



Building Resilience of the Agriculture Sector to Climate Change in Iraq (BRAC)

Smallholder Agriculture Revitalisation Project (SARP)

Inception Workshop Report

Amman, Jordan
10-11 December 2019

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List of Acronyms

AF	Adaptation Fund
AFB	Adaptation Fund Board
ASAP	Adaptation for Smallholder Agriculture Programme
AWPB	Annual Work Plan and Budget
BRAC	Building Resilience of the Agriculture Sector to Climate Change in Iraq
EE	Executing Entities
ESMP	Environmental and Social Management Plan
ESP	Environmental and Social Policy
FM	Financial Management
GoI	Government of Iraq
GP	Gender Policy
IFAD	International Fund for Agricultural Development
KM	Knowledge Management
M&E	Monitoring and Evaluation
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MoHE	Ministry of Agriculture (MoA) and the Ministry of Health and Environment
MoU	Memorandum of Understanding
PIM	Project Implementation Manual
Project Management Unit	PMU
PPR	Project Performance Report
SARP	Smallholder Agriculture Revitalisation Project
ToR	Terms of Reference
USP	Unidentified Sub-Projects

I. Executive Summary

1. The Government of the Republic of Iraq supported by IFAD submitted the USD 9,999,660 Building Resilience of the Agriculture Sector to Climate Change in Iraq (BRAC) project to the 31st Adaptation Fund Board (AFB) meeting and was approved on the 22nd March 2018. The agreement between IFAD as Implementing Entity (IE) and the Adaptation Fund (AF) was subsequently signed in September 2018. As per the agreement, the lead implementing agencies, or Executing Entities (EE), are the Ministry of Agriculture (MoA) and the Ministry of Health and Environment (MoHE). While the MoA will be IFAD's main EE for the implementation of the larger Smallholder Agriculture Revitalisation Project (SARP), the MoHE will work closely with the MoA for the implementation of BRAC.
2. The inception workshop was initially planned to be held in Baghdad, Iraq in December 2019, however due to the deteriorating security situation this was not possible. The workshop was therefore relocated to Amman, Jordan and as a consequence had cost and logistical implications that reduced the number of participants able to join. The workshop members included representatives from the MoA, Ministry of Finance (MoF) and MoHE; the IFAD Country Programme Manager; Project Management Unit (PMU) procurement and finance officers, the Project Coordinator, Regional Project Coordinators; IFAD specialists as well as specialist consultants in programme management, M&E and knowledge management (KM), financial management and in Adaptation Fund reporting and compliance.
3. The SARP/BRAC projects are the first IFAD/AF investments in Iraq and consequently, there is a need to build institutional capacity of the entire PMU in IFAD financed project processes and procedures. Through detailed presentation and discussions on the SARP/BRAC key design and legal documents, as well as IFAD grant implementation procedures, the mission facilitated a thorough review and intimate familiarity by the implementers with the established procedures and expected better project planning, implementation and reporting. Therefore, while the workshop formally launched the start of project implementation it was also an opportunity to clarify roles and responsibilities between the various ministries as well as train ministry and PMU staff in project implementation practicalities in terms of financial management, IFAD M&E and KM, and AF reporting and M&E requirements for BRAC. While the workshop was informative and constructive, a follow-up session is planned for June/July 2020, and this will ideally take place in Baghdad should the security situation improve to ensure greater participation.

II. Introduction

4. Iraq is one of the countries in the MENA region most vulnerable to climate change. The region is characterised by aridity, recurrent drought, water scarcity, increased average temperatures, reducing and more erratic precipitation and sea level rise. A shortage of water could arise between 2020 and 2030 in the Tigris and Euphrates rivers due to growing demand in the riparian countries and an emergency situation is expected develop in the early 2020's because the annual water surplus in the two rivers is expected to be insufficient to meet demand.
5. At 31 %, rural poverty is nearly the double that of urban poverty with 19% of poor people living below the USD 2.2 per person per day poverty line. About 54 percent of the labour force is rural and 25 percent of the rural population is illiterate compared to 14 percent for their urban counterparts. Rural poverty in Iraq is a direct consequence of rapid population growth, internal conflict and insecurity, climate change, increasing water scarcity and rapid desertification. The combined effects resulted in reduced prospects for viable rainfed and irrigated agricultural and livestock production and lack of sustainable income generating opportunities for rural communities.
6. To address these problems IFAD has developed the SARP programme providing the Government of Iraq (GoI) with a USD 15.7 million loan, an IFAD USD 500,000 grant and a USD 2 million grant from IFAD's Adaptation for Smallholder Agriculture Programme (ASAP).¹ These funds will enable SARP to positively impact (i) the number of people experiencing economic mobility and changes in economic status including income, consumption, wealth, food diversity or nutrition; (ii) the number of persons reporting adoption of new and improved inputs, technologies or practices; and (iii) the number of persons reporting an increase in production. It will achieve this through (i) improving irrigation and drainage infrastructure; (ii) enhancing agriculture productivity and diversification through asset creation of women farmers, women headed households and women entrepreneurs interested in off-farm

¹ ASAP is IFAD's flagship programme for channelling climate and environmental finance to smallholder farmers.

activities; (iii) adopting environmentally sustainable and climate resilient technologies and practices; and by increasing: (iv) crop and livestock productivity; (v) off-farm enterprise development and vocational skills; (vi) the number of new jobs created and employment generated; (vii) the number of rural enterprises reporting an increase in profits; (viii) the number of in rural producer organizations engaged in formal contracts with public or private entities; (ix) the number of rural producer organization members reporting new or improved services provided by their organization; and (x) the capacity for processing and marketing of agriculture produce especially dates, seed potatoes and high value vegetable crops.

