



## MILLENNIUM DEVELOPMENT TRUST FUND

### MPTF OFFICE GENERIC FINALPROGRAMME<sup>1</sup> NARRATIVE REPORT REPORTING PERIOD:

- 1- phase :1 JANUARY – 31 DECEMBER 2010
- 2- phase: 1 JANUARY – 31 DECEMBER 2012
- 3- phase: 1 JANUARY – 31 DECEMBER 2014

|   |   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
|---|---|-------------------------------------|----------------------------------|------------------------------------|--|------------------------------------|---|--|---|------------------|--|--|--------------------------------------|
| <p><b>Programme Title &amp; Number</b></p> <ul style="list-style-type: none"> <li>Programme Title: Improvement of agricultural production through strengthening of agricultural extension services and increased technical inputs</li> <li>Programme Number: 00046436, 00081106, 00083485, 00083521</li> <li>MDTF Office Atlas Number:00074602</li> </ul>   | <p><b>Country, Locality(s), Priority Area(s) / Strategic Results<sup>2</sup></b></p> <p>Country: Kyrgyz Republic<br/>Localities 1phase: 54 villages in five provinces (Osh, Jalalabad, Naryn, Talas and Issyk-Kul)<br/>Localities 2 phase: 25 villages in three provinces ( Naryn, Talas and Issyk-Kul)<br/>Localities 3 phase: 3 villages in Osh province<br/>Priority Area: Food security<br/>Strategic Results: Poverty reduced through increased access of economically active poor in rural and urban areas to employment and recourses.</p> |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
| <p><b>Participating Organization(s)</b></p> <p>UNDP in the Kyrgyz Republic, ILO, UNIDO</p>  | <p><b>Implementing Partners</b></p> <ul style="list-style-type: none"> <li>Regional authorities, local governments, NGOs</li> </ul>   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
| <p><b>Programme/Project Cost (US\$)</b></p> <table border="0"> <tr> <td>MDTF Fund Contribution</td> <td style="text-align: right;">-\$301 368(1<sup>st</sup> tranche)</td> </tr> <tr> <td>• <i>byAgency (ifapplicable)</i></td> <td style="text-align: right;">-\$187959(2<sup>nd</sup> tranche)</td> </tr> <tr> <td></td> <td style="text-align: right;">\$42 374 (3<sup>rd</sup> tranche)</td> </tr> </table> | MDTF Fund Contribution  | -\$301 368(1 <sup>st</sup> tranche) | • <i>byAgency (ifapplicable)</i> | -\$187959(2 <sup>nd</sup> tranche) |  | \$42 374 (3 <sup>rd</sup> tranche) | <p><b>Programme Duration (months)</b></p> <table border="0"> <tr> <td></td> <td style="text-align: right;">-9 months (1<sup>st</sup>tranche)</td> </tr> <tr> <td>Overall Duration</td> <td style="text-align: right;">-12 months(2<sup>nd</sup>tranche)</td> </tr> <tr> <td></td> <td style="text-align: right;">-12 months (3<sup>rd</sup>tranche)</td> </tr> </table> |  | -9 months (1 <sup>st</sup> tranche)       | Overall Duration | -12 months(2 <sup>nd</sup> tranche)        |  | -12 months (3 <sup>rd</sup> tranche) |
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|   | \$42 374 (3 <sup>rd</sup> tranche)  |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
|   | -9 months (1 <sup>st</sup> tranche)   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
| Overall Duration  | -12 months(2 <sup>nd</sup> tranche)   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
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| <p>Agency Contribution</p> <table border="0"> <tr> <td>• <i>UNDP parallel funding</i></td> <td style="text-align: right;">ILO - \$29,700<br/>(1tranche)</td> </tr> <tr> <td></td> <td style="text-align: right;">ILO - \$19800</td> </tr> </table>  | • <i>UNDP parallel funding</i>  | ILO - \$29,700<br>(1tranche)        |                                  | ILO - \$19800                      | <p>Start Date<sup>3</sup></p> <table border="0"> <tr> <td></td> <td style="text-align: right;">March 23, 2010(1<sup>st</sup> tranche)</td> </tr> <tr> <td></td> <td style="text-align: right;">January 30,2012 (2<sup>nd</sup> tranche)</td> </tr> <tr> <td></td> <td style="text-align: right;">November 14,2012 (3<sup>rd</sup> tranche)</td> </tr> </table> |                                    | March 23, 2010(1 <sup>st</sup> tranche)   |  | January 30,2012 (2 <sup>nd</sup> tranche) |                  | November 14,2012 (3 <sup>rd</sup> tranche) |  |                                      |
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|   | ILO - \$19800   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
|   | March 23, 2010(1 <sup>st</sup> tranche)   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
|   | January 30,2012 (2 <sup>nd</sup> tranche)   |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |
|   | November 14,2012 (3 <sup>rd</sup> tranche)  |                                     |                                  |                                    |  |                                    |   |  |   |                  |  |  |                                      |

<sup>1</sup>The term “programme” is used for programmes, joint programmes and projects.

