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Agricultural Marketing & Transformation Investments Programme (AMTIP)

AGRICULTURAL MARKETING AND TRANSFORMATION INVESTMENT PROGRAMME (AMTIP)

INTERIM NARRATIVE REPORT AUGUST 2015 – JANUARY 2016 FED / 2014 / 354-446



Picture on front page: Pre-mortem inspection of cattle at the Wau slaughter slab by SMARF-Veterinary Department

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ABBREVIATIONS / ACRONYMS

AMTIP	Agricultural Marketing and Transformation Investment Programme
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung
BoQ	Bill of Quantity
CAMP	Comprehensive Agricultural Development Master Plan
CM	Component Manager
DG	Director General
DSA	Daily Subsistence Allowance
EU	European Union
FSDAM	Food Security and Development of Agricultural Markets Programme
GBG	Greater Bahr el Ghazal
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GSS	Government of South Sudan
LS	Lakes State
M&E	Monitoring & Evaluation
MoU	Memorandum of Understanding
MLFI	Ministry of Livestock and Fisheries Industry
SLGR	Strengthening Local Governance and Resilience in South Sudan - GIZ
SMARF	State Ministry of Animal Resources and Fisheries
NBG	Northern Bahr el Ghazal
NGO	Non-Governmental Organisation
ROM	Result Oriented Monitoring
RSS	Republic of South Sudan
SORUDEV	South Sudan Rural Development Programme
SPCRP	Sudan Productive Capacity Recovery Programme
SSDP	South Sudan Development Plan
STE	Short-term Expert
UFSLM	Urban Food Security, Livelihoods and Markets Project
WBG	Western Bahr el Ghazal
WfL	Water for Lakes
VsF	Veterinaries without Borders
ZEAT BEAD	Zonal Effort for Agricultural Transformation: Bahr el Ghazal Effort for Agricultural Development

1 Description

1.1 Name of Coordinator of the grant contract:

Bernadette Neu

1.2 Name and title of the contact person:

Bernadette Neu, Country Director GIZ South Sudan

1.3 Name of beneficiary and affiliated entities in the Action:

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

1.4 Title of the Action:

Agricultural Marketing and Transformation Investment Programme (AMTIP)

1.5 Contract number:

FED/2014/354-446

1.6 Start date and end date of the reporting period:

01 July 2015 to 31 January 2016

1.7 Target country and regions:

South Sudan, Northern and Western Bahr el Ghazal, Warrap and Lakes States

1.8 Final beneficiaries &/or target groups¹:

Smallholder producers, urban and peri-urban consumers / State ministries staff, County and Town council staff and private operators and their staff

¹ "Target groups" are the groups/entities who will be directly positively affected by the project at the Project Purpose level, and "final beneficiaries" are those who will benefit from the project in the long term at the level of the society or sector at large.

2 Assessment of implementation of Action activities

2.1 Executive summary of the Action

The Agricultural Marketing and Transformation Investments Programme is a component of the European Commission funded broader Zonal Effort for Agricultural Transformation – Bahr-el-Ghazal Agricultural Development (ZEAT-BEAD). At the same time it is a component of the GIZ Food Security and Development of Agricultural Markets (FSDAM) programme in South Sudan, funded by the German Ministry for Economic Cooperation and Development (BMZ).

AMTIP is generally progressing well, with most activities implemented according to schedule. However, a few activities have been delayed because of changes agreed during the inception period. These mainly relate to the change in location of the slaughterhouse in Rumbek and the switch of support from the Aweil rice scheme to construction of an agricultural warehouse.

GIZ is still reviewing current contracts and documents against existing by-laws in order to legally establish and process PPPs. Two contracts for private operators in Aweil and Kuajok are in the process of being enhanced. Responsibilities of actors will be better defined and payments into an investment fund will be regulated. The amended contracts will be used for the new operators. SMARF, Kuajok Town Council and GIZ have jointly advertised for new operators and will jointly select the most suitable.