Climate Change

7. The agricultural sector in Iraq is highly vulnerable to climate change impacts. Climate change is already having major impacts in terms of water scarcity and soil salinization, with increased vulnerability of poor rural communities. Since agriculture is the economic and social safety net of the rural poor in the country, any poverty reduction strategy has to incorporate climate change risk reduction objectives. The predicted future climate conditions will significantly reduce water availability in the spring/summer periods critical for crop production, causing marked reduction in runoff relative to input precipitation, increased evapotranspiration, and decreased soil moisture, and increased soil salinity risk.
8. To address these issues the Gol through IFAD, has sought AF support in the form of the BRAC project. BRAC aims to strengthen the agro-ecological and social resilience to climate change in the four target governorates, by enhancing water availability and use efficiency, and promoting adaptive agriculture production systems and technologies for improved livelihoods and food security of rural households. It will be structured around 2 Components, table 1 below also displays a detailed description and alignment of the two projects:

Component 1: Capacity development to integrate CC adaptation and risk reduction into agriculture planning and production systems.

- **Outcome 1.1** Increased capacity of governmental staff on mainstreaming CC adaptation into the agricultural sector.
- **Outcome 1.2** Technical and institutional capacity of agriculture practitioners and producers' organizations in the 4 targeted governorates developed to integrate knowledge on climate- resilient systems and technologies into practice. Climate-resilient Agriculture Investments.

Component 2: Climate-resilient Agriculture Investments

- **Outcome 2.1** Climate-proof systems and technologies for water supply from tertiary canals up to farmland plots are implemented in the target governorates.
- **Outcome 2.2** The national agro-meteorological monitoring network is upgraded informing early warning systems.
- **Outcome 2.3** Climate resilient agriculture technologies adopted by target farmers and producers' organizations.

Table 1 BRAC - SARP Alignment and Complementarity

Combined SARP/BRAC	Description	BRAC Alignment	
Component 1 Climate Resilient Investments			
Outcome 1.1 Modernisation / Rehabilitation of Irrigation Infrastructure.	The main emphasis of the outcome will be on micro- and small-irrigation networks that would rehabilitate and complete existing networks. The irrigation networks to be financed will be typically small irrigation schemes that cover a compact geographical area and which will be fully rehabilitated/modernized. The combined projects will support investments in those irrigation channels that will remove the bottlenecks hampering the regular access to water and the establishment of village based profitable agri-business.	Outcome 1.2 Technical and institutional capacity of agriculture practitioners and producers' organizations in the 4 targeted governorates developed to integrate knowledge on climate-resilient systems and technologies into practice.	Output 1.2.2 Water users and organizations are enabled to effectively manage irrigation water in the target areas.
		Outcome 2.1 Climate-proof systems and technologies for water supply from tertiary canals up to farmland plots are implemented in the target governorates.	Output 2.1.1 Efficient water supply from tertiary canals up to farmland plots is secured based on climate-proof systems and technologies.
Outcome 1.2 Knowledge Management and Institutional Strengthening for Climate-resilient Investments.	The Project will assist the MoHE to develop a climate change adaptation strategy for dealing with the agricultural sector. The Ministry of Agriculture has established an Agro Meteorological Monitoring Network, the project would upgrade the receive system and install an additional six remote monitoring stations needed for providing greater resolution in the data. The project would also assist in the dissemination of the information relevant for the extension centres, research stations and farmers.	Outcome 1.1 Increased capacity of governmental staff on mainstreaming CC adaptation into the agricultural sector.	Output 1.1.1 Climate change adaptation strategy for the agriculture sector developed.
		Outcome 2.2 The national Agro-meteorological Monitoring Network is upgraded informing early warning systems.	<ul style="list-style-type: none"> • Output 2.2.1 Agro-meteorological network upgraded and weather information management system developed • Output 2.2.2 Climate-risk early warning systems developed.
Component 2 Agriculture & Livelihood Diversification			
Outcome 2.1 Crop, Livestock & Off-Farm Development	The project will focus on enhancing the productivity of high value crops and vegetables and other horticulture crops such as date production. The project would provide smallholder farmers, women and farmer associations and cooperatives, grants that would be used establish crop, livestock and off-farm enterprises.	Outcome 2.3 Climate resilient agriculture technologies adopted by target farmers and producers' organizations	Output 2.3.1 Grant packages allocated to farmer groups and associations of women for climate-resilient agriculture investments, including production, resilient seeds, post-harvesting, processing and