<sup>2</sup>Strategic Results, as formulated in the Strategic UN Planning Framework (e.g. UNDAF) or project document;

<sup>3</sup> The start date is the date of the first transfer of the funds from the MDTF Office as Administrative Agent. Transfer date is available on the [MDTF Office GATEWAY](http://mdtf.undp.org) (<http://mdtf.undp.org>).

|   |                           |              |
|---|---------------------------|--------------|
|   | (2tranche)                |              |
|   | UNIDO                     | \$83,684.70  |
|   | (3 <sup>rd</sup> tranche) |              |
| Government Contribution<br><i>(if applicable)</i>   | 0                         |              |
| OtherContribution (donor)<br><i>(if applicable)</i> | 0                         |              |
|   |                           | \$664,885.70 |
| <b>TOTAL:</b>                                       |                           |              |

|  |           |   |
|--|-----------|---|
|  |           | 31 December, 2010<br>(1 tranche)                                    |
| End Date or Revised<br>End Date,<br><i>(if applicable)</i> |           | 31 December, 2012<br>(2 tranche)<br>31 December, 2014<br>(3tranche) |
| OperationalClosureDate <sup>4</sup>                        |           | 31 December, 2014   |
|  |           | 31 December 2010<br>(1 tranche)                                     |
| Expected<br>Closure Date                                   | Financial | 31 December 2012<br>(2 tranche)<br>31 December, 2014<br>(3 tranche) |

**Programme Assessments/Mid-Term Evaluation**

Assessment Completed - if applicable *please attach*  
 Yes  No Date: \_\_\_\_\_

Mid-Evaluation Report – *if applicable please attach*  
 Yes  No Date: \_\_\_\_\_

**Submitted By**

- Name: Mr. Pradeep Sharma
- Title: UNDP Deputy Resident Representative
- Participating Organization (Lead): UNDP
- Email address: [pradeep.sharma@undp.org](mailto:pradeep.sharma@undp.org)

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<sup>4</sup> All activities have been completed. Agencies to advise the MDTF Office.

**Acronyms and abbreviations:**

|        |  |
|--------|--|
| AGFUND | ArabGulf Programme for Development                 |
| ASHG   | Association of Self-Help Groups                    |
| CBO    | Community-Based Organization(s)                    |
| CMC    | Consultation and Marketing Centers                 |
| CP     | Country Programme                                  |
| ILO    | International Labor Organization                   |
| MCA    | Micro-Credit Agency                                |
| MFI    | Micro-financial institution                        |
| NGO    | Non-Governmental Organization(s)                   |
| PIU    | Programme Implementation Unit(s)                   |
| PMU    | Programme Management Unit(s)                       |
| PRA    | Participatory Rural Assessment                     |
| PRP    | Poverty Reduction Programme                        |
| SHG    | Self-Help Group                                    |
| TRAC   | Target for Resource Assignments from the Core      |
| UNDP   | United Nations Development Programme               |
| UNIDO  | United Nations Industrial Development Organization |

## EXECUTIVE SUMMARY

The project covered rural population in 5 provinces (Osh, Naryn, Jalal-Abad, Talas and Issyk-Kul) from 82 villages and contributed to development the capacity of beneficiaries in agricultural production issues and processing, establishment of Consulting and Marketing Centers that provide the most demanded services on information and training to rural population. With the support of the project new jobs were created. Particular attention was given to the new green technology used in greenhouses that created new jobs and provided population of the village environment-friendly products. Based on the results of training some beneficiaries were able to obtain loans and develop agro-processing activities. During the second phase of the project ILO helped farmers to know easy and low-cost techniques of risk assessment (RA) methodology in order to assess their own workplaces and households to find threats and try to eliminate (or decrease) them. During the third phase of the project, the project with support of UNIDO (equipment for drying vegetables and fruits) assisted small farmers and home gardeners in the fruits sector to strengthen domestic agricultural practices through intensive capacity building of agricultural producers on improved knowledge and skills about fruit tree management, crop-production technologies for better quality raw material. As a result, agricultural production improved through strengthening of agricultural extensions services was improved, technical inputs increased and promotion of decent and safe jobs in rural areas were promoted.

### I. Purpose

The purpose of the project was to strengthen capacity of communities and local authorities to increase food security and alleviate poverty through better agricultural production practices; thus empowering rural communities in remote and low-growth areas through improvement of seed-growing capacity and animal husbandry practices. The Project kicked off the ground quickly as it is the continuation of the interventions that has started in 2010 and was built on already existing infrastructure and capacities available in the provinces to assist the effective and efficient implementation of the Project's outputs. The Project was implemented through UNDP Poverty Reduction Programme which has been active in leveraging village socio-economic development countrywide since 1999.

**Output:** Most vulnerable communities in target provinces are able to improve agricultural production through strengthening of agricultural extension services and increased technical inputs.

The programme relates to the Strategic (UN) Planning Framework guiding the operations of the One UN Fund through the following:

Result A.1.2 CP: Poverty reduced through increased access of economically active poor in rural and urban areas to employment and recourses.

### II. Assessment of Programme Results

#### Outcomes:

Capacity of communities and local authorities was strengthened to increase food security and alleviate poverty through better agricultural production and processing practices; thus empowering rural communities in the remote and low-growth areas through improvement of seed-growing capacity and fruit gardening/drying practices. The project had quite wide geographical coverage, project implementation has involved 5028 direct and indirect beneficiaries from 5 regions out of 7 in the country (Osh, Naryn, Jalal-Abad, Talas and Issyk-Kul). The beneficiaries were rural population (82 villages) from low-income layers, 63% were women. Following results were achieved through implementation of the project:

- The project contributed to the expansion of sources of income of direct beneficiaries (2056) and improved their standard of living through the support and development of income-generating activities.
- In order to achieve the result, the project contributed to developing the capacity of the beneficiaries of agricultural production and processing through trainings and consultations (4322 trained, 54% of them were women, 630 clients received business consulting).

