and justification

Pillars	Rating	Justification
A. Review of Procurement planning	3	Procurement planning exhibits significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.
B. Process and Procedures: from prequalification to bidding	5	Processes and procedures applied exhibit minor shortcomings that have no impact on project implementation and performance
C. Process and Procedures: from evaluation to awards	5	Processes and procedures applied exhibit minor shortcomings that have no impact on project implementation and performance
D. Contract management	3	Processes, procedures and systems for administration, supervision and management of contracts exhibit numerous shortcomings. Project implementation is negatively impacted; implementation support is required; resolution of issues/constraints is likely but will take some
E. Record Retention	5	The project's record retention exhibits minor shortcomings that have no impact on project implementation and performance.
Overall	4	Processes, procedures and systems applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely.

x. Recommendations for improvement and follow-up actions for the Borrower/Recipient and/or IFAD

a) Recommendations

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Agreed Action	Responsibility	Agreed Date
Completion/termination of supply/construction contracts under the 2019 and 2020 Procurement Plans with partial deliveries/accomplishment as warranted	PSCO	30March2021
Termination of supply/construction contracts under the 2019 and 2020 Procurement Plans with no deliveries/accomplishment and commencement of blacklisting proceedings	RPMOs	30March2021
Complete posting of Requests for Quotation/Invitations To Bid under the 2020 and 2021 Procurement Plans	RPMOs	30June2021
Creation of Special Bids and Awards Committee for FishCORAL Projects in BARMM	BARMM-MAFAR	30March2021
Provide procurement technical capacity to MFAR RBAC	PSCO	30March2021
Uploading of 2020 and 2021 Procurement Plans in BFAR website	PSCO/RPMOs	15March2021
Execution of Contract Self Certification Form for each awarded contract under 2020 and 2021 Project Procurement Plans	PSCO/RPMOs	30March2021

b) Follow-up

Recommendation	Follow-up action	Responsibility	Agreed Date
Complete/terminate supply/construction contracts under the 2019 and 2020 Procurement Plans with partial deliveries/accomplishment as warranted	RPMOs to inform PSCO of action taken on the contracts	RPMOs/PSCO	15March2021
Termination of supply/construction contracts under the 2019 and 2020 Procurement Plans with no deliveries/accomplishment	RPMOs to make final demand upon suppliers/contractors	RPMOs	10 March 2021
Complete posting of Requests for Quotation/	PSCO to monitor compliance by RPMOs	PSCO	30April 2021

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Invitations To Bid under the 2020 and 2021 Procurement Plans			
Creation of Special Bids and Awards Committee for FishCORAL Projects in BARMM	PSCO to discuss creation with MAFAR	PSCO	15March2021
Provide procurement technical capacity to MFAR RBAC	PSCO Procurement Specialist to discuss with MFAR RBAC	PSCO	15March2021
Uploading of 2020 and 2021 Procurement Plans in BFAR website	RPMO Procurement Officers to submit to PSCO Procurement Specialist the Regional Project Procurement Plans for review before uploading in BFAR website	RPMO/PSCO	15March2021
Execution of Contract Self Certification Form for each awarded contract under 2020 and 2021 Project Procurement Plans	Procurement Officers to coordinate with Regional BAC Secretariat for execution of contract self-certification forms	PSCO/RPMO	15 March2021

Annotated Guide for procurement review

Review of Procurement Plan

A. Procurement planning process - PP is aligned with the AWPB, is prepared and updated consistently and accurately and is based on consultative and collaborative processes. PP follows the IFAD PP template, has a summary page with an AWPB reference column, methods and thresholds are entered correctly, and no less than 80% of the procurements listed are ongoing/completed as planned. PP is updated (with the “actuals” rows updated) and upgraded as necessary in a timely manner, with IFAD NOs provided accordingly. All procurements carried out are in the PP, as consistent with the Financing Agreement and the Letter to the Borrower. PP is easily and publicly accessible – demonstrating transparency and promoting participation and competition.

Review of Procurement Plan for each procurement should be completed in accordance to the following questions:

- Is it consistent with the latest approved AWPB:

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- Do the nature and quantity of goods/works/services appear consistent with the activities in the AWPB?
- Is the procurement schedule consistent with the implementation schedules in the AWPB (does the delivery of goods, works and services correspond to targets in the AWPB)?
- Is the procurement budget adequate?
- Is the selection of procurement methods in compliance with the provisions of the LTB?
- Do the time estimates indicated seem realistic?
- Adequacy of procurement packaging:
 - Are the procurement activities systematically and logically grouped according to the categories of the procurement (goods/works/services)?
 - Has packaging been done in a way that generally facilitates the use of the most competitive and efficient procurement method, that ensures the best value for money and that avoids pseudo-packaging?
- Progress in implementing and updating and upgrading the PP, including identifying significant delays and causes, proposing adjustments to the PP and recommending improvements relating to planned/ongoing procurement processes (e.g. in the preparation of the bidding documents)