Combined SARP/BRAC	Description	BRAC Alignment	
Component 1 Climate Resilient Investments			
	<p>The packages could include assistance in installing improved irrigation systems, small greenhouses for high value vegetable production, apiculture, fisheries and livestock packages for women from poor households, etc., identified on a demand driven basis by the smallholder men and women farmers and their groups or associations. The off-farm activities could include a wide range of enterprises based on local demand but typically are expected to include for women establishment of small retail stores, bakeries, food catering and processing businesses, beauty salons, handicrafts, stitching, etc. For men, it could include kits that would assist them in gaining apprenticeships as carpenters, plumbers, electrician or mobile outlets or repair, etc.</p>		<p>income diversification equipment and infrastructure.</p>
<p>Outcome 2.2 Skills Development & Capacity Building</p>	<p>To build the technical and business capacities of beneficiaries under Sub-Component 2.1, the project would provide several types of trainings; (i) technical and business training associated with the provision of the asset; (ii) training in climate resilient approaches and technologies and (iii) vocational training for young men and women; and (iv) management training for community groups and farmer organizations and (v) Public Sector institutional Strengthening.</p> <p>At the same time, it would offer institutional capacity building for Government extension staff involved in the implementation of Sub- Component 2.1, including learning and exposure visits.</p>	<p>Outcome 1.1 Increased capacity of governmental staff on mainstreaming CC adaptation into the agricultural sector</p>	<ul style="list-style-type: none"> • Output 1.1.2 Skills for relevant governmental staff on climate change adaptation and risk reduction developed • Output 1.1.3 A Training-of-trainers (ToT) programme is implemented targeting public administration staff, at national and governorate levels, dealing with mainstreaming CC adaptation into environmental, agriculture and water issues.
		<p>Outcome 1.2 Technical and institutional capacity of agriculture practitioners and producers' organizations in the 4 targeted governorates developed to integrate knowledge on climate-resilient systems and technologies into practice</p>	<ul style="list-style-type: none"> • Output 1.2.1 Project beneficiaries are trained on climate-resilient approaches and technologies • Output 1.2.3 Lessons learned and best practices on climate change adaptation are shared

III. Workshop Objectives

9. The workshop was designed to have the following objectives:
 - To officially launch the project to the key stakeholders.
 - Foster high-level commitment and leadership to support the Project between the two ministries.
 - Clarify roles and responsibilities between the MoHE and MoA in the implantation of the project.
 - Create opportunity for the key stakeholders and actors to deliberate on the project activities;
 - Advise/remind about the development of the Annual Work Plan and Budget for both BRAC and SARP projects.
 - Validate preparatory activities as well as the management systems that have been put in place for implementation, and provided guidance to the PMU on start-up arising issues, including but not limited to the preparation of appropriate documentation and procedures for key procurements and establishing partnerships with implementing partners;
 - Identify possible actions and institutional arrangements that could support the implementation of the project;
 - Explain AF PPR, ESMP and USP reporting requirements in detail and what M&E structures will need to be in place to meet AF standards.
 - Provide detailed explanation of the financial management aspects of the projects
 - Explain the SARP/BRAC project Implementation Manual (PIM) in detail.
 - Provide detailed overview of the SARP/BRAC Knowledge Management and M&E framework.
 - Provide guidance and orientation to the new PMU staff, implementing partners' staff and key ministry personnel on issues relating to project management, as well as basic IFAD strategies, policies and guidelines and providing practical training, as required, on systems and procedures (e.g., grant administration, financial management, AWPB, audit, etc.).

IV. Workshop proceedings

Day 1

10. The morning of day one of the workshop was dedicated to introductory and welcome speeches by: Dr. Hussein Ali Saud, Advisor to the Minister of Animal Resources and Chairman of the project steering Committee; Dr. Samia Akroush, Country Director, Near East, North Africa and Europe Division, IFAD; and Mr. Ali Abdulhussein Al-Ghallabi, Soil and Water Monitoring Department, Ministry of Health and Environment. They outlined the challenges facing Iraq and welcomed IFAD and the Adaptation Fund to support the rural poor communities in southern Iraq to develop climate resilient livelihoods.

Project Implementation Manual

11. IFAD Programme Officer Mr Eric Rwabidadi, proceeded to open the afternoon session with a detailed presentation of the PIM and answered questions from the workshop attendees that helped them better understand their responsibilities. It was explained that the PIM is a fundamental document for running the Project, containing detailed instructions and information on how to handle a variety of project areas. He continued to explain that its importance is also recognized in many financing agreements, by setting the submission of the PIM a condition for disbursement. It furthermore promotes good management, administration, internal controls and standardises approaches to tasks.
12. The PIM provides guidelines for the implementation of SARP and BRAC, it elaborates implementation strategies, and clarifies policies and procedures on important Project management issues such as procurement, disbursements, financial management and monitoring and evaluation. Although it complements the Project design documents it does not replace them or other baseline documents e.g. Financing agreements, Procurement and Disbursement Guidelines, and Pre-implementation instructions. Mr Rwabidadi stressed that the PIM also needs be made available to key implementing agencies to promote consistency of procedures and operational standards in Project implementation.