- 1 fruit drying facility was established. In order to ensure beneficiaries and other rural population with quality agricultural products relevant facilities were established: 12 seed funds, 23 points of artificial insemination, 35 veterinary service points (pharmacy shops), and 1 set of fruit drying equipment.
- To ensure rural services training and consultation the centers for consultation and marketing were created (79) that provide rural residents the most demanded services on information and training.
- The project supported creation of small businesses (252), such as greenhouses, mini-workshops for processing agricultural products, veterinary, pharmacies etc. Implementation of grant projects supported creation of new jobs (953, 552 of them women). Special attention was paid to the new green technology, greenhouses that created new jobs and provided population of the village environment-friendly products.
- Based on the results of the training the beneficiaries (1327 persons) have been able to get loans for income-generating activities in agro-processing.
- During the third phase of the project, with the support of UNIDO, equipment was installed for drying vegetables and fruits and selling goods in the markets of Osh and Kara-Suu.
- In general, the project has enhanced the capacity and expanded economic opportunities for beneficiaries in the establishment and development of income-generating activities and improvement of agricultural production.

## Outputs

All planned activities were fulfilled in due time. UNDP contributed to strengthening of the agricultural extension of services in the target rural communities through intensive delivery of capacity development package. This package included participatory rural assessments of the shortcomings in the local agricultural practices, trainings and consultations as well as establishment of rural Consultation and Marketing Centers, a sustainable channel for transferring knowledge and skills on better agricultural production. This capacity development package was complemented with grant support to ensure start-up agricultural technical inputs. Below is the detailed account on the results achieved during the reporting period:

### 1. Strengthening of agricultural extension services.

UNDP conducted needs assessment in crop and livestock production at the beginning of the Project through Participatory Rural Appraisal (PRA) tool as well as by engaging main project partners into consultations process. The results of this analysis have been translated into specific project interventions. These assessments showed that low efficiency of agricultural production is the major problem of rural residents which is caused by the following factors:

**Crop production:** a) poor quality of seed materials; b) non-compliance with agro-technology requirements; c) lack of knowledge and skills; d) shortage of funds to procure mineral fertilizers, chemicals for protection of plants, ensuring timely and better cultivation of agricultural lands.

**Livestock production:** a) non-compliance of the zootechnologies in animal nutrition and breeding, lack of knowledge and skills in animal husbandry; b) poor quality of veterinary services.

In addition to the above poor marketing was identified as one of the key factors of low efficiency of agriculture. The information drawn from the PRA was used for designing further capacity development actions.

#### **Phase I (UNDP)**

UNDP sub-contracted 5 local NGOs (one for each Province: Osh, Jalal-Abat, Naryn, Talas and Issyk-Kul) to help deliver Programme objectives at the village levels in 54 target villages. The NGO assisted in the process of identifying target beneficiaries; helped in community mobilization, participated in regular needs assessment of beneficiaries; assisted in organization and delivering of trainings; ensured participation in

regular monitoring of activities of self-help groups; helped to disseminate knowledge on agriculture, small and medium entrepreneurship in villages.

UNDP capacity building response has been delivered through a series of practical trainings and consultations on development of potato production, goat breeding, development of entrepreneurship and agricultural extension services. The Project organized a study tour for beneficiaries from all provinces to one of the best seed farming in Issyk-Kul province to study development of seed potato production.

The Programme used the development of the community-based Consultation and Marketing Centers (CMC) as the key instrument to address the agricultural effectiveness issues in the target communities. CMCs were created in all 54 target communities and were aimed to serve as a community-based channel for continuous on-hand dissemination of up-to-date knowledge and skills on better livestock and crop-production techniques. Consultants on livestock and crop production, income generation and marketing were selected amongst the target communities as the key CMC capacity development agents. The CMC consultants were trained on better techniques of livestock development and crop production to ensure that they start advisory and mentorship in their communities. UNDP elaborated strategy on further development of CMC network, recommendations on the package of services and methodology on analysis of value added chains.

### **Phase II (UNDP/ILO)**

During the implementation of the phase II, 25 new villages in the Issyk-Kul, Talas, Naryn province were involved. One of the main activities was to develop the capacity of beneficiaries on agricultural issues. As a result of implementation of planned activities was development of the capacity of 1633 people during 58 trainings, seminars in various aspects of agricultural production and processing, including the cultivation of new crops, crop production technology with application of innovative production methods, improvement of livestock, etc.

Awareness among beneficiaries is increased in development of seed production, animal production, Consulting and Marketing centers as well as partnership building. The project organized inter-province study-tours, during which participants were able to get extensive information on best practices, methods and technologies used in different areas.

In the course of the project Consulting and Marketing Centers were created in all 25 villages. Establishing and managing of these centers involved local governments, rural residents, thus allowing formation of most needed range of services. For effective operation of Consulting and Marketing Centers the project conducted trainings for 36 consultants from three provinces in economic issues using methodology of International Labour Organization "Start and improve your business".

To ensure institutional and financial sustainability of the new consulting and marketing centers, the project provided the following support:

- Support in the establishment and development of the working capital funds of seed, fuel, agricultural and veterinary drugs (grants).
- Necessary office equipment was provided.
- Support in the development of strategy of the further development of the consulting marketing centers.

### **2. Increased technical inputs:**

#### **Phase I (UNDP)**

The Project provided support to poor farmers in target communities in sustainable crop production and livestock development practices to enhance and diversify sources of income. A grant facility was established to support the villagers with supply of critical technical inputs (seeds, chemicals, fertilizers and fuels). The grant facility also helped to establish a network of agricultural extension services (seed funds, artificial insemination points and veterinary services). 30 project proposals of the 46 were submitted to the Grant Appraisal Committee (22 projects were approved by the Committee).

