



Implementation Completion Memorandum (Maharashtra)

Project Number: 43105-012
Grant Number: 9147
May 2020

IND: Improving Small Farmers' Access to Market in Bihar and Maharashtra (Financed by the Japan Fund for Poverty Reduction)

This document is being disclosed to the public in accordance with ADB's Access to Information Policy.

The Project was implemented for two states: Bihar and Maharashtra. This ICM only evaluates the activities under the Maharashtra component and shall be read in conjunction with the ICM for Bihar.

Asian Development Bank

JAPAN FUND FOR POVERTY REDUCTION (JFPR)
IMPLEMENTATION COMPLETION MEMORANDUM (ICM)¹

I. BASIC INFORMATION			
1. JFPR Number and Name of Grant: 9147- IND: Improving Small Farmers' Access to Market in Bihar And Maharashtra (Maharashtra component)			
2. Country (DMC): India		3. Approved JFPR Grant Amount: \$3,000,000 ²	
4. Grant Type: <input checked="" type="checkbox"/> Project / <input type="checkbox"/> Capacity Building		5-A. Undisbursed Amount \$125,507.75 ³	5-B. Utilized Amount \$2,274,492.25 (footnote 3)
6. Contributions from other sources			
Source of Contribution:	Committed Amount	Actual Contributions:	Remark - Notes:
DMC Government	\$42,000	\$16,126	Maharashtra component only. Represents duties and taxes incurred by the Project exempted by the Government of Maharashtra. (Exchange rate: US\$1.00 = ₹69.82)
Other Donors	\$0	\$	Not applicable
Private Sector	\$0	\$	Not applicable
Community/Beneficiaries	\$645,000	\$388,931.42	Maharashtra component only. Farmer Producer Companies contributed 25% for primary processing infrastructure support, 25% marketing support and 50% revolving fund support provided by the Project. US\$ equivalent of ₹27.15 million as of 30 April 2019 (US\$1.00 = ₹69.82).
7-A. GOJ Approval Date: 5 February 2010		7-B. ADB Approval Date: 30 July 2010	
		7-C. Date the LOA was signed (Grant Effectiveness Date): 21 November 2011	
8-A. Original Grant Closing Date: 30 June 2014		8-B. Actual Grant Closing Date: 31 December 2018	
		8-C. Account Closing Date: 30 April 2019	

¹ This ICM reviews the project activities of the Maharashtra component only.

² Total grant amount of \$3.0 million is for Bihar and Maharashtra. Initial allocation was \$1.5 million each for Bihar and Maharashtra. Allocation for Maharashtra was later increased to \$1.8 million following discussions with the executing agency. Total grant amount was reduced to \$2.4 million following a partial cancellation of grant funds (mainly for the Bihar component) approved on 14 November 2018.

³ For Maharashtra, out of the \$1.8 million earmarked for after the partial cancellation, \$1.79 million was disbursed.

9. Name and Number of Counterpart ADB (Loan) Project:

Loan 2837-IND: Agribusiness Infrastructure Development Investment Program (AIDIP) – Tranche 2
(MFF 0045-IND: Agribusiness Infrastructure Development Investment Program)

10. The Grant Recipient(s):

Dr. S. K. Goel (position currently held by Mr. Anoop Kumar)
Principal Secretary, Co-operation and Agricultural Marketing (currently Department of Co-operation Marketing and Textile)
Government of Maharashtra, India
Tel: +91 (022) 22027018; e-mail address: psec.adf@maharashtra.gov.in

11. Executing and Implementing Agency:

Mrs. Nilima Gaikwad
Project Director, AIDIP
Maharashtra State Agricultural Marketing Board
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II. GRANT PERFORMANCE ASSESSMENT**12. Description (Background rationale):**

Note: The Project was implemented for two states: Bihar and Maharashtra. However, differences in the achievement of outputs between the two components require that separate ICMs be prepared for each to accurately evaluate the accomplishment of each state. This ICM only evaluates the activities under the Maharashtra component and should be read in conjunction with the ICM for Bihar.

Despite India's strong economic growth that averaged 8.7% per annum since 2004, the agriculture sector, which employs about 60% of the country's workforce has stagnated at about 3% per annum since 2000.⁴ The rural non-farm sector, which is strongly correlated with the performance of the agriculture sector, has also been slow to grow. This has widened the rural-urban income disparity and contributed to the severe distress of some farmers. Rural per capita household expenditure is estimated to be less than half that of urban households. Of the nearly 120 million farmers in India, roughly 40% are landless and about 28% are classed as marginal, with only 0.01 to 0.04 hectares (ha) of cultivated land.

The Government of India made reducing regional and rural-urban disparity as well as chronic poverty through inclusive growth as the key priorities in its 11th Five Year Plan (2008-2012). Recognizing the slow and stagnated growth of the agriculture sector, the government aimed to revitalize the sector through private sector-led growth, diversification to higher value crops, increased value addition, and improved farmer-market linkages. As most Indian farmers are considered marginalized, the importance of group formation to improve their bargaining power was highlighted.

In 2003, the government introduced model legislation titled the State Agricultural Produce Marketing (Development and Regulation) Act (or the Model Act) to provide for improved regulation in marketing of agricultural produce, development of efficient marketing system, promotion of agri-processing and agricultural export and the establishment and proper administration of markets for agricultural produce in Indian states.⁵ The Model Act allowed the emergence of competitive agricultural markets. However, state monopoly of wholesale markets resulted in inadequate infrastructure and trade practices that were not favorable to

⁴ World Bank. World Development Indicators Dataset. <https://data.worldbank.org/country/india?view=chart> (accessed 8 August 2019).

⁵ Government of India. 2003. State Agricultural Produce Marketing (Development and Regulation) Act (The Model Act).

farmers' interests. The Maharashtra state government adopted the Model Act in 2007, with some revisions that allowed the establishment of private sector markets. This has created space for new markets to emerge in the state.

Furthermore, the rapid emergence of an organized retail sector (supermarkets, hypermarkets, specialty fresh produce stores) and the growth of consumer food services, food processing and food export sectors provided opportunities that could significantly increase the incomes of small-scale fresh fruit and vegetable (FF&V) farmers. However, small-scale FF&V farmers in Bihar and Maharashtra were largely unable to take advantage of the emerging marketing options due to the following constraints: (i) lack of sufficient private sector investment in the development of emerging markets; (ii) farmers' inability to provide a consistent supply that meets the requirements of modern markets; and (iii) farmers' lack of capacity to obtain marketing information and interact with commercial players.

The government and ADB approved the multitranche financing facility (MFF) for Agribusiness Infrastructure Development Investment Program (AIDIP) in 2010 with an objective to increase private sector investment by encouraging public-private partnerships (PPP) in agriculture.⁶ During preparation of AIDIP consultations, it was agreed that a separate JFPR grant Project would strengthen the small farmers' capacity so that they could be readily integrated into the value chains to be developed under AIDIP.⁷ The JFPR Project (the Project) was thus developed to focus on addressing the two key constraints for the small-scale farmers: (i) ability to provide consistent supply; and (ii) capacity to obtain market information and interact with commercial players. Due to significant socio-economic differences between Bihar and Maharashtra, different project emphases were designed for each state. In Maharashtra, the Project focus was on establishing formal or informal farmer organizations and enabling these organizations to develop long-term relationships with buyers. For organizations that are successful, the Project helped them move on to the next stage to become producer companies in order to operate more effectively as commercial entities and to develop a sustainable partnership with buyers.