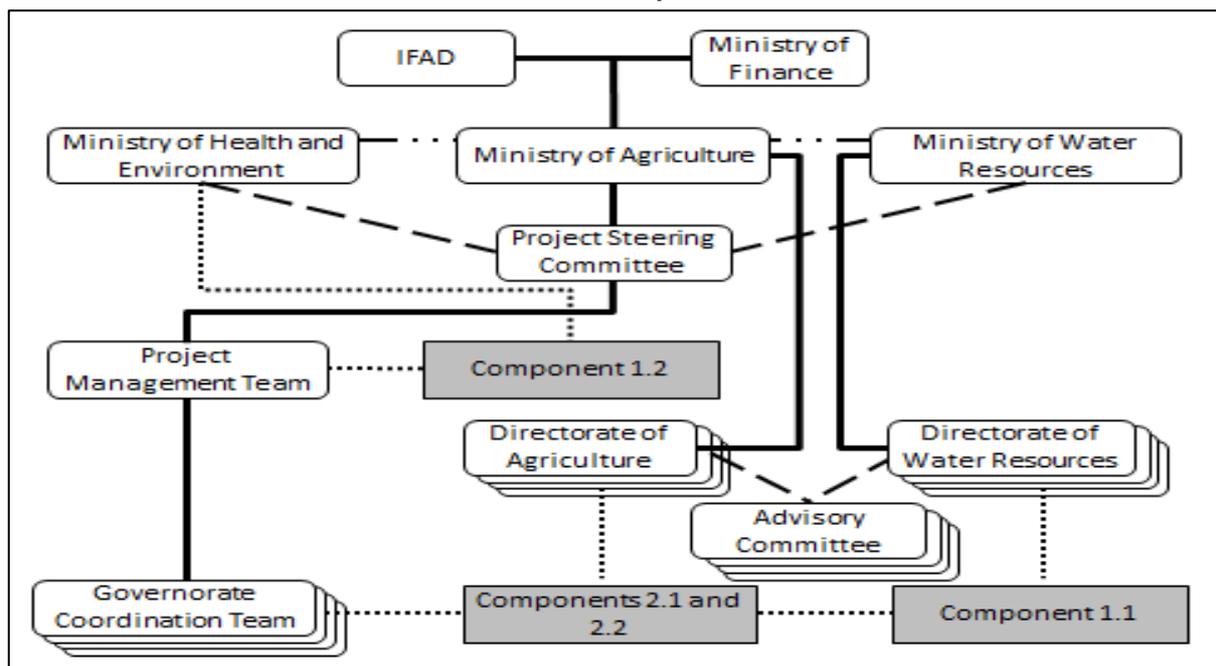
13. The SARP/BRAC PIM is currently in draft form and will be jointly reviewed and finalised by the SARP and BRAC Project Management Unit (PMU) to reflect as may be required additional guidance for implementation, and modify the contents in light of initial implementation experience. It furthermore defines roles and responsibilities for all processes and transactions and it serves as mitigating factor for the risk of implementation slow-downs due to staff turnover or unexpected absences.

PIM - Project Organisational Structure

14. Mr Rwabidadi proceeded to explain the relationship structure underpinning the coordination and implementation of both projects as presented in the above diagram and explained below:

- Solid lines represent cascading relationships of authority, in which higher placed entities provide guidelines and instructions for lower entities to abide by. For the relationship between IFAD and MoF and MoA, these are stipulated in the Financing Agreement and the Letter to the Borrower, whereas between Steering Committee and PMU, most instructions are condensed into the Project Implementation Manual; though stand-alone instructions may be given from time to time as well.
- The lines in Morse code (— - -) represent agreements. Memoranda of Understanding with respect to the SARP implementation need to be established between MoA, Ministry of Water Resources (MoWR) and MoHE. Appendix 4 provides guidance for such agreements.
- The lines consisting of long dashes (— —) represent coordination which takes place in the Project Steering Committee and in the Advisory Committees at Governorate level. Both are led by representatives of MoA and membership of the committees can be adapted to the need of the hour.
- Lines made of short dashes (-----) represent implementation. It links agencies to the component of which it leads the implementation, and it establishes a link to the relevant project structure; be it the national Project Management Team of the Governorate Coordination Team.
- Absent from the diagram are the service providers that will be engaged from either private sector (especially component 1) or civil society (especially component 2) to render requisite works, goods or services. These entities will be linked to the lead entities by service-, works- or delivery contracts. In addition, agreements can be made between the project partners and other development partners to address development challenges outside IFAD’s area of competence. Guidance is included in the PIM.

Figure 1 SARP/BRAC Relationship diagram: relationship structure underpinning project coordination and implementation