BoQs for the rehabilitation of the slaughterhouses in Aweil and Kuajok are ready. Kuajok slaughterhouse stakeholders already approved the BoQ. A financial and economic analysis of slaughterhouses in Wau (Western Bahr el Ghazal State), Aweil (Northern Bahr el Ghazal State) and Kuajok (Warrap State) was undertaken. In addition, business plans for the slaughterhouses in Wau, Kuajok and Aweil were produced.

Land has been identified in Wau for a slaughterhouse and in Kangi for the construction of an agricultural warehouse. All stakeholders will jointly confirm the suitability of the locations during visits to the sites. The process of obtaining title deeds for the sites in Wau and Kangi is ongoing. GIZ AMTIP has completed a training needs assessment (TNA) and is now preparing for the training of various actors such as butchers, meat inspectors as well as slaughterhouse owners, supervisors and operators.

The location for construction of a slaughterhouse in Lakes State was shifted from Rumbek to Yirol but later changed back to Rumbek with the option of completing an unfinished slaughterhouse. After conducting a physical assessment of the infrastructure, AMTIP accepted to complete, upgrade and operationalise the existing slaughterhouse in Rumbek.

2.2 Results and Activities

2.2.1 RESULTS

Outcome

SO 1: Enlarging capacities to process, store and market local agricultural and livestock products

Indicator: Processing, storage and marketing capacities have been increased by 10 per cent

Level of achievement: Not yet applicable

SO 2: State governments are contracting private operators to run the processing, storage and marketing facilities

Indicator: The legal and administrative framework for PPPs developed, formally approved and disseminated.

Level of achievement: A basic legal framework for PPPs exists within the State Ministries of Animal Resources and Fisheries in the Greater Bahr el Ghazal region. GIZ helped to develop this framework when partnering with the Ministries from 2008 to 2012. AMTIP made use of this basic framework when developing scenarios for the private operation of slaughterhouses under a continued PPP arrangement in Aweil and Kuajok. State Ministries and GIZ are in the process of assessing existing gaps in the legal and administrative frameworks. GIZ will assist the relevant state actors in developing additional documents in relation to PPPs.

It needs to be noted that Component 1 of ZEAT BEAD should have contributed to achieving this SO. However, this ZEAT BEAD Component is not implemented at the moment.

SO 3: The selected private operators are enabled to run the facilities technically and economically at affordable prices

Indicator: 5 contracts with private operators established

Level of achievement: The contracts with the 2 operators in Aweil and Kuajok had expired at the end of last year and second quarter of this year and were initially renewed. However, due to disagreements between the operators and the respective SMARFs, both contracts were cancelled.

GIZ – AMTIP and the formal owners of the slaughterhouses in Aweil, Kuajok, Wau and Rumbek are in the process to install new private operators.

Outputs

1. State ministries, county and town administrations accept and manage the outsourcing of public owned facilities to private operators

Level of achievement: Information/planning meetings conducted with authorities in all states where infrastructure is planned. All concerned state partners, SMARFs for slaughterhouses in Aweil and Kuajok, Wau Municipality for slaughterhouse in Wau, Rumbek Town Council for slaughterhouse in Rumbek and Jur River County for Kangi agricultural warehouse accepted the outsourcing of the facilities, once operational, to private operators.

2. The slaughterhouses in Aweil and Kuajok are rehabilitated and operating, an agricultural warehouse in Kangi constructed and operating

Level of achievement: Assessments on the repair needs for both slaughterhouses were conducted and BoQs prepared. Talks with Jur River County authorities in regards to the planned agricultural warehousing facility in Kangi took place.

3. The two slaughterhouses in Wau and Rumbek are constructed and operating

Level of achievement: Agreement was reached among all stakeholders to complete and upgrade the incomplete slaughterhouse constructed by VsF Belgium in Rumbek. Technical assessment was carried out and proposed improvements agreed. Land for the slaughterhouse in Wau was made available by the Municipality. Location still needs to be confirmed by all stakeholders. Draft BoQ for slaughterhouse is ready.

4. Private operators and their staff are trained and able to run the facilities according to the required technical and economic standards.