The associated MFF tranche, however, was unable to award PPP contracts and undertake activities as planned because of design and implementation problems. Despite two rounds of bidding, there was little private sector interest and no bid was responsive to the bidding documents.⁸ The MFF tranche was closed on 31 March 2016 and the Project undertook some of the infrastructure subcomponents on a smaller scale.

Safeguards categorization of this Project is C for environment, C for involuntary resettlement and B for indigenous peoples. There was no change in the categorization between project appraisal and project closing.

13. Grant Development Objective and Scope:

The Project was designed to enhance integration of small-scale FF&V farmers in Bihar and Maharashtra into modern value chains by: (i) organizing farmers into farmer groups (FGs); (ii) building their capacity to increase production; and (iii) establishing market linkages.

The impact of the Project was increased income of small-scale farmers in Bihar and Maharashtra through access to alternative higher-return markets. The outcome was the enhanced integration of small-scale FF&V farmers, including female and scheduled caste (SC) and scheduled tribe (ST) farmers, into the horticulture value chains in those states.

The designed project outputs were: (i) 2,000 small-scale farmers are organized into 20 effective FGs (six in Bihar, 14 in Maharashtra); (ii) four well-performing FGs are developed into farmer producer companies (FPCs, one in Bihar, three in Maharashtra); (iii) 20 FGs and four FPCs are trained in business, technical, and organizational management skills; and (iv) FGs and FPCs establish long-term mutually beneficial agreements with buyers. The activities comprise: (i) formation of FGs and FPCs; (ii) capacity development; (iii) facilitation of farmer-buyer linkages; and (iv) project management, monitoring, and evaluation. The Design and Monitoring Framework and the achievement of outputs are in Appendix 1.

⁶ ADB. India: Agribusiness Infrastructure Development Investment Program. <https://www.adb.org/projects/37091-013/main>

⁷ ADB. 2010. *Grant Assistance Report: Proposed Improving Small Farmers' Access to Market in Bihar and Maharashtra*. Manila

⁸ ADB. 2017. *Completion Report: Agribusiness Infrastructure Development Investment Program (Tranche 2)*. Manila.

Despite the unsuccessful implementation of the associated AIDIP loan due to lack of private sector interest in entering concession agreements, Maharashtra State Agricultural Marketing Board (MSAMB) continued the implementation of the Project. As a result, (i) 1,404 farmer groups were formed comprising 22,417 members (details of the groups are in Appendix 2); (ii) training on increasing productivity of the focus crops (banana, pomegranate, orange, sweet lime, lemon, and onion) through modern farming practices were conducted; (iii) forward linkages with buyers and organized markets were established; (iv) a revolving fund was established and availed of by the FPCs; and (v) basic infrastructure (collection centers and processing centers) to improve the value chains were constructed (details of the infrastructure are in Appendix 3).

The project design, with a focus on substantial improvement in poverty reduction and increased income for small-scale farmers, was relevant as inclusive growth was an overarching goal of the government's 11th Five-Year Plan and ADB's country partnership strategy for India, 2009–2012. Based on the end-line survey conducted by the grant consultants, majority of farmers who received assistance from the JFPR project reported:⁹

- (i) an increase in the productivity and quality of their produce through trainings in crop management, pest control, and modern farming practices;
- (ii) lower operational costs (through the bulk purchase of fertilizers and other materials);
- (iii) improved linkages to new markets through the exposure visits; and
- (iv) increased profit through the reduction of spoilage, transportation losses, and losses to traditional traders who reduce the weight of the produce by up to 20%.

Initially the focus crops were banana, pomegranate, orange, sweet lime, lemon, and onion. However, changes in the monsoon season and extreme weather conditions forced the farmers to change their product mix. This led to longer gestation period for the crops and changes in business strategies. For example, one FPC originally comprised sweet lime producers who shifted to pomegranates and grapes because of their resilience to extreme changes in weather conditions.

Implementation Arrangements. The Department of Cooperation, Marketing and Textile (DCMT) was the executing agency (EA) for the JFPR project. The MSAMB, which was established under DCMT, implemented the project through a grant implementation unit (GIU). The GIU was appropriately staffed during the implementation of the project and responded to requests from ADB, including providing support during review missions. DCMT was also the EA for the World Bank funded Maharashtra Agriculture Competitiveness Project (MACP) that aimed to increase the productivity, profitability and market access of the farming community in Maharashtra and was implemented alongside the JFPR grant. Thus, the implementation arrangements were appropriate given the related nature of these projects.

Project Implementation Schedule. The JFPR project implementation period was initially for a period of 36 months, from 21 November 2011 (effectiveness date) to 30 June 2014. There were initial implementation delays due to: (i) the extensive time and effort taken to carry out sound baseline surveys and create FGs and FPCs based on solid economic potential and interest to ensure their sustainability; and (ii) the delays in signing the JFPR agreement and establishing the project GIUs. The completion date was first extended on 25 August 2014 by 22 months (up to 30 April 2016) to make up for start-up delays due to complexities in the bidding process of the associated loan, for which the project management unit also served as the GIU. A second extension was approved on 12 May 2016, for 24 months up to 30 April 2018, to complete project activities, particularly setting up the revolving fund and going through one cycle of revolving funds. A third extension was approved on 27 April 2018, for 8 months up to 31 December 2018 to fully utilize the allocated grant funds for the revolving loans to the FPCs and complete an expanded project impact assessment. The record of changes and extensions to the project is in Appendix 4.

The unforeseeable delays resulted in reduction of the effective period to complete project activities. Manpower was divided due to the EA and ADB's focus on the associated loan's bidding processes. Following closure of the associated AIDIP loan on 31 March 2016, the GIU was able to dedicate its efforts towards grant implementation. The revised implementation schedules as approved in May 2016 and April 2018 are in Appendix 5.

⁹ ADB. 2018. *Improving Small Farmers' Access to Markets in Maharashtra. Consultant's report*. Manila (JFPR 9147-IND).

Stakeholders' Participation and Ownership. Stakeholder participation was high over the duration of the project. Initially, the project target was 20 farmer groups comprising 2,000 members (100 members per group) were to be established for one value chain in Maharashtra. During implementation, 1,404 farmer groups were formed comprising 22,417 farmer-members. The project also established 18 FPCs comprising 3,676 farmers against the target of 3 FPCs. There was considerable interest in the project from the farmers and MSAMB followed through with regular stakeholder consultations, providing opportunities for farmers to participate in exposure visits, and linking the farmers with buyers.

Construction of value chain infrastructure (collection centers, processing and sorting facilities, etc.) was planned under the associated AIDIP Tranche 2. However, as the activities under the loan did not materialize, MSAMB proposed minor post-harvest infrastructure to be built under the project. This demonstrated the commitment of the EA to achieve project objectives and provide optimal assistance to the farmers. Through the focus group discussions conducted by the end line survey consultants, it was found that the initiatives from the project activities were well-received by the farmers. They were willing to learn and participate in the training programs, provided support in the formation of the FPCs, and contributed both in-kind and financially to ensure the success of project activities.

In addition, social capital formed through the FPCs was leveraged effectively to introduce new or unexplored horticulture crops in the region. Interaction with the members FPC revealed that members of the FPCs were enthusiastic about such initiatives and are looking forward to more beneficial relationships evolving in the future (footnote 8). The FPCs contributed 25% of the costs of primary infrastructure, 25% for marketing and 50% to the revolving fund.