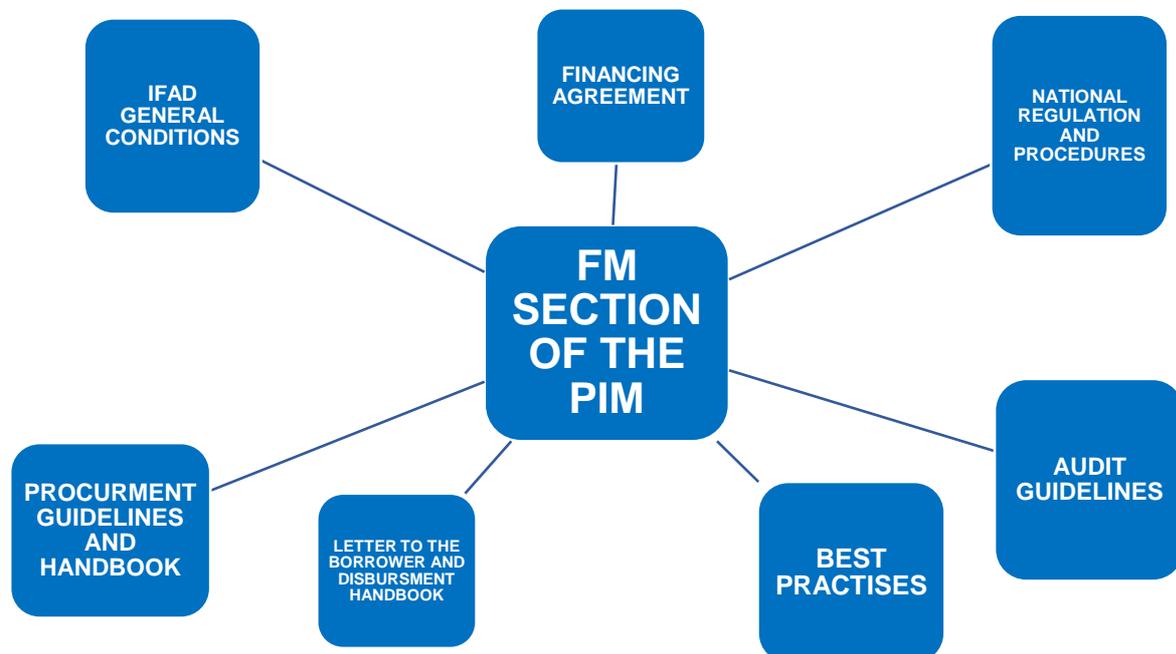


PIM - Annual Work Plan and Budget

15. Mr Rwabidadi furthermore gave a detailed explanation of the IFAD AWPB and that it is an essential managerial tool consisting of specific time and activity schedules and detailed budgets for the upcoming year. The workshop attendees were taught that it serves as the instrument for establishing and coordinating management priorities for implementation, forecast procurement requirements and facilitate the mobilisation of staff and resources when they are required. The first AWPB is a disbursement condition for all the projects and is a tool for Project Management, Government and IFAD to control costs, review and assess the performance and achievement of targets during and at the end of each year.
16. The AWPB will include the physical progress made in the previous year, including quantitative data; financial progress, cost overruns and savings, and analysis of flow of funds from financiers; procurement performance; constraints and problems and recommendations to resolve them; lessons learned; and rationale for the activities proposed in the concerned year. The AWPB includes a table defining output targets per component, one linking outputs to expenditures and accounts, also formats for the Annual Budget Financing Plan, and a format for the physical progress of the AWPB.
17. The development of the AWPB is a participatory process and while that for SARP from the MoA has already been received, IFAD reminded the MoHE of its responsibility for its completion and submission for the BRAC project. The Country Director Dr. Samia Akroush, explained that she had already extended an invitation to provide assistance for its completion and took the opportunity to offer assistance again. Mr Rwabidadi explained of the AWPB review process that once completed it is reviewed and approved by the Project Steering Committee (PSC) before submission for IFAD no objection. Participants were reminded of the need for the timely submission of draft AWPB to IFAD – no later than 60 days prior to the beginning of the relevant Project Year based on which IFAD will review and provide comments and/or “No Objection”.

Financial Management and the PIM

Figure 2 Summary of the FM section of the PIM



18. The attendees learned from the presentation on financial management section of the PIM that it provides the project staff with a manual on broad areas covering: budgeting and planning; the accounting system; records management; internal controls; flow of funds, and cash and bank account management; IFAD disbursement procedures; processing of payments; financial reporting; fixed asset management; audit arrangements; IFAD supervision; and project completion and closing.

PIM - Procurement Plan

19. The workshop participants were explained what the most important elements of the procurement plan are, namely: the description of procurement items by component and type i.e. civil works, goods, service; the quantity/ unit cost and estimated costs; the procurement methods to be applied; the prior review requirements; the schedule by bidding processes; the notice to award of contract etc. The procurement plan covers 18 months (12 months for successive plans) and details for each procurement action: the loan category, financing rate, procurement method, estimated cost, quantities, IFAD review requirements, and anticipated timeline for the entire process. The PIM explains that the procurement actions are grouped according to types (goods/works/services) for each component and within each type, procurement actions are grouped into coded lots or packages for increased competition, efficiency and better prices.
20. For the benefit of the procurement experts and also for general awareness, participants were explained the importance of procurement coherence with project objectives and the annual work plan. In summary it was explained that procurement actions are relevant to project objectives; that the nature and quantity of goods/works/services need to be consistent with design (detailed cost tables); that the nature and quantity of goods/works/services need to be consistent with activities in the annual work plan; that financial estimates have to be in line with annual budget and overall funds allocation; that estimated costs for each procurement action are reasonable and current; that cost estimates need to be properly reflected in the annual budget; and cost estimates need to remain within overall project funds allocation (by expense category). Furthermore, procurement methods need to be in line with the national regulatory framework to the extent they are consistent with IFAD Procurement Guidelines. Anticipated timelines and scheduling for each procurement action (from preparation of bidding documents to signature of contract) also need to be realistic as do the anticipated delivery dates of goods/works/services need to be consistent with physical targets as per the AWPB.
21. The afternoon session ended with a presentation from Procurement Specialist Mr Hamzeh Khair who detailed the project procurement procedures summarised above. This was a very productive session as the attendees were given an A to Z walk through of procurement requirements and discussions ensued primarily relating to alignment of IFAD standards with national procurement standards.

Day 2

Monitoring & Evaluation and Knowledge Management



22. The second and last day of the workshop was opened with a presentation from M&E Specialist Mr. Mohamed El-Ghazali who presented and trained the attendees on monitoring and evaluation, knowledge management and the IFAD reporting schedule. Mr El-Ghazali proceeded to provide an introduction to M&E explaining that the main planning tools for IFAD comprise the logical framework, M&E framework including its indicators and targets, and the Results Based Annual Work-plan and Budget (RB-AWPB). He went on to explain that while the logframe provides the targets of the overall project implementation in terms of outputs, outcomes and development objectives at impact levels, the RB-AWPB breaks up these physical targets by year and attaches the financial resources (IFAD loan and grant, AF grant, Government budget and beneficiary contributions).

