

Quarterly Progress Report

Project: ADF-GRIF- Phase 11

Date: 07/01/2017

Implementing Agency: Ministry of Indigenous Peoples' Affairs

Reporting Period: Oct – Dec 2016

I. Output Assessment

Output	Indicators	Quarterly Target (s)	Results Achieved	Delivery Rate (actual expenditures/Disbursement received)*100	Challenges	Risks & Issues
		Q = 4				
<p>Output 1. The capacity of the Ministry of Amerindian Affairs (MoAA) now MoIPA to plan, manage and support community development Strengthened</p>	<p>YEAR 1 Indicators: -Percentage of community ventures financed that are operational after 1st year -Percentage of community management teams or VC that are regarded as effective in managing community business -Percentage of community level businesses that are financially breaking-even -Number of partnership linkages developed in pursuit of community business development -Number of management team or VC trained to develop, manage and execute</p>	<p>Target 1: 100 % of villages visited and scoping missions conducted Target 2: 100 % of functional management teams have been appraised as effective in managing community level businesses</p>	<p>100% of Scoping missions conducted (161 communities) 1. On-the-ground assessment of the community's readiness to receive the MCG undertaken. 2. Work plan and budget prepared in conjunction with the communities for the implementation of the CDP. 3. Micro-capital grant agreement (MCGA) signed by the Toshias at public meeting 93% of Community Management Teams (CMTs) trained in Business Management (150 communities) 1. Accountability and reporting skills of the CDP Management Team (CMT) improved. 2. Role of the CMT defined 3. Risks and challenges associated with CDP identified and ways to</p>		<p>1. Communication challenges: some communities are only available via radio communication or written and verbal communication via intermediaries. Language barriers remain an issue, especially in the more remote communities. These communication challenges have on occasion resulted in delays or poor attendance at scoping missions and sometimes miscommunication between the PMU and the Villages. Request for additional information and feedback usually takes a very long time. 2. Governance Issues at village level: Seven Communities are experiencing Governance issues, such as disintegrated Villages Councils due to death, migration or drop outs. The MoIPA / MOC will be tasked to work along with these Communities to correct the Governance challenges. 3. Late requests for change of CDP by villages/communities: Late requests by</p>	<p>1. Environmental Risk: Rainfall and water logged conditions resulted in delays in some villages procuring materials, such as river sand and gravel and timber. 2. Fiduciary Risk: The risk of the Village Committees utilizing the tranches deposited in their bank accounts for the CDP to service other immediate Village needs, with the intention of replacing the monies with some other sources of income. 3. Competitiveness of business ventures: a number of factors places the proposed business ventures at a competitive disadvantage in some cases. These include; remoteness of communities resulting in high cost of production due to high transportation cost for inputs and farm-to-market costs. The difficulties of Communities to</p>

Output	Indicators	Quarterly Target (s)	Results Achieved	Delivery Rate (actual expenditures/Disbursement received)*100	Challenges	Risks & Issues
		Q = 4				
	business ventures, including technical support on specific nature of project undertaken -Number of formalized /registered businesses	<p>Target 3: 100 % of business ventures receive the first tranche of their grant and are operational</p>	<p>minimize or overcome such risks and challenges discussed</p> <ol style="list-style-type: none"> 4. Key terminologies and concepts used in Business Management defined and discussed 5. CMT trained on how to prepare a work plan <p>81% of Business Ventures received their first disbursements (131 communities)</p> <ol style="list-style-type: none"> 1. 92% of Villages are known to have bank accounts (148 Communities) 		<p>villages/communities to change their CDP resulted in disruptions in planning of scoping missions, in particular, provision of appropriate technical personnel given the short notice of changes in CDP. Changes in CDPs that are high risk, e.g. loan schemes, resulted in unsuccessful missions, no CMT Training being conducted and no grant agreements being signed.</p>	<p>benefit from economies of scale due to relatively small markets (residents within community and surrounding communities) also results in higher cost of production.</p> <ol style="list-style-type: none"> 4. Capacity of MoIPA CDO program to monitor challenges that might derail project expectations: the project requires a full complement of CDOs to facilitate effective monitoring of CDP implementation to allow for quick reaction to technical difficulties of CDP implementation.

Output	Indicators	Quarterly Target (s)	Results Achieved	Delivery Rate (actual expenditures/Disbursement received)*100	Challenges	Risks & Issues
		Q = 4				
		Target 3: 100 % of business ventures receive the full disbursement of their grant.	32% of Business Ventures received their full disbursements (42 out of 131 communities)		<p>Capacity Challenges:- It was noted that the CMT are not preparing the Financial Report accurately. This is resulting in delays for the CDP Projects as the second tranche is being delayed due to the low accuracy of these reports. The NUNV have been conducting supplemental training to several villages with CDPs.</p> <p>Execution Challenges: Communities have limited capacity to execute multiple projects. Some CDP projects were delayed due to competition with other Community Projects, national, regional and other events resulted in delays.</p> <p>Mission Execution: The PMU was unable to visit several areas, especially in Region 8, the middle Mazaruni to verify works completed and move these villages to second tranche.</p> <p>Time to Disburse: The time taken to disburse, after scoping was too long sometimes 4-6 months.</p>	5. There is a risk of the Project Funds not being disbursed due to the lack of accuracy in the CMT producing financial reports. And that CDP Projects will be stalled.