The project has made remarkable contribution to increasing welfare of the most vulnerable in target communities through improving agricultural production practices and strengthening agricultural extension services and increased technical inputs. The projects engaged 28 local communities in 5 provinces, and

helped to create 22 seed funds, 15 artificial insemination points; and 8 veterinary services. A network of revolving funds established with CMCs that has been operating in full capacity and supplied mineral fertilizers, fuel and veterinary medicaments. These materials were provided to the most vulnerable community members on return basis. The inputs from the revolving funds are disseminated to the farmers on a contract basis (signed with the CMCs) before the spring sowing campaigns and are returned after the harvest in cash to CMCs. 8 local communities are involved in breeding fine-fleece sheep, 2 –in yak breeding. 4 seed funds have used their winter crop material during autumn 2010. 2110 beneficiaries were able to improve their skills as a result of intensive capacity building.

### **Phase II(UNDP/ILO)**

The project helped farmers in targeted communities in enhancement of the efficiency of agricultural crop production and animal husbandry. The project supported business initiatives of the beneficiaries with grants aimed at improving agricultural production through the creation of seed funds, veterinary pharmacies and points of artificial insemination for cattle breeding. All 12 projects have been implemented. As a result 64 small businesses were set up, with 162 new jobs (including 132 women).

The project attracted other partners for grant support: “UNDP/UNEP Poverty and Environment”, New Zealand Agricultural Fund, which allowed to run projects to reduce the negative impact on the environment through the improvement of the irrigation network and the management of water resources, establishing demonstration farms and greenhouses.

Funds allocated as grants on the basis of a decision of the local community, subsumed into the revolving fund in the form of seed and other materials necessary for improving agricultural production.

The project made a significant contribution to improving the efficiency of agricultural production for the poorest rural population through the building in 25 communities of 3 provinces the seed funds of wheat and potatoes (10), points of artificial insemination (8), stations for veterinary services and veterinary drugstores (19).

Capacity of 1633 beneficiaries was developed in new technologies for agricultural production, farm product processing techniques, creation and development of small business. 25 consultants of Consulting and Marketing Centers, with the assistance of the regional UNDP specialists, were capacitated in conducting training activities.

Access to finance was scaled-up: the CMC with the support of 371 project beneficiaries received microcredits amounting to 11 million som in local financial institutions (ICC, Bai-Tushum, Aiyl Bank).

In order to inform population of the pilot areas and dissemination of cases of successful implementation of the project trade fairs have been organized in 3 regional centers (Karakol, Talas, Naryn) with products of beneficiaries, where 104 project beneficiaries took part, 66 (63%) of them were women. They could sell products and establish business partnerships with suppliers and customers. The event covered about 1000 participants.

In all provinces the round tables to discuss the institutional sustainability of the CMC were conducted. Based on the results of the discussion the establishment and legal registration of the CMC in Talas province was initiated. In Issyk-Kul and Naryn province regional CMC functions were given to Issyk-Kul Public Union “Activist” and “Tendesh-Zaman”. An integration of 25 CMC into a network, consisting of 54 CMC established earlier in the frame of DAO project.

To support the development CMC network in Talas and Issyk-Kul provinces 5 sets of computer equipment were procured and transferred. This technical assistance has improved their work in the development of marketing communication and organization of value chains in the pilot villages.

### **Phase III(UNDP/UNIDO)**

The Project assisted small farmers and home gardeners in the fruits sector to strengthen domestic agricultural practices through intensive capacity building of agricultural producers on improved knowledge and skills about fruit tree management, crop-production technologies for better quality raw material. The Project expanded the network of village-based agricultural extension services centers and improved knowledge and skills of selected agricultural extension agents. It is envisaged that in longer term these

agents will continue serving as resource persons for local farmers and provide on-going consultative support. Capacities of consultants in villages were strengthened in crop-production and entrepreneurship through usage of educational organizations, and conducting seminars “Start and Improve Your Business”.

The Project provided a support to poor farmers in sustainable agriculture practices to enhance and diversify sources of income. This includes increasing technical inputs to improve productivity/yield of grains, fruit trees, and establishing micro-processing units for each community. Fruit drying facilities were created to kick start the process and technical support was provided to establish sustainable value-chain mechanisms, linking production and processing stages with packaging, sales and marketing of goods within selected provinces and beyond. The SHG, ASHGs and CMCs were actively involved in the mobilization activities that included: repeated communal meetings, setting the foundation for consistent, quality raw material base for the drying facility.

The project took an advantage of the project implemented by UNIDO and conducted ToTin fruit drying technologies allowing them to benefit from international exchange and creation of sustainable linkage to an internationally acting support institution.

#### **Qualitative assessment:**

In the course of implementation of the project in all three phases, efforts were made to involve other partners and stakeholders. The following key partnerships and collaborations were established and had an impact on the achievement of results. During the second phase ILO project helped farmers to familiarize with easy and low-cost techniques of risk assessment (RA) methodology in order to assess their own workplaces and households, find threats and try to eliminate (or decrease) them. Upon agreement with UNDP PRP 3 villages have chosen for separate RA extensive training to become model villages. Jointly with ILO the project contributed to creation of 19 veterinary centers and veterinary pharmacies in 25 communities of three provinces of the country.

In the third phase of the project with the support of UNIDO equipment for drying fruits and vegetables and fruits was installed. On-the-job training, testing and fine-tuning of the equipment were provided by UNIDO International Expert.

The project involved UNDP/UNEP “Poverty and environment initiative” thus running the projects to reduce the negative impact on the environment through the improvement of irrigation network and the water resources management.