Table 2 M&E Project Implementation Tasks

Phase	Tasks
Early design phase (formulation and appraisal)	<ul style="list-style-type: none"> • Establish the scope and purpose of the M&E system. • Indicate key performance questions and indicators, plus associated monitoring mechanisms. • Identify organizational arrangements for M&E. • Develop terms of reference for M&E staff. • Indicate the process for how M&E is to be established during start-up. • Establish an indicative M&E budget. • Document the above in the M&E framework.
Start-up prior to loan effectiveness (with the Special Operating Fund)	<ul style="list-style-type: none"> • Revise performance questions, indicators and monitoring mechanisms after reviewing the project strategy. • Organize training with staff and partners likely to be involved in M&E. • Initiate baseline studies, as appropriate. • Prepare a project implementation manual with key staff.
Start-up after loan effectiveness	<ul style="list-style-type: none"> • Review project design in relation to M&E with key stakeholders. • Develop a detailed M&E plan, taking into consideration existing mechanisms with partners. • Put in place necessary conditions and capacities for M&E to be implemented.

23. The participants learned of the importance of the M&E system as a key management tool for the project with the primary purpose of providing data and feedback that improves the effectiveness, efficiency, sustainability, relevance and impact of project activities. They were told that the PMU will produce an annual document reporting on the outputs and outcomes achieved by SARP and BRAC, including a comparison with the results from previous years, as well with planned figures for that year. They learned that easily accessible M&E data can provide a solid basis for project reviews and can be useful in identifying problems, highlighting potential solutions to problems, justifying changes to workplans and budgets, tracking progress and assist managers in identifying areas of technical support. Mr El-Ghazali furthermore summarised M&E tasks vis-à-vis the respective phases of project implementation presented in Table 1.

Monitoring & Evaluation Plan

24. The participants learned that the instrument for overall management of the M&E function is the M&E Plan, which is prepared during the Preparatory Year, and updated as required. The M&E Plan includes the latest logframe, lists the indicators and the party responsible for data collection, also defines the data management and reporting streams. A good M&E plan will include the theory of change and logical framework; setting up the M&E system; reporting requirements; data collection; data analysis; field monitoring plans; third party arrangements and all relevant surveys and evaluation reports. Workshop attendees learned of the different types of reports they will be expected to produce for compliance with IFAD reporting and M&E standards:

- **Recurrent reports.** Are reports that are part of the PMU's reporting on behalf of the Project. These reports review progress and achievements (or the lack thereof) and describe and / or recommend remedial action at the level of project management.
- **Annual Work Plan and Budget and Procurement Plan** – one month prior to the start of the Government of Iraq (GoI) financial year, and updated as and when needed;
- **Annual Progress Report** – published within one month of the close of the financial year. The Quarterly Statistical Report tables covering the whole year, including the 4th quarter, will be included as an annex.
- **Project Completion Report** – To be published six months before Project completion in order to facilitate IFAD's final Supervision Mission. The format and content for this report will be coordinated with IFAD.

Project Studies, Baseline, mid-term and end-line surveys.

25. **Baseline survey** – The PMU will request IFAD guidance for developing a Terms of Reference (ToR) for the baseline survey and for drafting household questionnaires. Assistance can be sought from IFAD's newly established Strategic Planning and Impact Assessment Division, if required; The baseline survey will be completed within the Preparatory Year;
26. **Mid-Term Survey** - This survey will be carried out during the Project's third year and uses Beneficiary Feedback Surveys to assess progress and to review the initial assumption regarding the intermediate outcomes such as adoption rates and the revenue stream that begin to emerge. The ToR for the Mid-term survey and the household questionnaires will be prepared in a similar manner as for the baseline survey. The Mid-term survey is an important input for the Mid-term Review planned for the end of year 3.
27. **End-line survey** – This survey is similar to the above and is carried out in year 6. It is an important input for the Project Completion Report that is to be prepared in year 7.
28. The periodic surveys will be contracted to a Third Party with a proven track record and without an involvement in project implementation. Data from the surveys will be incorporated in the monitoring framework and implications of the outcomes will be reflected on in the quarterly statistical reports; as described above.

Knowledge Management

29. The workshop participant learned that of the principles and actions KM is based on, namely effective M&E with a baseline and regular repeater and thematic surveys, and impact assessments. It was explained that regular reporting ensures that knowledge is captured by the PMU/Implementing Partners and utilised to generate lessons and best practices to be shared with public institutions, the IFAD country team, partners and others. The results will be widely publicised and partnerships with like-minded donor institutions will be intensified.
30. As part of its responsibility to safeguard the integrity of the project design, the PMU will assume a responsibility for knowledge management; aiming to support implementing agencies to develop the capacity to manage and carry-out similar programmes. The main occasion venue for doing this are the annual work plan and budget workshops, which are organised across the four Governorates. Roughly one-third of the time of these events will be dedicated to preparing the AWPB / Procurement Plan; and two-thirds will be set aside for exchange of lessons learned and good practices.
31. The basis for exchanging lessons and good practices is developed in two ways: The staff representing the implementing agencies are asked to document in a simple way the successes achieved and lessons learned under their sub-component for exchange during the Annual AWPB workshop. Based on this the M&E officers present key strategic findings and recommendations derived from the analysis of monitoring data; they review the periodic surveys and the projects economic and financial analysis. Emphasis is not on numbers, but on understanding what has worked and what has not worked.
32. In addition to the above recurrent process, funds under SARP component 2.2 are inter alia used to organise exchange visits; so that staff of implementing agencies can gain first-hand knowledge of Project successes; and document lessons learned.