14. Key Performance Indicators	Accomplishments Rating (HS,S,PS,U ¹⁰)	Evaluation of each Indicator:
i) Twenty farmer groups (6 in Bihar and 14 in Maharashtra) comprising approximately 2,000 members, are successfully organized in a financially sustainable manner.	HS	1,404 farmer groups (comprising 22,417 farmers) and 18 farmer producer companies (FPCs, comprising 3,676 farmer-members) were established through the grant. The FPCs have been practicing collective marketing to both local traders and with traders from other states.
ii) Four well-performing farmer groups are turned into self-sustaining producer companies (1 in Bihar and 3 in Maharashtra).	HS	Of the 1,404 farmer groups, 18 FPCs were formed and incorporated: 4 for onion and pomegranate, 7 for banana, 2 for lemon, 3 for orange, and 2 for sweet lime. The FPCs have been practicing collective marketing to both local traders and with traders from other states and are considered self-sustaining producer companies.
iii) Members of farmer groups are trained in business, technical, and organizational management skills that enable them to interact with markets.	HS	Various trainings on institutional capacity building, collective marketing, and crop management for lead farmers were conducted at spoke level. A list of capacity building activities is in Appendix 6. Project beneficiaries who have undergone training have formed FPCs and have made use of the revolving funds and primary processing infrastructure to improve the quality of their produce and access distant markets.

¹⁰ HS=Highly Satisfactory; S=Satisfactory; PS=Partly Satisfactory; U=Unsuccessful

iv) Farmer groups (at least 20% in Bihar and 50% in Maharashtra) enter into higher-value markets by the end of the Project	HS	Three parameters were used to measure achievement of this indicator: (i) percentage target farmers selling their produce through value chain buyers; (ii) percentage of target farmers' products sold through value chain buyers; and (iii) price realized by target farmers for focus crops. Approximately 55% (10 out of 18) of FPCs have established forward linkages with buyers or organized markets.
v) Project beneficiaries' income increases by 30% within 3 years after the Project.	S	Out of the 18 FPCs, 10 (55%) have formed direct forward linkage with buyers and organized markets. Since the start of the project, the volume of transactions for the focus crops was approximately 4,683.78 metric tons, amounting to ₹66.25 million (about \$0.95 million). ¹¹ Average farmer income of project beneficiaries increased by 29% (footnote 9) from inception. As the project only ended in December 2018, the target of 30% increase in income within 3 years after the project cannot be determined yet.

15. Evaluation of Inputs (Adequacy of formulation, terms of references, inputs and performance of the Recipient(s), EA, IA(s), NGOs and ADB, performance of consultants, other inputs, review missions):

At the project design stage, total fund allocation for each state was \$1.5 million. Following the partial cancellation and reallocation of funds (from the Bihar component) on 14 November 2018, the allocation for Maharashtra was increased to \$1.8 million mainly to complete the small civil works (about \$260,000), engage a consultant to design the web-based database management portal (\$60,000), and augment the provision for consulting services for both baseline and poverty impact surveys (\$90,000). The reallocation table is in Appendix 7.

Out of the allocated amount, \$1.8 million was utilized (99% of the revised allocation) for grant management expenses (\$644,643), consulting services (\$569,688), small civil works (\$270,422), revolving fund (\$190,855), and training (\$96,617). The funds were used efficiently, particularly in undertaking the construction of minor value chain infrastructure and establishing the revolving fund.

Performance of the Executing Agency. The performance of the EA is rated *satisfactory* as they remained engaged in the implementation of the project. Despite the initial focus on the activities under the associated AIDIP loan, the GIU was able to put proper monitoring systems in place and have adequate staff. In addition, despite the failure of the associated AIDIP loan to engage private sector concessionaires, the EA pursued some of the AIDIP loan activities (i.e., value chain infrastructure), albeit at a smaller scale. The EA went further by engaging a web-based database portal developer to design a platform to monitor the farmer groups and ensure that value chain buyers will have access to the farmers' information online. These activities support the sustainability of project outputs.

Performance of the consultant. Three consultants were engaged for this project:

- (i) **Baseline Survey Consultant.** The performance of the baseline survey consultants was *satisfactory*. They provided a strong foundation for the monitoring and evaluation of the outputs of the project. Through the baseline survey, (a) the focus crops and the target farmers were identified; (b) information dissemination workshops for the stakeholders were conducted; and (c) capacity building needs of the farmers were identified.
- (ii) **Web-Based Database Portal Management Consultant.** The performance of this consultant was *satisfactory*. They completed their services in September 2018. They delivered the following outputs: (a) design, development, implementation and training of web based data management portal and an android based data input tool to collect farmer member's information related to personal details, crops,

¹¹ Exchange rate used: \$1.00 = ₹69.76, per ADB foreign exchange rate as of 2 October 2019.

area, input demand i.e. seeds, fertilizers, pesticides, farm implements etc., produce availability schedule, grade wise produce available for sale; (b) implementation and hosting of the web based portal at MSAMB data center; (c) assessment of training needs and training concerned users for handling & managing the web based data management portal; (d) handholding of 1,000 FPCs for installation of data input tool, data entry and frequently updating of information¹²; and (e) support to GIU and FPCs for smooth operations and effective utilization of web based data management portal and data input tool.

- (iii) **Poverty Impact Assessment Survey Consultant.** The performance of this consultant was *satisfactory*. The consultant completed the field survey and submitted the final impact assessment report on 23 November 2018 to the GIU. The report included comparison of data against the baseline survey, presentation of the results of the focus group discussions with the farmers, and salient observations on the benefits perceived by the farmers on associating with the project.

Overall, consultant performance was *satisfactory* as they were able to deliver their intended outputs.

Performance of the FPCs. The 18 FPCs supported by the project generated positive performance outcomes with cumulative revenues of about ₹57 million (about \$0.80 million) and cumulative collective sales volume of over 4,600 metric tons. An estimated 3,682 farmer-members were exposed to new and improved market and input linkages with lesser involvement of middlemen. Ten of these FPCs were able to tap into multiple revenue sources that included (i) spot sales at distant terminal or wholesale markets through a commission agent at the market; (ii) direct retail sales at weekly farmer markets in urban centers; (iii) direct sales to wholesale buyers, traders, organized retailers, institutions, or processors in local or distant markets; (iv) collective input purchase; and (v) fees and commission income on services (i.e., fee for grading and collection for buyers or agents). Overall, the FPCs were able to achieve strong financial performance and greater inclusion of farmers by going beyond enabling market linkages and including value addition and greater access to organized markets. The performance of the FPCs is rated *satisfactory*.

Performance of ADB. ADB supported project implementation by making all the necessary efforts to ensure the continued implementation of the grant and responding promptly to the requests from DCMT and MSAMB. ADB fielded 11 missions including inception, review, and completion review, most of which were part of the missions fielded for the associated AIDIP loan. Administration of the project was delegated to India Resident Mission between December 2011 and April 2013 and was returned to SAER until completion. After the loan was closed in March 2016, independent review missions for the grant were also regularly conducted to update on the progress of the project. Requests for contract variations, procurement and guidance to GIU for liquidation of advance, submission of withdrawal applications were acted upon promptly. The Government acknowledged positively the promptness and flexibility of ADB in accommodating the requested changes. Frequent changes in project officer and lack of interaction with the stakeholders, however, resulted in slow responsiveness. In addition, there was more focus on getting the associated AIDIP loan on-track during the initial stages of implementation; thus, the JFPR grant activities were not prioritized. Following closure of the associated loan, however, ADB provided timely and continued assistance to at least meet some outputs within the limited remaining implementation period. ADB's performance is rated as *satisfactory*.