In one of the provinces (Naryn) the project has established partnership with a new donor - Kyrgyz-New Zealand Agricultural Fund in development of economic activities in 3 villages of Naryn Province (potato production, goat breeding, gardening). The small business in Osh province received technical support from USAID Program on local development in the form of an expensive fruit sorting equipment

Relations with the local authorities that have provided assistance in promotion of consultation and marketing centers (facilities), raising awareness on their activities have been established.

The local NGOs were involved as CAMP-Alatoo – partnership in establishment of 3 Artificial Insemination Points in Naryn Province; Central Asian Breeding Services - partnership in provision of veterinary medicaments and quality seed materials. PU Agrolid - training and consultant for CMC and beneficiaries in rural areas, PU “Breeding” - training and provision of equipment and materials for artificial insemination.



## VI. INDICATOR BASED PERFORMANCE ASSESSMENT

### Phase I (UNDP)

|  | Performance Indicators  | Indicator Baselines                                     | Planned Targets                                    | Indicator | Achieved Indicator Targets   | Reasons for Variance (if any) | Source Verification  | of | Comments (if any) |
|--|---|---|--|-----------|--|-------------------------------|--|----|-------------------|
| <b>Output</b>  |   |   |  |           |  |                               |  |    |                   |
| Most vulnerable communities in target provinces are able to improve agricultural production through strengthening of agricultural extension services and increased technical inputs. |   |   |  |           |  |                               |  |    |                   |
| <b>Network of agricultural services strengthened</b>   | # of poor with sustainable sources of income increased from improved agricultural activities for livelihoods improvement; | About 16200 direct and indirect Programme beneficiaries | At least 1500 people improved their sources income |           | 1655 people (620 have access to fuels, high quality seeds, fertilizers; 800 have access to veterinary services and artificial insemination, 235 improved their livestock development skills) |                               | PIU annual report, regular reports on DAO interventions                        |    |                   |
|  | # of the poor received training, consultations, access to financial services as well as to service organizations          | 6418 beneficiaries developed their capacities;          | 1500   |           | 2110 are trained, 5452 are consulted   |                               | Training reports (List participants), monthly PIU reports, consultation sheets |    |                   |
| <b>Enlarged use of technical resources</b>   | # of seed stocks created  | 7 Seed Funds;   | 20   |           | 22   |                               | PIU monthly and annual reports, Memorandums of                                 |    |                   |

|  |  |  |      |     |   |  |  |
|--|--|--|------|-----|---|--|--|
|  |  |  |      |     |   | understanding,<br>The reports of the<br>Grant Bidders  |  |
|  | # of small selection facilities integrated (artificial insemination stations);   | 6 artificial insemination stations;      | 10   | 15  |   | PIU reports, Memorandums of understanding, The reports of the Grant Bidders                    |  |
|  | # of created and equipped stations of veterinary assistance;   | 6 veterinary services;                   | 15   | 8   | Community sheep breeding (8 villages) and yak breeding (2 villages) were initiated instead of veterinary services on the basis of needs assessment. | PIU annual and monthly reports, Memorandums of understanding, The reports of the Grant Bidders |  |
|  | # of small rural entrepreneurs and farmers with the production capacity increased as a result of update and improvement of the production; | 1699 small businesses created;           | 100  | 183 |   | PIU annual and monthly reports   |  |
|  | # of the poor received an access to financial capital through microfinance services and small grants;                                      | 8335 beneficiaries received micro-loans; | 1000 | 906 | In 2010 as a result of political instability access to loans was limited  | PIU monthly and annual reports, reports of NGO of rural activists                              |  |
|  | # of additional jobs created;  | 3011 jobs created;                       | 120  | 700 |   | PIU reports, reports of NGO of rural activists   |  |

|   |   |  |                |  |  |  |
|---|---|--|----------------|--|--|--|
| equal proportion of women and men benefiting from the Programme | Women compose 63 % of overall number of beneficiaries | Women are not less 50 % of beneficiaries | 63 % are women |  | PIU monthly reports and annual reports |  |
|---|---|--|----------------|--|--|--|

**Phase II (UNDP/ILO)**

|   | <b>Performance Indicators</b>   | <b>Indicator Baselines</b>                             | <b>Planned Indicator Targets</b>                  | <b>Achieved Indicator Targets</b>  | <b>Source of Verification</b>  |
|---|---|--|---|--|--|
| <b>Output</b><br>Most vulnerable communities in target provinces are able to improve agricultural production through strengthening of agricultural extension services and increased technical inputs. |   |  |   |  |  |
| <b>Network of agricultural services strengthened</b>  | # of poor with sustainable sources of income increased from improved agricultural activities for livelihoods improvement; | About 1655 direct and indirect Programme beneficiaries | At least 300 people improved their sources income | 1633 people received services and improved their agricultural production | PIU annual report, regular reports on DAO interventions  |
|   | # of the poor received training, consultations, access to financial services as well as to service organizations          | 1500 beneficiaries developed their capacities;         | 300   | 1633 are trained, 928 are consulted                                      | Training reports (List participants), monthly PIU reports, consultation sheets                 |
| <b>Enlarged use of technical resources</b>  | # of seed stocks created  | 20 Seed Funds;   | 3   | 10 new seed funds are created  | PIU monthly and annual reports, Memorandums of understanding, The reports of the Grant Bidders |