II. Capacity Development

NIL

III. Gender Mainstreaming

Scoping missions: Preparation of implementation plan for CDP

No. of female participants: 2,889

No. of male participants: 2,366

Business management Training: topics covered include terminologies and concepts, financial accountability and management, marketing and work plan preparation.

No. of female participants: 586

No. of male participants: 647

IV. Lessons Learnt

Information management at community level: Scoping missions revealed a relatively low level of awareness of CDPs by community members. This was due to a combination of factors including the time that elapsed between CDP conceptualization and implementation.

Role of CDOs, POs and other stakeholders: Their role was important in the areas of mobilization, communication, logistical support and facilitation of meetings. The support of other stakeholders such as the Regional Vice Chairman Region 7 and Assistant Regional Executive Officer for the various regions was helpful in terms of organization and logistical support.

Village Bank Accounts: It was learnt that having a Village Bank Account is not important for some villages, especially isolated villages that do not generate significant surplus income, and villages where the cost of travelling to the bank is high. Also, obtaining a proof of address is difficult for the villages due to the lack of services in their communities. The ADF-PMU facilitates Villages in obtaining the requirements for the banks, such as assisting with the processing of TIN numbers for the VC and providing introduction letters to the banks. The ADF2 continues to conduct banking missions to ensure all villages are ready to become vendors. ADF banking support is a continuous process, as some villages required the change in signatories of their bank account to access the bank accounts that CDP funds were disbursed to.

Refocus Training: Lessons learnt from conducting monitoring missions was that some CMT are weak on finance management and marketing. The CMT members are uncertain about their roles and responsibility. The ADF2 will be expanding on the time spent on financial and marketing training in future missions and will provide the CMT with a written terms of reference. The NUNV are also playing a critical role in providing supplemental training to the CMTs and Village Councils. Also, the long Time Lapse between Inception, Scoping, training, first disbursement and then to second Disbursement led to loss of interest in some cases.

Finance of missions: The UNDP and the MOIPA need to work together, so that the ADF-PMU could have access to Financial Resources to respond to the immediate needs of the Villages. It was experienced by the PMU during the second quarter, where missions were executed and the finances for the missions were not processed prior to the start of the mission. With the mission being time sensitive, this placed a burden on Project staff, as the project work has to be financed by personal funds instead of project funds. To be successful, the ADF Project must have financial resource readily available.

Additional Support: During monitoring missions CMT members were pleased with the ADF visits, as it provided an opportunity for questions to be answered. However, most of the Village expressed disappointment that visits were not timely and frequent enough. Most cases the CDP project would have benefited from timely site visit, to assist the CMT in preparing reports and also provide moral support and encouragement to the CMT Volunteers. The ADF must make every effort to visit the Villages to ensure that works are being conducted on the CDP Business Projects.

V. Innovative Initiatives

Inclusion of the Village Council in Business Management training. This initiative is intended to, in a structured manner, define and distinguish the role of the Village Council vis-à-vis the CDP Management Teams in the context of implementation of the CDP. A brief section on good governance practices was included in the training session to improve this area of community development that was noted as an area of deficiency in prior scoping missions which has implications for CDP implementation.

Facilitating the Villagers to become Vendors:- To facilitate Villages becoming vendors, the PMU has to utilize personal funds to provide the UNDP with a recent Banking Slips, so that the UNDP could process the Village as Vendors. The other alternatives are not cost effective and take considerable time.

VI. Other Issues and Challenges

Payments to Suppliers: The method of credit and subsequent payment of suppliers by direct cash transfer in bank accounts are new to some suppliers, some suppliers are unwilling to utilize the systems as they will be unaware when payments have been made, this is problematic for stores where the accounts managers do not have access to the company's bank account. Also, Suppliers have their own credit terms and time frame, with most of the small sized suppliers not willing to provide credit for more than seven days. Companies that use the bank to accept payments ask for the monies to be deposited in their bank account up front and then provide the goods upon receipt of the bank deposit slip. As the PMU now looks to conduct procurement, these challenges will have to be overcome. Procurement assistance from the UNDP will be sought.

Mission Finances: Generally, DSA were processed in advance for the missions, however, with MoIPA not being able to pass the HACT assessment, there are no mechanisms for the PMU to be given project advances directly from the UNDP. For the project to be successful, a mechanism have to be developed otherwise, it will result in delays in project execution.

No.	Item/ Description	Number
1	Number of communities visited	161
2	Number of communities that received first tranche disbursements	131
3	Number of communities visited with no first tranche disbursement	30
4	Number of communities with no disbursement because of banking information problems	6
5	Number of communities without disbursement that require further consultation	7
6	Number of communities visited but Grant agreements not signed	11