16. Evaluation of Outputs and Results (Reports generated, institution building, training, analysis of quality, comparison with terms of references, sustainability and exit strategy):

The grant objectives, components, and implementation arrangements were relevant as they addressed persisting constraints for FF&V farmers in Maharashtra and were aligned with similar initiatives undertaken by the State of Maharashtra.

Output 1: Enhanced ability of target farmers to provide consistent FF&V supply that meets the requirements of modern markets

Capacity building. Multiple village-level awareness meetings and a consultation workshop on institutional building were held for lead farmers by extension staff. Training manuals on collective marketing, production and post-harvest technology for various crops of the region, FPC operations and management were prepared

¹² The web portal covers all FPCs of the State of Maharashtra, not only the FPCs formed through the project.

under the project. Exhibitions that brought together government officials and FPCs for sharing of experiences also boosted the overall capacity building of lead farmers.

After the contract of the baseline survey consultant ended in June 2014, the GIU appointed individual business development facilitators to provide continued support to each FPC and assist them in securing actual business transactions by facilitating market connections and providing operational support in areas where FPCs were not well-equipped nor had any formal training (on documentation, compliance etc.). These activities helped identify opportunities and business interests of the FPCs. In addition, exposure visits were conducted within and outside the state to renowned national research institutes with expertise in horticulture and processing for technology and knowledge transfer, interaction with buyers in distance markets for market linkages, supply chain management, post-harvest technology, horticulture export training, and buyer-seller meets. The market study tours and exposure visits helped FPCs identify buyers in various states.

Training on sorting and grading practices, which are essential in getting higher prices for the produce, was also conducted. According to the baseline survey, the lack of knowledge on proper cleaning, sorting, grading result in lower prices being offered or the farmers incurring losses due to spoilage if they are not able to sell their products. However, following capacity building and training under the project, an increase of 30% of the farmers adopted sorting and grading practices compared to the baseline (from 25% to 55%). A list of capacity building activities is in Appendix 6.

Improved technical knowledge on modern farming practices. Training were also conducted on modern farming practices, such as hybrid and improved seeds, use of pesticides and fertilizers, farm machinery, identifying and taking remedial measures for pests and diseases, and nutritional deficiencies. The results of the end-line survey showed that farmers' awareness increased by an average of 30% across all the technical aspects compared to the baseline.

Small primary processing infrastructure. Financial support for small civil works for primary processing infrastructure (input shops, pack houses, grading, packing, and processing units) were also provided through the project (Appendix 3). The objective of this scheme was to reduce post-harvest losses of horticulture and non-horticulture agricultural products and link FPCs to various markets through a well-equipped supply chain to ensure competitive prices that will yield higher returns for the farmers. Construction of large-scale integrated value chain infrastructure was originally part of the AIDIP loan. However, as the concession contracts under the loan were not awarded, this activity was not done.¹³ As the project had some available funds, a support for smaller scale primary processing infrastructure through was approved in April 2018.¹⁴ As some were completed towards the end of the project, it is difficult to attribute any value addition due to these primary processing infrastructure. The primary processing infrastructure were installed on land already owned by the farmers; thus, no land acquisition nor resettlement was required during implementation.

Revolving fund. The project provided handholding for the FPC formation and financial support in the form of working capital through the establishment of a revolving fund, on top of the FPCs' share capital and loans from financial institutions. The revolving fund was established to meet the financial needs of the FPCs, which was crucial in taking up collective purchase, operation of post-harvest infrastructure and collective marketing activities. FPCs collected and contributed an equal amount for any activity undertaken using the revolving fund. The FPCs paid back the fund on time, further extending the benefits of the project to instilling the principles of thrift, accountability, and financial discipline among the FPCs. The revolving fund disbursed twice over the duration of the project. MSAMB continues to manage the revolving funds to support the FPCs. Of the 18 FPCs, only 10 availed of the revolving fund mainly due to the mismatch between the crop season and the repayment period of the fund. The feedback from the FPCs was that the intervention has been able to fulfill the objective to meet the working capital needs, however, the FPC representatives suggested that the repayment tenure of the revolving fund be increased to suit the season of the focus crop in order to maintain continuity in the flow of funds and ensuring more cycles of trade in a season.

Output 2: Improved linkage between target farmers and the market. Transport support enabled FPCs to have better linkage with buyers in distant markets, reduce losses due to spoilage, and sell their products at

¹³ ADB. 2017. *Completion Report: Agribusiness Infrastructure Development Investment Program – Tranche 2 in India*. Manila.

¹⁴ ADB (South Asia Regional Department). 2018. JFPR 9147-IND: Improving Small Farmers' Access to Market in Bihar and Maharashtra – Request for Extension of Grant Closing Date. Memorandum. 27 April (internal).

better prices. In addition, assistance to FPCs (in the form of subsidies) for freight costs (at 75% of the total cost of freight subject to a ceiling of 260 metric tons per FPC) and packaging material for fresh fruits and vegetables (at 75% of the total cost of packaging material subject to a ceiling of 200 metric tons per FPC) significantly reduced operational costs and helped maximize profits for the FPCs.

Output 3: Project management system established. MSAMB, established under DCMT implemented the project through a GIU. MSAMB has the mandate to conduct activities related to marketing of agricultural produce, including providing advice to Market Committees for the development of market and market areas. Project manuals were prepared and are being used by MSAMB and the farmer groups. A web-based database management portal (<http://fpc.msamb.com/>) was developed through the grant as a tool to collect farmer members' information (including contact details), crops, area, input demand (i.e., seeds, fertilizers, pesticides, farm implements etc.), produce availability schedule, and grade-wise produce available for sale. The portal is currently being used by MSAMB to link farmers with buyers.

Safeguards Assessment. The Project did not have any adverse effect on the environment, nor did it require any land acquisition or resettlement. The minor infrastructure were built on existing land that the farmers owned. The project was expected to have some positive impact on the SCs and STs, thus Indigenous Peoples Categorization was classified as Category B. Based on the poverty impact assessment report, 490 (or 13%) out of 3,682 members of the FPCs were female. This is relatively consistent with the census results on land ownership, which reported that females had 17% land holdings in the state. SCs and STs comprised 3.4% (125 members) of the total FPC membership. However, other backward castes comprised 55.1% (1,529 members) of the total membership of the FPCs, which also belong to the vulnerable groups in Maharashtra.

Social and Gender Impact. Of the 18 FPCs, eight had women directors representing 11 of the 180 (or 6%) director seats among all the FPCs.

Overall, the outputs produced *satisfactory* results. The JFPR project has initiated activities that the government may build on to further support the farmers and improve linkage to various markets, both domestic and international. Photos of the project are in Appendix 9.

17. Overall Assessment and Rating (HS,S,PS,U):

The project was designed to enhance integration of small-scale FF&V farmers in Maharashtra into modern value chains by: (i) organizing farmers into farmer groups; (ii) building their capacities; and (iii) facilitating market linkages. Despite the lack of results from the associated AIDIP loan, the project was able to achieve most of its targets.