Financial Management

33. Financial Specialist Mr. Moez Makhlouf led the second half of the morning session by presenting the Financial Management (FM) aspects of IFAD project implementation. He explained that the objective of project financial management is to comply with internal control procedures, manage project funds and ensure that they are used in accordance with their purpose, prepare the AWPB and follow-up its progress, record all the project transactions on the accounting system and provide interim financial report and annual financial report.
34. Mr Makhlouf continued the introduction by covering the staffing and organisational roles vis-à-vis FM. He explained that financial team would be part of the PMU, that it will either be seconded from MoA staff or hired through a competitive process with qualified staff in term of educational background and experience. He furthermore spent time impressing the importance of Annual Work Plan and Budget – AWPB explaining inter alia that it is due annually and can be amended time to time during year, it is an

essential planning, monitoring, control and management performance tool and a key eligibility requirement.

35. **Disbursement and Funds Flow.** After explaining the FM aspects of the AWPB in detail, Mr Makhoulouf proceeded to explain IFAD disbursement procedures in terms of Advance Withdrawals, Direct Payments, Reimbursements, how to improve disbursements through increasing the threshold of IFAD No Objection; Accelerating the handling procedures of withdrawal requests at IFAD; Accelerating the approval commitments and payments credits by the Ministry of finances; reducing procurement procedures deadlines; improving the pace of project implementation; accelerating the acceptance of services and works procedures by the PMU; accelerating the preparation of the provisional statements of works by the PMU; and increasing the number of provisional statements related to works.
36. **Financial Reporting.** Mr Makhoulouf also explained the responsibilities vis-à-vis financial reporting and the need to provide financial information about financial position, performance and resource flows of a project; quarterly Interim Financial Report (IFR) to be submitted within 20 days after the end of each quarter; annual unaudited financial statements due to IFAD 4 months after year end; and audited financial statements due to IFAD 6 months after year end. He furthermore pressed on the minimum requirements in terms of stating the sources and uses of funds by components / category and by financing source; including the statement of expenditures by component / category with budget comparison; notes to financial statements; and the reconciliation of the status of funds and designated accounts.
37. **External Audit.** Mr Makhoulouf ended his presentation by detailing the requirements for external audits, explaining that it needs to be conducted by external and independent qualified professional to express opinion on financial statements and adequacy of internal controls system. Participants learned that the scope is to audit opinion on financial statements; ensure compliance with legal covenant; produce recommendations on internal controls system; and reporting of ineligible expenditures. He furthermore spent time detailing IFAD's external auditor selection procedures and the key auditor deliverables.

Adaptation Fund Reporting and M&E Requirements.

38. The afternoon session was opened by the Adaptation Fund Specialist consultant, Mr Wietse Michiels. Mr Michiels explained that the purpose of his presentation was to raise awareness and train project staff on the reporting and M&E requirements of the AF, but also the identifying, monitoring, mitigating of environmental and social risks. He started by explaining that there are two core reporting requirements namely the Project Progress Report (PPR) and the Environmental and Social Management Plan (ESMP). He explained that the PPR is an excel-based reporting template that has to be submitted on an annual basis, however that not all elements of the PPR need to be submitted every year and proceeded to detail all the elements of the PPR namely that of financial reporting, procurement, risk assessment, the Environmental and Social Principles, the need for compliance with the Gender Policy, project ratings, project indicators, lessons learned and the results framework. This detailed explanation was accompanied with a visual of the PPR template.
39. Secondly, he went into detail about what the ESMP is. He explained that it is both an AF reporting tool as well as being a management plan that is fully integrated into the SARP/BRAC project review and approval process. In summary Mr Michiels explained that the ESMP needs to detail how it intends to implement the safeguards for the potential risks that have been identified; that it is where the different components of the environmental and social safeguard measures come together and are integrated; it describes the review process that will make the Environmental and Social Policy (ESP) and Gender Policy (GP) risk identification possible and explains the subsequent safeguard measures that are taken. He explained what an Unidentified Sub-Project (USP) is and what implications this has in terms of risk assessment and mitigation processes. He explained in detail what the 15 Environmental and Social Principles are and detailed each one explaining that they will need to be assessed for each USP. He explained that every effort will be made to reduce the burden on the project by mainstreaming and simplifying the risk assessment processes.
40. The importance of the GP was subsequently also emphasised. Mr Michiels explained that the AF strictly applies its Gender Policy and it is closely interlinked with the ESP. Complying with the GP requires the project to demonstrate for BRAC, that gender-responsive consultations have taken place particularly when conducting the risk assessments for USPs. Examples were given as to how the project could be expected to comply with the GP. For example by i) ensuring meetings with beneficiaries are separated by gender and conducted by women staff (for women groups); ii) keeping attendance sheets for consultation meetings, workshops or trainings, showing gender and age for both male and female

groups; iii) ensuring time and location of consultations are favourable to both men and women's daily needs; and iv) the setting of minimum quotas and targets for the participation of women and men in consultation meetings, workshops or trainings.

41. **Reporting.** Mr Michiels explained that in addition to the IFAD reporting requirements covered by the other presenters, IFAD will need to also comply with specific AF reporting requirements. He presented an overview of the reporting schedule shown in the table below explaining what needs to be reported on and when.