Review of Ongoing/Completed Procurement Activities and Documentation

B. Process and Procedures from Prequalification to bidding - From prequalification (if applicable) to bidding, processes and procedures applied by the Lead Project Implementing Agency exhibit consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints. Processes and procedures are consistent and comply with the following: national procurement regulations and laws; IFAD Project Procurement Guidelines and Handbook (including any ancillary IFAD Procurement Documents/Templates); the Financing Agreement and Letter to the Borrower (including provisions for prior review); and, other policies and requirements, such as the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations. Prequalification criteria and schedules of requirements (i.e. technical specifications, quantities or terms of reference, etc.) are clearly expressed and measurable. Evaluation methodology is fully disclosed in the bidding documents. There are no requirements in the bidding documents that present a barrier to entry for bidders, except for acceptable national participation requirements. There is evidence showing the following: more than the minimum number of bidders were invited to participate; all bidders received the bidding documents; minimum number of bids were received, as per method requirements; and, competition was maximised.

Process and Procedures from Prequalification to bidding for each procurement should be completed in accordance to the following questions:

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- Is the item in the Procurement Plan?
- Is there a formal Procurement Requisition that initiates the process?
- Is the Method proposed in the PP used?
- Is enough done to demonstrate that competition was achieved?
- Is there time provided for bidders to request and receive clarifications, before the submission deadline?
- Is there sufficient time allotted for bidders to prepare quotations, bids and proposals?
- No late bids were accepted?

C. Process and Procedures from Evaluation to Awards: Processes and procedures applied by the Lead Project Implementing Agency for evaluation and contract award exhibit consistency, fairness, value for money, competition, efficiency, and responsiveness to requests for information and to complaints. Processes and procedures are consistent and comply with the following: national procurement regulations and laws; IFAD Project Procurement Guidelines and Handbook (including any ancillary IFAD Procurement Documents/Templates); the Financing Agreement and Letter to the Borrower (including provisions for prior review); and, other policies and requirements, such as the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations. Proper number of evaluation committee members as per IFAD, including at least 1 member with the technical knowledge and experience in coherence with the type of procurement. Evaluation done across 3 steps, Preliminary Examination, Technical Evaluation and Financial Evaluation, consistent with the methods of procurement. Evidence of signatures of evaluation committee members in the pages that carry final recommendation and final scores. Arithmetic corrections are accurate with evidence to show that the errors were formally communicated to bidders, and bidders' acceptance of such corrections. For Prior Review procurements, Technical and Combined Evaluation Reports and Draft Contracts evident with IFAD No Objection filed. Evidentiary documents and/or justification to show how bidders were eliminated from each step. For Post Review procurements, evaluation reports and contracts showing the steps, evident in file.

The Evaluation process for each procurement should be completed in accordance to the following questions:

- Was Preliminary Examination done?
- Are there objective and justifiable reasons for rejections at Preliminary Examination?
- Was Technical Evaluation done?
- Are there objective and justifiable reasons for rejections at Technical Evaluation?
- For QCBS and QBS was a Technical Evaluation Report submitted to and no-objected to by IFAD before the Financial Proposal(s) was/were opened?
- For all advertised procurement, were bidders informed of the (technical) evaluation outcome?

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- Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?
- Were bidders given enough time to submit a challenge/protest?
- For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?
- Was Financial evaluation done and properly?
- Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?
- Are there objective and justifiable reasons for rejections at Financial Evaluation?
- For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?
- Were challenges/protests received? Were they handled properly?

The Award and negotiations process for each procurement should be completed in accordance to the following questions:

- Was award done after all challenges/protests were received?
- Negotiations were not held for Goods and Works
- Negotiations were held for consulting services?
- Did the negotiations significantly alter:
 - the scope
 - the duration
 - the price

Review of Contract Administration and Management

D. Contract management and Administration: The Lead Project Implementing Agency has sound processes, procedures and systems in place for administration, supervision and management of contracts, including for non-procured contracts/agreements such as grants, partnership agreements etc. Contract formats are consistent with bid documents and/or other legal templates, and include provisions regarding prohibited practises and IFAD's right to audit. Contracts are signed by Project/Government authorities. Correspondences and communication between the parties to the contract are available. As applicable, warranties, guarantees (advance payment, performance, retention) and insurance are available or valid. Payments are consistent and timely in accordance with contract provisions. Delivery of goods, works and services is in accordance with timelines. Supervision of works contract is undertaken. Delays are managed and liquidated damages are applied consistently. Complaints and disputes are managed and promptly resolved. IFAD prior review requirements are complied with. Contract register follows IFAD's template and is updated correctly and submitted in accordance with provisions in the Letter to the Borrower.