Relevance. The project is *relevant* given the conditions of small farmers in Maharashtra and the gaps in the value chains. The farmers needed the intervention to strengthen and support market linkages, organize themselves collectively and subsequently improve their bargaining power enough to drive prices and maximize profits. In this respect, the project addressed the government's priority for inclusive growth under its 11th Five-Year Plan (2008-2012). The project supported (i) diversification to higher value crops by identifying focus crops that were abundant in the identified regions in Maharashtra; (ii) increased value addition through improved sorting and grading practices, increased knowledge on technical aspects of farming, and diversification of crops deemed necessary due to extreme climate conditions; and (iii) improved farmer-market linkages through exposure visits and buyer-seller agreements.

Effectiveness. The expected outcome was enhanced integration of small farmers into high-value horticulture value chains in the target sites was achieved. The project identified six focus crops and provided training to farmers on improved technologies for higher yields was able to improve and strengthen market linkages through exposure visits and eliminating the need for middlemen (traders) who were skimming up to 20% of the produce to gain more profits for themselves. Following activities supported by the project, the farmers were able to earn full prices for their products, reduce losses, and transport their goods more efficiently. In this respect, the project is assessed to be *effective*.

Efficiency. The project's scope was slightly expanded to cover some areas of support which were initially planned under the associated AIDIP loan. Thus, resources allocated for the project were maximized to achieve the outcome. The infrastructure support (input shops, pack houses, grading, packing, and processing units) and the revolving fund were received well by the FPCs. The formation of FPCs also opened up new

opportunities for the farmers to explore new and distant markets as well as unexplored horticulture crops in the region. Despite the start-up delays that required the project to extend three times, the project achieved its outcome within the allocated budget. The extended implementation period was necessary not only to establish the revolving funds but allow at least two cycles of replenishment to demonstrate results. Thus, the project is rated *efficient*.

Sustainability. The formation of FPCs was the key to strengthening collective action among the farmers. The end line survey showed generally positive results, including good reception by farmers of interventions introduced through the project. Project created revolving fund was handed over to MSAMB for continuing the same support to FPCs in future along with other government schemes for FPCs. There was commitment from the government to build on results and renewed enthusiasm from the FPCs and the member-farmers to explore new markets and even diversify to different horticulture products in view of climate change and its effects on their current crop mixture. A new project, the Maharashtra Agribusiness Network Project, also to be implemented by MSAMB, will build on the achievements of this project to support FPCs by improving a network of post-harvest marketing and value chains focusing on the horticulture crops identified in the pre-feasibility study.¹⁷ Thus, the project is *likely sustainable*.

Overall, the project is rated *successful* as 12 out of the 15 targets were achieved. Small-scale FF&V farmers were effectively linked to markets and integrated into the modern value chains. The project rating by state and overall project rating is in Appendix 8.

18. Major Lessons Learned:

- A separate grant project for Maharashtra with more focus on developing the mechanism for the revolving fund would have greater benefits to the farmers. Each state has different needs, conditions, and economic and political environments. The project design needs to be specific to local conditions.
- Despite the good results of this component of the grant, the farmers would have benefitted more from earlier intervention. Although the intention of the project was to complement the associated loan under AIDIP, this proved limiting to the EA particularly due to the delay in the procurement of the concessionaires under the AIDIP loan. There were start-up delays in grant activities because the EA initially focused their efforts on the larger intervention (the loan) but eventually lost implementation time for the grant.
- Reassessment and redesigning of project activities should have been done during the midterm review. Because of initial delays in project implementation, some activities needed to be altered. The grant had to take on activities under the AIDIP loan (i.e., construction of primary processing infrastructure). Activities had to suit more recent developments in farming technologies, infrastructure, and crop diversification. While the project was able to adapt to changes, this meant invalidating some of the results of the baseline survey.
- A dedicated and appropriately staffed GIU would have operated independently and achieved better results. There was no dedicated GIU assigned for grant administration. The same project management unit assigned to the associated loan was given the responsibility to implement the grant. Thus, when the activities under the loan were put on hold or delays were experienced due to failed bids or redesigning and reassessing the associated loan, activities under the grant suffered as well.
- ADB should ensure continuity and consistency in direction despite staffing changes. There were frequent changes in project officers on ADB's end, which led to varying directions in implementing the grant. In addition, the grant implementation was packaged with the associated loan and there was more focus on implementing the loan, which also did not achieve its targets, and the grant was left to be implemented by the consultants.

19. Recommendations and Follow-up Actions:

- As the FPCs have already been established, MSAMB should continue to hand hold the FPCs to access support from other central and state government schemes. As only 10 out of the 18 FPCs received support through the revolving fund, MSAMB may continue to extend support to the rest of the FPCs. MSAMB may help identify other possible financial interventions and link the FPCs to provide working capital for more

¹⁷ ADB. India: Maharashtra Agribusiness Network Project. <https://www.adb.org/projects/53264-001/main#project-pds>

farmers, including reviewing the conditions and repayment period of the revolving funds to suit the needs of the farmers.

- A management capacity building support facility (including training on financial management, operations, and marketing) for the FPCs should be arranged. This will help build on their technical knowledge of modern farming practices and ensure that the outputs of the project will be sustainable even with little to no support from external agents (e.g., MSAMB or ADB).
- Further strengthening of buyer-seller linkages should also be considered to ensure sustainability of project outputs. Based on the end line survey, there is very little difference in sales to value chain buyers between project-supported farmers and those who were not supported by the project. Thus, more buyer-seller agreements need to be signed to realize future sales and minimize losses for the farmers.
- Success stories of the farmer-members should be publicized and featured in the MSAMB website to inspire the farming community and encourage more farmers to (i) associate themselves with FPCs or other farmer groups to take advantage of collective bargaining; (ii) share knowledge to other farmers to improve farming practices or diversify their crops; (iii) take advantage of available financial or material support to increase their profits; (iv) avoid selling to traders who skim off their products; and (iv) improve the quality of their produce to fetch higher prices, reduce losses due to rejection by the market, and maximize their profits.
- MSAMB should ensure participation of women in project activities, where appropriate. Women's participation in agriculture activities, value addition activities and farmer collectivization process require sustained capacity building and a gender action plan. In future interventions a dedicated gender action plan should be developed and implemented.
- The Project became effective on 21 November 2011. There is no record of the audited project financial statements for fiscal year 2011-2012 (covering the period 21 November 2011 to 31 March 2012). In addition, there were audit observations that remained unresolved for two fiscal years, particularly those referring to tax deductions and reconciliation of project accounts with ADB records. The final audit resolved these issues. As MSAMB has a new ADB-funded project, compliance with financial covenants will be emphasized during the implementation of the new project to avoid committing the same omissions and errors in maintaining project accounts and preparation of audit reports.

Recommendations for ADB:




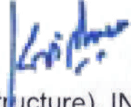
- ADB should avoid combining multiple states under one grant, particularly if: (i) there was no successful experience in grouping the states; (ii) there was no detailed assessment of the capacity of the states to implement projects; and (iii) the grant project is associated with various loan projects. There was a tendency to focus on the state that was delivering results and overlook the state that had no progress. In addition, because the associated loans were larger and incurred commitment charges, the EA focused more on implementation of the loan projects.
- ADB should make sure that the grant implementation manual contains all the information needed to successfully implement and complete the project. This should be discussed in detail during the inception mission and referred to during review missions to emphasize to the EA's ownership and the importance of referring to the document during implementation.
- ADB project team should ensure that audited project financial statements are submitted on time and report on all project fund utilization, including assurances that funds were used for the purposes intended. The inception mission must include of pre-implementation trainings on ADB disbursement guidelines, financial reporting and audit and financial management to implementing agencies (recipient) particularly those not yet familiar with ADB procedures (especially use of imprest/advance) and ensure that agreed funds flow procedures are understood. During implementation and review mission, frequent follow ups with EA/IA needs to be done related to status of advance and the submission of annual reports.
- ADB needs to orient recipients (implementing units) of the expectations in terms of annual reporting and audit of project funds and the financial management arrangements clearly documented as part of the





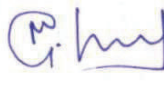
financial management manual or project files to lessen impact on any changes in personnel administering the project.