|  |  |   |  |  |  |
|--|--|---|--|--|--|
|  | # of small selection facilities integrated (artificial insemination stations);   | 10 artificial insemination stations;                  | 3  | 8 new PAI were set up  | PIU reports, Memorandums of understanding, The reports of the Grant Bidders                    |
|  | # of created and equipped stations of veterinary assistance;   | 15 veterinary services;                               | 2  | 19 points of veterinary services and veterinary drug stores were established | PIU annual and monthly reports, Memorandums of understanding, The reports of the Grant Bidders |
|  | # of small rural entrepreneurs and farmers with the production capacity increased as a result of update and improvement of the production; | 100 small businesses created;                         | 25                                       | 64 new small businesses were created   | PIU annual and monthly reports   |
|  | # of the poor received an access to financial capital through microfinance services and small grants;                                      | 1000 beneficiaries received micro-loans;              | 300                                      | 371 beneficiaries received micro-credits                                     | PIU monthly and annual reports   |
|  | # of additional jobs created;  | 120 jobs created;                                     | 50                                       | 162 job places were created  | PIU reports, reports.  |
|  | equal proportion of women and men benefiting from the Programme  | Women compose 50 % of overall number of beneficiaries | Women are not less 50 % of beneficiaries | 61 % are women   | PIU monthly reports and annual reports   |

**Phase III (UNDP/UNIDO)**

|   | Achieved Indicator Targets  | Reasons Variance with Planned Target (if any) | Source of Verification |
|---|---|---|------------------------|
| <p><b>Outcome: Capacities of the local communities and the local authorities in the remote low-growth areas will be developed to increase food security and alleviate poverty through better agricultural production and processing practices.</b></p>  |   |   |                        |
| <p><b>Output:</b><br/> <b>Communities and local authorities are able to increase food security and reduce poverty scale by improving agricultural production and practices of processing thus to extend the rights and opportunities of rural communities in remote and slowly developing regions by optimizing the potentials of seed growing and fruit orchard management.</b><br/> <b>Baseline (since CPAP):</b><br/>           1.21 villages covered;<br/>           2.1373 beneficiaries<br/>           3.2195 beneficiaries received an access to microfinance services<br/>           4.1560 of jobs created for women<br/> <b>Indicators:</b></p> <ul style="list-style-type: none"> <li>• # of poor with sustainable sources of income increased through improved agricultural production and processing activities;</li> <li>• #of new fruit tree seedlings planted;</li> <li>• # produced and processed fruit and vegetables increased;</li> <li>• # of people with agro-production and agro-processing skills increased through trainings</li> <li>• # of small rural entrepreneurs and farmers with strengthened capacity through modernization &amp; improvement of their production;</li> <li>• marketing linkages &amp; network of</li> </ul> | <ul style="list-style-type: none"> <li>• 423 rural poor were involved in the fruit and vegetables sector; built their capacities through CMC and SSG;</li> <li>• fruit gardening and processing component is included in activities of 3 existing CMC.</li> <li>• 50 people received microcredits for development of fruit/ vegetable gardening and processing,</li> <li>• 1 small business was created on processing of agricultural produce.</li> <li>• 61 employment opportunities were created;</li> <li>• 1 fruit drying facility created and SSG trained.</li> </ul> <p><u>As grant project implementation:</u></p> <ul style="list-style-type: none"> <li>• 3 greenhouses were built;</li> </ul> <p>Feed grinder and drying machine were installed; Seed fund was created;</p> <ul style="list-style-type: none"> <li>• 30 beneficiaries strengthened their capacity on greenhouse operation; 5 beneficiaries strengthened their capacity on machine exploitation; 15 people were trained on growing early potatoes</li> <li>• 13 jobs were created on greenhouse operation; 2 jobs were created on seed processing; 15 jobs were created on growing early potatoes</li> </ul> <p>As capacity building for beneficiaries and trainer-consultant networks:</p> <ul style="list-style-type: none"> <li>• 46 beneficiaries participated in trainings (20 of them are women)</li> <li>• 10 member of CMC were trained (4 of them are women)</li> <li>• 140 village residents took part at trainings (98 of them are women)</li> </ul> <p>As integrated practical CMC trainings for consultants:</p> <ul style="list-style-type: none"> <li>• 140 participated at trainings (98 of them are women)</li> <li>• 198 people benefited from consultations.</li> </ul> |   |                        |

|  |  |  |  |
|--|--|--|--|
| <p>farmers created and maintained.</p> <ul style="list-style-type: none"> <li>• # of poor received access to financial capital through microfinanceservices</li> <li>• additional employment opportunities for # of poor created</li> <li>• number of women-beneficiaries not less than 50%.</li> </ul> <p><b>Planned Targets:</b></p> <ul style="list-style-type: none"> <li>• 150 rural poor involved in the fruit and vegetables sector focusing on women and youth built their capacities through CMC and SSG;</li> <li>• fruit gardening and processing component included in activities of 3 existing CMC;</li> <li>• 30 people received microcredits for development of fruit/ vegetable gardening and processing</li> <li>• 3 small businesses created on processing of agricultural produce</li> <li>• 10 employment opportunities created;</li> <li>• 1 fruit drying facility created</li> </ul> |  |  |  |
|--|--|--|--|