Table 2 Reporting Schedule

	Inception	Every 6 Months	Annual	MTR	Completion
Inception Report					
Bi-annual progress reports					
PPR					
Results Tracker					
ESMP including USP Screening					

42. Wietse proceeded to provide practical examples with direct references to project outcomes and outputs that would help participants understand USP and risk assessment requirements. He explained that any consultations and trainings need to be gender-responsive; that the rehabilitation of irrigated perimeters needs to be reviewed and assessed carefully; that any extraction activity that will increase water stress has to be avoided; and studies and assessments could be necessary as part of the screening / approval process to prove activities pose no risks. The ESMP will need to demonstrate that project activities are not in or near international (UNESCO), national or local or environmentally protected areas and if it cannot be avoided, it will need to explain why not and how risks are minimised. Among other things it was also explained that the grant approval mechanism will need to be detailed whereby the proposals will be reviewed and assessed against the AF principles.
43. In ending the AF presentation / training Mr Michiels outlined the roles and responsibilities at PMU, ministerial, governorate / field staff and state levels. He then took the opportunity to answer questions from the workshop members that further helped their understanding. Specific requests were made for more advanced training in meeting AF requirements.

Closing session

44. After an intense two days of applied technical training and awareness raising, the workshop came to an end with a Q/A session and a closing speech by Dr. Samia Akroush, the IFAD Country Director. She recognised once again the challenges that Iraq faces and that the next objective was to have a follow-up session where based on this workshop, participants would be able to identify areas that they feel they need further training and support on and that this ideally will be held in Iraq so more people are able to attend.

Recommendations

45. The following recommendations were made at the end of the workshop:
1. The MoHE needs to provide IFAD with the AWPB for the first year of BRAC implementation. Dr Akroush has again extended an officer of assistance for its completion.
 2. The workshop was an intense introduction to IFAD and AF M&E, reporting, FM, KM and the AF. Participants requested more training so that they are better able to fulfil their responsibilities.

3. Fast track the process of meeting all conditions for first withdrawal application
4. Organise planning meetings and launch of the project activities in Baghdad or any other convenient venue in close collaboration with Iraqi authorities,
5. MoA initiate the process in establishing the Memorandum of Understandings (MoUs) with the implementing partners including Ministry of Water and Irrigation and Ministry of Environment.
6. MoA and the MoHE initiate the project inception phase in the field
7. Due to the deteriorating security situation in Iraq the workshop was held in Jordan with fewer participants able to join. Every effort will be made to arrange a follow-up workshop that will be held in Baghdad within 6 months to ensure greater participation.

Annex 1 Inception Workshop Agenda

SMALLHOLDERS AGRICULTURE REVITALIZATION PROJECT (SARP) AND THE ASSOCIATED ADDITIONAL FINANCING FROM THE ADAPTATION FUND FOR BUILDING RESILIENCE OF THE AGRICULTURE SECTOR TO CLIMATE CHANGE (BRAC)

START-UP WORKSHOP

10-11 December 2019

Amman-Jordan

AGENDA

Time	Topic	Presenter
Day 1 – December 10, 2019		
09:00 - 9:30	Registration of participants	
09:30 – 10:00	Opening Remarks	Dr. Hussein Ali Saud / Advisor to the Ministry of Animal Resources / Chairman of the Committee Dr. Samia Akroush , Country Director / Near East, North Africa and Europe Division, IFAD
10:00- 11:00	Overview of the project: Smallholders Agriculture Revitalization Project (SARP); vision, activities and planned results	Ala Thajil Minjal , SARP Project Director / Ministry of Agriculture
11:00-11:20	Coffee break	
11:20-12:20	Presentation of Adaptation Fund for Building Resilience of the Agriculture Sector to Climate Change (BRAC) Question/Answer Session	Mr. Ali Abdulhussein Al-Ghallabi / Soil and Water Monitoring Department - Ministry of Health and Environment.
12:20-13:00	Discussion on complementarities between SARP and BRAC Question/Answer Session	
13:00-13:30	Discussion of the SARP Project Implementation Manual, Question/Answer Session	Mr. Eric Rwabidadi , Programme Officer, IFAD
13:30-14:30	Lunch Break	
14:30-17:00	Presentation of IFAD Procurement Procedures and Question/Answer Session	Mr. Hamzeh Khair , Procurement Specialist
Day 2 – December 11, 2019		
8:30-10:00	Presentation and training on Monitoring and Evaluation and Knowledge management and reporting schedule	Mr. Mohamed El-Ghazali , M&E specialist
10:00 – 11:00	Presentation on Fiduciary aspects (disbursement/funds flow, financial management, Audit, etc.)	Mr. Moez Makhlouf , Financial Specialist
11:15-11:30	Coffee break	
11:30-13:00	Presentation on Fiduciary aspects (disbursement/funds flow, financial management, Audit, and LTB) Question/Answer Session	Mr. Moez Makhlouf , Financial Specialist
13:00 - 14:00	Lunch Break	
14:00 -15:30	Session on environment, climate and gender safeguards of IFAD and AF Presentation on Adaptation Fund (AF) reporting requirements, Question/Answer Session	Mr. Wietse Michiels Adaptation Fund Specialist
15:30 - 17:00	Discussion of the SARP &BRAC Annual Work Plan and Budget for the next 18 months	IFAD and SARP Project Team
17:00-17:30	Forward statement	Dr.Samia Akroush , Country Director, IFAD

Annex 2 List of participants

SARP Startup Workshop 09- 10 December 2019			
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**SARP Startup Workshop
09- 10 December 2019**

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