20. Additional Remarks, Comments and Suggestions:

None.

III. PREPARATION AND APPROVAL

Prepared by:	Name of Person and designation / Name of Institution / Signature	Date
1. Representative from the Recipient:	Mr. Sunil G. Pawar Managing Director, MSAMB 	18.03.2020
2. Manager, JFPR-GIU ¹⁶ :	Ms. Nilima Gaikwad Project Director, Grant Implementation Unit, JFPR, AIDIP Maharashtra State Agricultural Marketing Board (MSAMB) 	17.3.2020
3. Project Officer, ADB:	Ms. Pamela Barrameda  Associate Operations Officer, SAER Mr. Krishan Singh Rautela  Associate Project Officer (Infrastructure), INRM	19 March 2020 19 March 2020

Approved	Name of Person and designation / Name of Institution / Signature	Date
1. Director General, Department, ADB:	Kenichi Yokoyama  Director General, SARD	20 May 2020
2. Division/Country Director, ADB:	Mio Oka  Director, SAER	19 May 2020
3. Head of the Recipient:	Mr. Anoop Kumar  Principal Secretary, Animal Husbandry, Diary Development & Fisheries Development & Principal Secretary (Marketing)	15 April 2020
4. Head of the Executing Agency:	Mr. Sunil G. Pawar  Managing Director, MSAMB	18.03.2020
5. Head of Implementing Agency:	Ms. Nilima Gaikwad  Project Director, Grant Implementation Unit, Japan Fund for Poverty Reduction, AIDIP MSAMB	17.3.2020

¹⁶ GIU=grant implementation unit (formerly called PIU=project implementation unit)

Design and Monitoring Framework

Design Summary	Performance Indicators and Targets	Project Achievements
Impact Increased income of the small-scale fresh fruit and vegetable (FF&V) farmers in the target sites of Bihar and Maharashtra.	Three years after Project completion, average farmer household income increases by 10% in the target sites compared to the 2010 baseline level.	Farmer household income of treatment farmers increased by 29% compared to the baseline, 27% higher than the control farmers.
Outcome Enhanced integration of small-scale FF&V farmers into high-value horticulture value chains in the target sites of Bihar and Maharashtra.	<ul style="list-style-type: none"> • Average 35% increase in the number of target farmers selling their products to value chain buyers by the end of the Project, compared to 2010 baseline level. • 30% increase in the amount of target farmers' products sold through value chains by the end of the Project, compared to 2010 baseline level. • 10% increase in the value of the crop sales of target farmers by the end of the Project, compared to 2010 baseline level. 	<ul style="list-style-type: none"> • Achieved. There was a 47.9% increase in the number of farmers in the treatment group selling to value chain buyers, compared to only 37.6% of the non-project farmers. 1,404 farmer groups (comprising 22,417 farmers) and 18 farmer-producer companies (comprising 3,676 farmer-members) were established through the grant. Out of the 18 FPCs, 10 FPCs (i.e., 55% of the FPCs) have direct forward linkage to buyers or organized markets. • Partially achieved. Of the total volume of produce, bananas (99% sold through value chains), oranges (92% sold through value chains), and sweet lime (58% sold through value chains) showed significant increase in volume sold through value chains compared to through traditional channels. Of the total volume of produce, pomegranates (74%), lemons (67.0%), and onions (66%) were still mostly sold through traditional channels mainly due to the lack of organized buyers. • Not achieved. Of the six focus crops, five (pomegranate, orange, sweet lime, lemon, and onion) had between 0.8% and 5.5% higher prices compared to non-project crops. Bananas harvested by treatment farmers were priced 1.8% lower than non-project crops.

Design Summary	Performance Indicators and Targets	Project Achievements
<p>Outputs</p> <p>1. Enhanced ability of target farmers to provide consistent FF&V supply that meets the requirements of modern markets.</p>	<ul style="list-style-type: none"> • 20 farmer groups comprising 2,000 members (100 members per group) are established for one value chain each in Bihar and Maharashtra. • 30% of the farmer group members are scheduled castes, scheduled tribes, or women. • At least 10% increase in Grade A crops produced by target farmers. • At least 10% increase in the quantity produced by target farmers. • Revolving funds are functional in all 20 farmer groups, with at least 30% of them managed by women members. 	<ul style="list-style-type: none"> • Achieved. 1,404 farmer groups (comprising 22,417 farmers) and 18 farmer-producer companies (FPC, comprising 3,676 farmer-members) were established through the grant. • Achieved. Farmers belonging to other backward caste formed 55.1% (2,028), scheduled caste comprised 2.5% (91) and scheduled tribe formed 0.9% (34) of the FPCs. Females comprised 13% of the total members. Females held only 6% (11 out of 180) of the director positions. • Achieved. Project farmers produced grade A produce as follows: 85% for banana, 36% for pomegranate, 67% for orange, 71% for sweet lime, 82% for lemon, and 65% for onion. However, there was little difference between crops produced by project farmers and those by non-project farmers. There was no baseline value for the volume of grade A crops produced by target farmers. • Achieved. As there was no baseline data and crop yields have been severely affected by extreme climate conditions since the start of the project, crop yields were compared to the state average in 2016-2017. Compared to the state average, crop yield produced by project farmers were: 18.6% higher for banana, 14.9% higher for pomegranate, 16.2% higher for orange, 0.89% lower for sweet lime, 102.7% higher for lemon, and 67.2% higher for onion. • Partially achieved. The revolving funds were provided to the FPCs rather than the FGs. Out of the 18 FPCs, only 10 FPCs availed of the revolving funds. Of the 180

Design Summary	Performance Indicators and Targets	Project Achievements
		director positions, 11 (6%) were held by women.
2. Improved linkage between target farmers and the market.	<ul style="list-style-type: none"> One Three well-performing farmer groups is are turned into a producer company. At least 20% of the farmer groups enter into long-term, mutually beneficial agreements with buyers. 	<ul style="list-style-type: none"> Achieved. There were 1,404 farmer groups in total. Of these, 18 FPCs were formed and incorporated: 4 for onion and pomegranate, 7 for banana, 2 for lemon, 3 for orange, and 2 for sweet lime. These FPCs are self-sustaining producer companies. Achieved. Out of the 18 FPCs, 10 (55%) have formed direct forward linkage with buyers and organized markets. Since the start of the project, the volume of transactions for the focus crops was approximately 4,683.78 metric tons, amounting to ₹66.25 million (about \$0.95 million).¹⁹
3. Project management system established	<ul style="list-style-type: none"> Target sites selected. Grant Implementation Units (GIUs) established and trained. Appropriate implementation agencies (IA) selected. Project manuals prepared and fully operated. 	<ul style="list-style-type: none"> Achieved. Following the baseline survey, eight districts (Jalgaon, Nashik, Ahmednagar, Amravati, Akola, Buldhana, Jalna, and Aurangabad) were selected as target sites for FG formation. Of these, FPCs were formed in the following: Nashik (3), Ahmednagar (one), Jalgaon (7), Amravati (2), Akola (one), Buldhana (2), Aurangabad (one), and Jalna (one). Achieved. The Maharashtra State Agricultural Marketing Board (MSAMB) established under DCMT implemented the project through a GIU. Achieved. MSAMB was the IA for the project. MSAMB has the mandate to conduct activities related to marketing of agricultural produce, including providing advice to Market Committees for the development of market and market areas. Achieved. Project manuals were prepared and are being used by MSAMB and the farmer groups.