### iii) Evaluation, Best Practices and Lessons Learned(UNDP/ILO/UNIDO)

- **In 2012** the research “Poverty and environment: the contribution of UNDP” was conducted to assess the activities of UNDP “Poverty reduction programme” for beneficiaries over 5-year cycle since 2005-2009, which showed that programme beneficiaries welcomed such intervention, as well those in the frame of donor projects, as the establishment of small businesses, PAI, veterinary pharmacies, support in the development of small businesses and capacity development. As a result the conditions for development of small business in rural areas were improved. Besides, diversification of the economy, improvement of agricultural production and the quality of life of beneficiaries were among the results. The research concluded that programme beneficiaries tend to learn with such activities as hydroponic greenhouses, beekeeping, drying of fruits and vegetables that have not traditionally used to; the production of jams, juices, jams and packaging products, tourist business and tourism-oriented production, etc. Often this contributed to the well-being of household with ecological products and services.
- **In 2013**an assessment of the micro-grant program effectiveness was conducted with a focus on lessons learnt and development of recommendations for strengthening decision-making and effective management of micro-grant programs in the further activities of the UNDP programs.
- In 2013, the monitoring report was prepared on the implementation of the project phase 3 in Osh province. The document also describes lessons learned and gives important recommendations.
- The main problems associated with the implementation of the project were the unstable situation, low capacity of beneficiaries, marketing problems. Vested interests and disinterest of CMC Heads had a bad influence on project effectiveness. Finance-administrative procedures became a big challenge; it caused delays in Project implementation. LSG bodies were not actively involved in the process.
- The project undertook intensive measures to increase the capacity of beneficiaries, service organizations, other donors and the involvement of LSG. Effective actions were taken to mitigate these challenges. Direct beneficiaries actively contributed to the effectiveness of the Project implementation.
- **Lessons Learned:**
- To improve the efficiency of the economic activities of rural residents in the production and processing of agricultural products it is necessary to work continuously on education and awareness, provide technology and equipment and assisting in marketing
- As a result of the project it was found that the training sessions and information are more useful if they are held by the local rural consultants on the demonstration of field or on a livestock farm.
- It is necessary to provide more informational materials for farmers, both in Russian and Kyrgyz, as there is a lack of available materials on OSH issues. Farmers in far-away regions do not get any access to information, trainings or publications.

### iv) A Specific Story (Optional)

In 2011 with funding from Poverty Reduction Program of UNDP PU "Munavar" (Osh province) introduced the project on creating and developing greenhouses for growing early ripening vegetables. The small business got technical support from USAID Program on local development in the form of an expensive fruit sorting equipment, from UNIDO Program in the form of modern equipment for drying vegetables, fruit and herbs, UNDP purchased equipment for preservation

**Result (if applicable):** The first year was the most difficult but notwithstanding the arising complications related mainly to lack of experience, around 500 kg of cucumbers and 300 kg of tomatoes could be collected. It was not always possible to sell the yield at a high price; risks were associated with storing of vegetables that are perishable products. Therefore, for successful business development households were advised to follow multifunctional activity encompassing not only growing and marketing of products but also their processing. And finally the business rose up again. In 2012 female entrepreneurs, members of "Munavar" PU launched a production workshop on preparation and processing of fruit and berries. More than 10 local inhabitants were immediately provided with seasonal work. Along with that, more than 50 households of Telman village got additional income from collection and marketing of fruit and berries

**Lessons Learned:**

It is necessary to support the development of small business in the villages that would contribute to creation of jobs and raise incomes.







## ANNEX 1

## List of target villages in 2010(UNDP)

| District                  | Name of Village Municipality | Name of village   |
|---------------------------|------------------------------|-------------------|
| <b>Issyk-Kyl Province</b> |                              |                   |
| Aksu                      | Bozuchuk                     | Novo-Voznesenovka |
| Aksu                      | Chelpek                      | Chelpek           |
| Djetioguz                 | Orgochok                     | Orgochor          |
| Ton                       | Koltor                       | Toguz-Bulak       |
| Ton                       | B.Mambetov                   | Kok-Sai           |
| Ton                       | Tortkul                      | Temirkanat        |
| Ton                       | Ulakhol                      | Shor-Bulak        |
| Ton                       | Kadjisai                     | Kadji-Sai         |
| Total: 3 Districts        | 8 Village Municipalities     | 8 villages        |
| <b>Naryn Province</b>     |                              |                   |
| Naryn                     | Sary-Oi                      | Djylan-Aryk       |
| Naryn                     | Djergetal                    | Toguz-Bulak       |
| Naryn                     | Djergetal                    | Djalgyz-Terek     |
| Naryn                     | Min-Bulak                    | Kuybishev         |
| Naryn                     | Uchkun                       | Uchkun            |
| Ak-Tala                   | Ak-Tal                       | Ak-Tal            |
| Ak-Tala                   | Ugut                         | Baigonchok        |
| At-Bashy                  | Ak-Moyun                     | Birlik            |
| At-Bashy                  | Kazybek                      | Kazybek           |
| Total: 3 districts        | 8 Village Municipalities     | 9 villages        |
| <b>Talas Province</b>     |                              |                   |
| Talas                     | Bekmoldo                     | Sasyk-Bulak       |
| Talas                     | Omuraliev                    | Ak-Sai            |
| Talas                     | Nurdjanov                    | Djon-Aryk         |
| Bakay-Ata                 | Oro                          | Kyrgyzstan        |
| Bakay-Ata                 | Ak-Dobo                      | Ak-Dobo           |
| Bakay-Ata                 | Aknazarov                    | Kyzyl-Oktyabr     |
| Kara-Buura                | Karasay                      | Bakayir           |
| Manas                     | Kayindi                      | Aral              |
| Total: 4 districts        | 8 Village Municipalities     | 8 villages        |
| <b>Osh Province</b>       |                              |                   |
| Alay                      | Korul                        | Korul             |
| Alayi                     | Kerme-To                     | Gulbar            |
| Uzgen                     | Salamalik                    | Salamalik         |
| Uzgen                     | Ak-Djar                      | Bolshevik         |
| Uzgen                     | Ak-Djar                      | Ak-Djar           |
| Karasuu                   | Mady                         | Mady              |
| Karasuu                   | Katta-Taldyk                 | Achy              |