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To ensure that **contract administration review** is effective and efficient, the following should be addressed:

- Advance payment (for Goods and Works): review should include checks for a copy of the advance payment security, acceptability of the format (guarantee, bond, etc.), validity, advance payment recovery plan as captured in the contract, and formal correspondence from issuing bank/financial institution confirming security was issued by them;
- Performance security (for Goods and Works): review should include checks for a copy of the performance security, acceptability of the format (guarantee, bond, etc.), validity (should be valid up to 28 days after contract completion), and formal correspondence from issuing bank/financial institution confirming security was issued by them;
- Retention money guarantee (for Works): review should include checks for need for a retention money guarantee as against a retention, validity, and formal correspondence from issuing bank/financial institution confirming security was issued by them;
- Timeliness of progress payments; and
- Validity of insurance policies.

To ensure that **contract management review** is effective and efficient, the following should be addressed:

- Assessing if contracts are effectively managed by the technical units in charge; and if contracts are executed as per the original schedule.

To ensure that **contract payment monitoring form** review is effective and efficient, the following should be addressed:

- Identifying issues and weaknesses (and the relevant underlying causes of these issues and weaknesses) in contract administration and management and recommend improvements.

The contract, contract administration and management process for each procurement should be completed in accordance to the following questions:

- Was the Contract signed by both parties? (A copy must be evident in file)
- Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?

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- Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid evaluation report and negotiated outcome?
- Was a Contract amendment made to extend time/add funds/add scope?

Review of project's procurement filing system and the ease of document retrieval

E. Record retention: The Lead Project Implementing Agency keeps procurement records orderly in file records in shelves or other safe place, or even better if records are saved orderly electronically and are uploaded to the cloud or other safe electronic environment (including a protected in-house server). The file record should not be cramped. Excess papers should be in additional volumes in one or more additional lever-arch folders. Bids and proposals submitted by bidders may be left out of the lever arch file and kept in appropriately labelled box files. Lever arch folders should have a side label and a file index.

File Index should carry the following minimum information:

- Copy of Procurement Plan, with the item highlighted
- Signed Requisition
- Bidding Document
- Bid Opening documents
- Bids, proposals or quotations (when these are voluminous, a box-file should be used)
- Evaluation documents
- Contract documents
- Any other relevant documents

Review of issues identified in the previous procurement supervision and aide-mémoire and procurement related issues identified in project audit reports

Such review assesses if adequate remedial actions are being taken to address issues or weaknesses raised in the previous procurement supervision, aide-mémoire and in recent project audit reports, as well as identifying any outstanding risk mitigation actions and other procurement-related issues arising from implementation support and monitoring. Based on such review, further actions to be taken by IFAD, the project or the Borrower/Recipient will be recommended.

Assessment of further procurement staff training needs

The assessment of further procurement staff training needs entails ensuring relevant training is planned and provided to project management and procurement staff in a timely manner. The assessment should refer to the Capability in Public Procurement under Project Institutional risk assessment of the Risk Matrix. The following must be addressed:

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- Existence of a Procurement Unit with at least 2 staff members (Design stage, reference is to government agency)
- Existence of a Procurement Officer (Implementation)
- Staff member(s) required experience in donor funded public procurement
- General quality of documents produced by the procurement office
- Procurement staff having immediate access to the legal and regulatory framework documents
- Procurement and financial management functions being separated

Review of any significant changes in the Borrower/Recipient's procurement system and practices

The review should ensure project procurement procedures and systems are updated accordingly and should focus on the Legal and Regulatory Framework and the Accountability and Transparency under the Country Risk Assessment of the Procurement Risk Matrix. The following must be addressed:

Legal And Regulatory Framework

- Country procurement law, regulations and manual exist
- Existence of Standard Bidding Documents for Goods, Works and Services
- Procurement Monitoring
- Procurement Methods
- Public access to procurement information

Accountability and Transparency

- Procurement Complaints Management
- Country Corruption Perception Index score
- 2-tiered system to handle complaints
- Existence of a debarment system
- Existence of an independent and competent local authority responsible for investigating corruption allegations

Key findings and conclusions from the PRM assessment update

A project's PRM will need to be reviewed and updated every time the procurement performance of a project is supervised. The PRM will be updated in light of evolving conditions or circumstances, for example, with respect to the national procurement system, improvement/deterioration of project procurement performance, overall implementation progress and results delivery. As a result, procurement and prior review thresholds may be revised, other existing risk mitigation measures may be adjusted or additional measures may be introduced.