¹⁹ Exchange rate used: \$1.00 : ₹69.76, per ADB foreign exchange rate as of 2 October 2019.

Design Summary	Performance Indicators and Targets	Project Achievements
	<ul style="list-style-type: none"> Baseline survey and poverty impact assessment accomplished, and sex-disaggregated information and data collected for effective monitoring of the social and gender impact. 	<ul style="list-style-type: none"> Achieved. Baseline survey was completed in June 2014. The poverty impact assessment was completed in November 2018. Sex-disaggregated information were collected.

Detailed Information on Farmer Group Composition

Sr. No.	Spoke	No. of villages	No. of groups formed	No. of members
1	Sinnar	18	100	1,731
2	Deola	26	100	1,650
3	Chandwad	31	100	1,528
4	Sangamner	26	100	1,644
5	Anturli	28	100	1,591
6	Padalase	28	100	1,553
7	Kajgaon	20	100	1,645
8	Galangi	28	100	1,747
9	Paithan	23	100	1,495
10	Warud	14	100	1,500
11	Anjangaon	22	101	1,578
12	Akola	19	101	1,499
13	Jalana	31	100	1,660
14	Sangrampur	31	102	1,596
	TOTAL	345	1,404	22,417

INFRASTRUCTURE PROVIDED BY THE PROJECT

Sr. No.	FPC	Infrastructure proposed	Disbursed Grant (₹)	Remarks
1	Deola Agro Producer Co. Ltd.	Collection Center (Onion & Vegetable), Transport Vehicle	1,494,775	Construction completed. Vehicle was purchased.
2	Shetmall Agri Producer Co. Ltd.	Collection Center (Onion & Vegetable), Transport Vehicle	1,489,589	Construction completed. Vehicle was purchased.
3	Satpuda Farmer Producer Co. Ltd.	Collection Center (Banana)	1,394,399	Construction completed.
4	Seven Green Hills Farmer Producer Co. Ltd.	Collection Center (Orange), Transport Vehicle	1,181,289	Construction completed. Vehicle was purchased.
5	Pratisthan Agro Producer Co. Ltd.	Collection Center (Sweet lime), Transport Vehicle	1,411,939	Construction completed. Vehicle was purchased.
6	Pandhrinath Farmer Producer Co. Ltd.	Collection Center (Onion) & Pulses & Cereals Processing Center, Transport Vehicle	1,229,439	Construction completed. Vehicle was purchased.
7	Girna Farmer Producer Co. Ltd.	Collection Center (Lemon), Transport Vehicle	1,062,729	Construction completed. Vehicle was purchased.
8	Reva Valley Agro Producer Co. Ltd.	Collection Center (Banana), Transport Vehicle	1,495,097	Construction completed. Vehicle was purchased.
9	Tapi Valley Agro Producer Co. Ltd.	Collection Center (Banana)	1,494,276	Construction completed.
10	Shetak Agro Producer Co. Ltd.	Collection Center (Banana), Transport Vehicle	1,391,355	Construction completed. Vehicle was purchased.
11	Wadegaon Agro Producer Co. Ltd.	Cereals & pulses processing centers, Transport Vehicle	1,500,000	Construction completed. Vehicle was purchased.
12	Kalyani Farmer Producer Co. Ltd.	Collection Center (Sweet Lime), Transport Vehicle	1,439,278	Construction completed. Vehicle was purchased.
13	Shubhlabh Farmer Producer Co. Ltd.	Grading & Waxing Machine	1,500,000	Installation of grading and waxing machine was completed.
14	Sangamner Fruit & Vegetable Agro Producer Co. Ltd.	Collection Center (Pomegranate) & Pulses & Cereals Processing Center, Transport Vehicle	1,500,000	Construction completed. Vehicle was purchased.
15	Dhartiputra Agro Producer Co. Ltd.	Collection Centre (Banana), Turmeric processing unit	1,456,376	Company has purchased turmeric boiler. Construction completed.

Appendix 4

JFPR 9147-IND: IMPROVING SMALL FARMERS' ACCESS TO MARKET IN BIHAR AND MAHARASHTRA LIST OF CHANGES MADE DURING IMPLEMENTATION

Date	Event	Remarks
15 November 2012	Change in baseline projections	A change in baseline projections was requested due to delays in implementation of the Bihar component because of state approval processes and the GIU's limited experience in project implementation.
25 August 2014	Extension of completion date from 30 June 2014 to 30 April 2016	The extension was approved to ensure disbursement of remaining funds and completion of grant activities. The extension was within the maximum time allowed to complete JFPR-funded projects (i.e., 4.5 years from effectiveness date of 21 November 2011)
12 May 2016	Extension of completion date from 30 April 2016 to 30 April 2018	The extension was requested to make up for initial delays, complete most of the activities, ensure sustainable impact and deliver the project outcome.
18 May 2017	Minor change to recruit a consulting firm for web-based data management portal for Maharashtra	Maharashtra requested to engage a national consulting firm to develop and implement a web-based data management portal that contains information on personal details of farmers, crops, area, input demand, produce availability schedule, etc.
27 April 2018	Extension of completion date from 30 April 2018 to 31 December 2018	The extension was requested to make up for initial delays and allow the consultants of the Bihar component to complete ongoing activities, particularly (i) supporting the stabilization of the FPCs; (ii) establish long-term market linkages for the FPCs; and (iii) complete infrastructure facilities for the FPCs.
29 October 2018	Partial cancellation and reallocation of grant funds	Partial cancellation of \$0.6 million due to savings in (i) equipment and supplies, (ii) local training and workshop; (iii) grant management; and (iv) other inputs. Surplus funds were cancelled to ensure timely turnaround of funds to the JFPR pool.

FPC = farmer producer company, GIU = grant implementation unit.