|                           |                           |               |
|---------------------------|---------------------------|---------------|
| Karasuu                   | Nariman                   | Beshmoinok    |
| Karasuu                   | Otuz-Adyr                 | Karadobo      |
| Chon-Alay                 | Kashka-Suu                | Kashkasuu     |
| Chon-Alay                 | Kashka-Suu                | Kabyk         |
| Nokat                     | Kenesh                    | Kuumaidan     |
| Nokat                     | Kokbel                    | Kokbel        |
| Karakuldja                | Karaguz                   | Djanytalaa    |
| Karakuldja                | Kenesh                    | Port          |
| Total: 4 districts        | 14 village municipalities | 14 villages   |
| <b>Jalalabat Province</b> |                           |               |
| Ala-Buka                  | Baltagulov                | Koshalmurut   |
| Ala-Buka                  | Alabuka                   | Kayryma       |
| Chatkal                   | Sumsar                    | Sumsar        |
| Aksy                      | Kerben                    | Kerben        |
| Aksy                      | Djanyjol                  | Karagansai    |
| Tashkumir                 | Shamaldysai               | Shamaldysai   |
| Toktogul                  | Toktogul                  | Toktogul town |
| Toktogul                  | Uchterek                  | Uchterek      |
| Bazarkorgon               | Beshikjon                 | Baymunduz     |
| Bazarkorgon               | Seydikum                  | Seydikum      |
| Bazarkorgon               | Seydikum                  | Kyzylai       |
| Bazarkorgon               | Taldy-Bulak               | Kyrgo         |
| Suzak                     | Karadarya                 | Karadarya     |
| Suzak                     | Atabekov                  | Begabad       |
| Total: 7 districts        | 12 Village Municipalities | 14 villages   |

In total project covered:

|                               |           |
|-------------------------------|-----------|
| <b>Province</b>               | <b>5</b>  |
| <b>Districts</b>              | <b>24</b> |
| <b>Village Municipalities</b> | <b>51</b> |
| <b>Villages</b>               | <b>54</b> |

**List of target villages in 2012(UNDP/ILO)**

| District                  | Name of Village Municipality | Name of village |
|---------------------------|------------------------------|-----------------|
| <b>Issyk-Kyl Province</b> |                              |                 |
| Aksu                      | Karajal                      | Tegizchil       |
| Djetioguz                 | Lipenka                      | Lipenka         |
| Djetioguz                 | Lipenka                      | Bogatyrovka     |
| Djetioguz                 | Akdoobo                      | Munduz          |
| Typ                       | Taldysu                      | Taldysu         |
| Typ                       | Toguzbulak                   | Sarybulun       |
| Ton                       | Ton                          | Ton             |
| Total: 4 Districts        | 6 Village Municipalities     | 7 villages      |
| <b>Naryn Province</b>     |                              |                 |

|                       |                           |             |
|-----------------------|---------------------------|-------------|
| Naryn                 | Ekinaryn                  | Ekinaryn    |
| Naryn                 | Alysh                     | Alysh       |
| Naryn                 | Echkibashy                | Echkibashy  |
| Ak-Tala               | Kyzylbeles                | Kadyraly    |
| Ak-Tala               | Ugut                      | Ugut        |
| Ak-Tala               | Kurtka                    | Kurtka      |
| At-Bashy              | Karakoyun                 | Kyzyltuu    |
| At-Bashy              | Dyikan                    | Dyikan      |
| Total: 3 districts    | 8 Village Municipalities  | 8 villages  |
| <b>Talas Province</b> |                           |             |
| Talas                 | Omuraliev                 | Ak-Sai      |
| Talas                 | Karasu                    | Karasu      |
| Talas                 | Berdike                   | Kum-Aryk    |
| Bakay-Ata             | Ak-Dobo                   | Ak-Dobo     |
| Bakay-Ata             | Minbulak                  | Minbulak    |
| Bakay-Ata             | Booterek                  | Booterek    |
| Karabura              | Bakyian                   | Bakyian     |
| Karabura              | Beysheke                  | Beysheke    |
| Manas                 | Balasar                   | Balasar     |
| Manas                 | Chonkapka                 | Chonkapka   |
| Total: 4 districts    | 10 Village Municipalities | 10 villages |

In total project covered:

|                               |           |
|-------------------------------|-----------|
| <b>Province</b>               | <b>3</b>  |
| <b>Districts</b>              | <b>11</b> |
| <b>Village Municipalities</b> | <b>24</b> |
| <b>Villages</b>               | <b>25</b> |

**List of target villages in 2013(UNDP/UNIDO)**

| District   | Name of Village Municipality | Name of village |
|--|------------------------------|-----------------|
| <b>Osh Province</b>  |                              |                 |
| of Kara-Suu rayon: Ishkavan village of Kyzyl-Kyshtak AA, Telman village of Sarai AA, Kaarman village of Mady AA. |                              |                 |
| Kara-Suu   | Kyzyl-Kyshtak                | Ishkavan        |
| Kara-Suu   | Sarai                        | Telman          |
| Kara-Suu   | Mady                         | Kaarman         |

In total project covered:

|                               |          |
|-------------------------------|----------|
| <b>Province</b>               | <b>1</b> |
| <b>Districts</b>              | <b>1</b> |
| <b>Village Municipalities</b> | <b>3</b> |
| <b>Villages</b>               | <b>3</b> |