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If the colour of the circle under the **NET RISK RATING** of the Procurement Matrix changes from:

- 1) **Low risk to High Risk or Medium Risk to High Risk-** ( → ) ( → )

Procurement specialist must give thorough explanation why the change has occurred, and what the recommendations are

- 2) **High Risk to Medium Risk or Medium to Low Risk** ( → ) ( → )

Procurement Specialist must give thorough explanation why the change has occurred and how

- 3) **Risk remains the same** (colour remains the same)

Procurement Specialist is not required to provide any justification

Procurement performance indicator rating and justification

The Borrower/Recipient and Lead Project Implementing Agency's performance with respect to procurement is assessed in terms of the quality, reliability, transparency and efficiency with which it carries out procurement processes it is responsible for, and the effects on project implementation and results delivery. The procurement performance indicator consists of five pillar sub-ratings that must be averaged (on an equal weight basis) to compute the overall rating. This indicator will be assessed at least once a year.

Ratings (as per below):

Pillars/Ratings	(6) Highly satisfactory	(5) Satisfactory	(4) Moderately Satisfactory	(3) Moderately unsatisfactory	(2) Unsatisfactory	(1) Highly unsatisfactory
A. Planning	Procurement is very well planned, and all related processes and procedures applied fully meet requirements	Procurement planning exhibits minor shortcomings that have no impact on project implementation and performance.	Procurement planning exhibits some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely	Procurement planning exhibits significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Procurement planning exhibits serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Procurement planning is non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
B. Pre-qualification - Bidding	Processes and procedures applied fully meet requirements.	Processes and procedures applied exhibit minor shortcomings that have no impact on project	Processes and procedures applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance.	Processes and procedures applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is	Procurement process and procedures applied exhibit serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and	Processes and procedures are non-functional. Project implementation and achievement of development objectives are compromised;

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		implementation and performance.	Implementation support is required, however, prompt resolution of issues/constraints is likely	negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
C. Evaluation- Award	Processes and procedures applied fully meet requirements.	Processes and procedures applied exhibit minor shortcomings that have no impact on project implementation and performance.	Processes and procedures applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. 21 Implementation support is required, however, prompt resolution of issues/constraints is likely.	Processes and procedures applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Procurement process and procedures applied exhibit serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Processes and procedures are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
D. Contract management	Processes, procedures and systems for administration, supervision and management of contracts exhibit high performance across all requirements	Processes, procedures and systems for administration, supervision and management of contracts exhibit minor shortcomings that have no impact on project implementation and performance.	Processes, procedures and systems for administration, supervision and management of contracts exhibit some weaknesses. Implementation support is required, however, prompt resolution of issues/constraints is likely	Processes, procedures and systems for administration, supervision and management of contracts exhibit numerous shortcomings. Project implementation is negatively impacted; implementation support is required; resolution of issues/constraints is likely but will take some time.	Processes, procedures and systems for administration, supervision and management of contract exhibit significant lapses and gaps in terms of performance standards, inconsistently applied controls, inefficiency, and transparency. Project implementation is severely impacted; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of	Processes, procedures and systems for administration, supervision and management of contracts are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
E. Record retention	The project's record retention fully meets requirements, and can be regarded as a best practice.	The project's record retention exhibits minor shortcomings that have no impact on project implementation and performance.	The project's record retention exhibits some weaknesses. Implementation support is required, however, prompt resolution of issues/constraints is like	The project's record retention exhibits numerous shortcomings. Project implementation is negatively impacted; implementation support is required; resolution of issues/constraints is likely but will take some time.	The project's record retention exhibits serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	The project's record retention is non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.

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OVERALL	Processes, procedures and systems applied fully meet requirements.	Processes, procedures and systems applied exhibit minor shortcomings that have no impact on project implementation and performance.	Processes, procedures and systems applied exhibit some gaps and inconsistencies that have limited impact on project implementation and performance. Implementation support is required, however, prompt resolution of issues/constraints is likely.	Processes, procedures and systems applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time.	Processes, procedures and systems applied exhibit serious shortcomings and inconsistencies across the board. Project implementation is severely impacted and delayed; procurement risk is high; significant implementation support is required; resolution of issues/constraints is uncertain. Some evidence of prohibited practices.	Processes, procedures and systems are non-functional. Project implementation and achievement of development objectives are compromised; procurement risk is very high; resolution of issues/constraints is unlikely. Extensive evidence of prohibited practices.
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Recommendations for improvement and follow-up actions for the Borrower/Recipient and/or IFAD

Based on the supervision review, recommendations for improvement and follow actions should be worked out.

- c) In the recommendations, agreed actions should be worked out in order to improve the procurement process

Agreed Action	Responsibility	Agreed Date

- d) The follow-up actions must be based on what has been stated in the recommendation for the improvement.

Recommendation	Follow-up action	Responsibility	Agreed Date

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