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Appendix 5

Activitywise detail Action Plan with Timeline for 1st April to 31st December 2018 for Maharashtra part of JFPR-9147 (19th April 2018)													
Codes		Supplies and Services Rendered	Cost Category	Cum. Actual Expenses as of 31 March 2018 (in USD)	Proposed Allocation for April to December 2018	Estimated Expenditure							
						April	May	June	July	August	September	October	November
Activity A Formation of Farmer Groups and Producer Companies													
	A-1	Reimbursment of PC Registration Cost	3901	9,332.30	-								
	A-2	Operations Support for Two Years (Accounting, Audit, Statutory Fees, Return Filing and Office furniture)	3901	7,212.76	11,800.00								
	A-3	Revolving fund for Farmer Producer Companies (FPCs) (Maximum \$19450 per FPC)	4801	103,454.06	86,000.00								
Activity B. Capacity development - Trainings, Workshops, Seminars and Infrastructure													
	B-1	Need based workshops / seminars / participation in exhibitions within or outside state	3801	2,574.00	10,000.00								
	B-2	Exposure visits for PCs (within or outside state)	3801	38,116.00	25,000.00								
	B-3	Video documentation of success stories (existing Group marketing / Producer Companies)	3901	7,032.00	24,200.00								
	B-4	Workshops on Supply Chain Management at MANAGE / NIAM (4 Directors per PC + 4 BDFs + 4 GIU Staff)	3801	-	18,000.00								
	B-5	Creation of small primary processing infrastructure for Cleaning, Grading,Packaging etc. plastic crates and transport vehicle (75% support for project cost upto 30500 USD) (for 18 FPCs)	3201	149,362.84	149,000.00								
Activity C. Facilitation of Buyer Farmer Linkages													
	C-1	Marketing Training for BDFs(4) + FPC Directors (4/PC=72)+ GIU Staff(3)	3801	8,076.00	18,000.00								
	C-2	Special seminars for Farmer-Buyer linkages at State level	3801	2,670.00	4,500.00								
	C-3	Support to PCs for Market Study (10 PCs*4 Directors)	3901	7,640.00	4,000.00								
	C-4	Support to FPCs for Business Plan & DPR prepration (Reimbursment upto max. 1 % of project cost)	3901	263.00	-								
	C-5	Creation of Company Profile (Web based software, data collection & entry, hand holding, demand generation and output aggregation for FPCs established under JFPR and other FPCs registered in Maharashtra)-- Logicsoft	3101	39,203.00	30,000.00								
	C-6	Support for Market Linkage to FPCs - Domestic and Exports (Exports - 75% cost of Certification (GAP, MRL, any International Standard) + 75% freight for first 200 MT per PC) (Domestic - 75% packaging cost + 75% of freight, for 200 MT per PC)	3901	26,267.00	100,000.00								
Activity D. Grant Management, Monitoring and Audit													
	D-1	Office supplies, office rent, electricity bill and other office expenses (cleaning, maintenance etc.)	3901	32,038.44	17,500.00								
	D-2	Office Equipment	3901	22,384.90	-								
	D-3	Car Rental for GIU	3901	24,114.70	9,000.00								
	D-4	Accountant and Monitoring & Evaluation Specialist	3901	106,927.00	29,700.00								
	D-5	GIU Support Staff (5)	3901	39,614.00	15,000.00								
	D-6	Travel and per diem for M&E Specialist and support staff	3901	4,559.00	2,500.00								
	D-7	Business Development Facilitator - 3	3901	70,434.00	8,855.00								
	D-8	Travel, per diem, communication and lodging for GIU field staff	3901	4,547.60	2,500.00								
	D-9	Poverty Impact Assessment - PWC	3101	-	62,456.00								
	D-10	Final Workshop	3801	-	10,000.00								
Activity E Consulting Services				3101	478,428.14								
Unclaimed local Taxes													
Wipro Training & Workshop				3801									
Sub total of Activities A-D					1,184,250.74	638,011.00							
Contingency (10%)						63,801.10							
Total Grant costs for Maharashtra					1,184,250.74	701,812.10							

LIST OF CAPACITY BUILDING ACTIVITIES

Activity	Achievement
Training needs analysis (TNA)	28 events of awareness camp and TNA conducted in which 1,102 group leaders from 14 spokes participated. Village level awareness meeting conducted by lead farmers and extension staff.
Peer reviews & expert consultations	<p>Two days consultation workshop on institutional building conducted at Nagpur in which 10 experts participated. 63 pages training manual prepared as reference material for all stakeholder. 1,700 copies printed and distributed to lead farmers during training.</p> <p>Training manual on collective marketing prepared by the retail marketing expert through peer review and expert consultation. 1,700 copies printed and distributed to lead farmers during training.</p> <p>Training manual on production & post -harvest technology for pomegranate, banana, grape, citrus, onion and tomato prepared by the agriculture expert through peer review and expert consultation.</p> <p>Total 8 training manuals printed & distributed.</p>
Training of lead farmers	<p>14 training events on post-harvest management & collective marketing conducted at Abhinav Farmers' Club, Pune. In which 538 group leaders participated from 14 spokes.</p> <p>28 Training events on institutional building conducted at spoke level that is 2 in each spoke in which 1,212 group leaders participated from 14 spokes.</p> <p>28 Training events on collective marketing conducted at spoke level in which 1265 group leaders participated from 14 spokes.</p> <p>14 training events on FPOs functioning and management conducted at Narayangan. In which 597 group leaders participated from 14 spokes.</p> <p>28 Training events on Production and productivity of focus crops conducted at spoke level in which 1,213 group leaders participated from 14 spokes.</p> <p>Village level training/meeting conducted by lead farmers and Extension staff.</p>
Exposure visits	28 Exposure visits events conducted in which 538 group leaders visited Abhinav farmers club initiatives as well as 597

	group leaders visited Narayangaon Agro producer company's collection center and Mahul krupa + Dev Nadi Agro producer companies Agri input shopping mall. They also visited progressive farmers' plots and <i>Kisan</i> exhibition at Pune.
Consultations/Village Level Meetings/Farmers Meetings/ Production Company Meets	<p>Several Village level meetings were conducted during group formation and awareness creation as well as institutional building.</p> <p>700 village level capacity building trainings conducted on following topics by extension officer and lead farmers.</p> <ul style="list-style-type: none"> • Collective marketing and collective purchase. • Institution building (FG, administration, functions, goals, roles & management) • Post-harvest handling & management of produce • Functioning and management of producer companies <p>100 cluster level meetings conducted for forming and registering producer companies. During these meetings business development format shared and developed tentative business plan of producer companies through group exercise.</p>

FG = farmer group; FPC = farmer producer company; TNA = training needs analysis

Source: Consultant's Final Report

FINAL REALLOCATION AND PROJECT COST AT COMPLETION
(in US\$)

Cost Category	Original Allocation	Revised Allocation for Bihar	Revised Allocation for Maharashtra	Revised Allocation (Total Grant)
3101 – Consulting Services	331,000	502,200	357,800	860,000
3201 – Small Civil Works	120,000		260,000	260,000
3601 – Equipment and Supplies	98,000		21,000	21,000
3801 – Local Training & Workshops	1,015,000		290,000	290,000
3901 – Grant Management	702,000	32,000	660,000	692,000
4801 – Other Inputs	673,000	35,800	204,200	240,000
4901 – Contingency	61,000	30,000	7,000	37,000
TOTAL	3,000,000	600,000	1,800,000	2,400,000

OVERALL PROJECT RATING

Parameter	Rating for Bihar	Rating Value	Weight 25%	Rating for Maharashtra	Rating Value	Weight 75%	Overall Rating
Relevance	Less than Relevant	1	0.25	Relevant	2	1.5	1.75
Effectiveness	Less than effective	1	0.25	Effective	2	1.5	1.75
Efficiency	Less than efficient	1	0.25	Efficient	2	1.5	1.75
Sustainability	Unlikely sustainable	0	0	Likely sustainable	2	1.5	1.5
Overall Rating	Less than successful	1		Successful	2		1.69 (Less than Successful)

PROJECT PHOTOS WITH EVIDENCE OF JFPR VISIBILITY



Figure 1 Spoke Level Training at Sangrampur, 24 March 2013



Figure 2 Spoke level training at Maangain, 18 April 2013



Figure 3 Shubh Labh FPC Primary Infrastructure Facility, 01 October 2018



Figure 4 Shubh Labh FPC Sorting Grading Machine, 01 October 2013



Figure 5 Pratishthan FPC, Primary Infrastructure Facility and Vehicle, 03 October 2018



Figure 6 Pratishthan FPC, Pack House, 03 October 2018



Figure 7 Pratishthan FPC, Urban Farmer Market Sales Point Pune, 06 October 2018