Level of achievement: A training needs assessment was carried out and detailed training needs for the various actors established.

2.2.2 B. ACTIVITIES

Result 1: State ministries, county and town administrations accept and manage the outsourcing of public owned facilities to private operators

Activity 1.1 Organise Information and planning meetings with the state authorities

- Information and planning meetings conducted in Rumbek with SMARF, Rumbek Municipal Council and GIZ in August and September 2015 in relation to PPP methodology planned for running of slaughterhouse in Rumbek
- Information and planning meetings conducted in Wau between Jur River County authorities, SMARF and GIZ in November and December 2015

Activity 1.2: Agree on the proposed projects to be funded and identify the public partners at state level to become owners of the infrastructure

- Agreement was reached in November 2015 regarding the possibility to construct an agricultural warehouse in Kangi with the SMARF Wau and the Jur River County authorities. It was agreed that Jur River County administration would become the formal owner of the agricultural warehouse.
- In December 2015, agreement was reached to upgrade and complete an already existing but incomplete slaughterhouse in Rumbek. The decision to complete the slaughterhouse started by VsF Belgium was reached in a joint meeting conducted in the Rumbek Town Council offices. It involved the SMARF Lakes State represented by the DG, Rumbek Town Council represented by the executive officer and GIZ. The Rumbek Town Council is the owner of the existing, partly finished slaughterhouse and will be the owner of the upgraded slaughterhouse.
- GIZ AMTIP obtained copies of title deeds for the Kuajok and Aweil slaughterhouses in September 2015. Titles are in the names of the SMARF Northern Bahr el Ghazal State for Aweil and SMARF Warrap for Kuajok.
- AMTIP conducted a workshop to discuss the content of a Memorandum of Understanding (MoU) concerning the construction, ownership and running of a slaughterhouse in Wau with representatives from the Wau Municipal Council (Local Government) and SMARF in December 2015.
- AMTIP organised a workshop in Kuajok to discuss the content of a MoU concerning the rehabilitation, ownership and running of the slaughterhouse in Kuajok with representatives from the Kuajok Town Council (Local Government) and SMARF in January 2016.

Activity 1.3: Assess and discuss the legal gaps for the implementation of PPPs

- GIZ organized workshops in Wau (December 2015) and Kuajok (January 2016) to identify and document strong points of the PPP approach as well as to identify and document weak points of PPP approach. In addition, issues to be incorporated into a MoU that clearly shows the tasks and responsibilities of each stakeholder were identified. The participants were senior officers from SMARFs, GIZ and Local Government. The main findings in relation to points in favour of PPS and threats to PPPs were similar in both locations and include:

Strong points in favour of PPPs:

- profitability and therefore potential source for revenues
- saves resources for state governments
- sustainability and development of the investment

- transparency and reduction of corruption
- job creation
- encourages business competition
- regular and better supply of services
- accountability by private sector is easier and more transparent than by the state

Threats to PPPs:

- insecurity
 - lack of skilled labour
 - large distance of auction kraal to the slaughterhouses
 - illegal slaughtering places still operating
 - unconventional termination of the private operators contracts by the public authorities
 - corruption
- Copies of contracts for operations of Aweil and Kuajok slaughterhouses were collected by AMTIP in September 2015 for review.
 - Assessment of the capacities of the state owners of the slaughterhouses in Kuajok and Wau in relation to implementing PPPs was done in December 2015 by the GIZ Governance project.

Activity 1.4: Assist the partner in the formulation of decrees, bylaws or any other text to legally establish and process PPPs

- The contracts for the operation of the slaughterhouses of Kuajok and Aweil were reviewed jointly by the GIZ Governance project and AMTIP.
- Drafting of MoUs with relevant stakeholders including SMARFs and Local Governments in the four operational states are ongoing and in the case of Kuajok, Aweil and Wau are in advanced stages.
- Planned and organised for training on formation of a good governance structure for the slaughterhouse in Wau on 11.02.2016. Training to be facilitated by the GIZ-Programme Strengthening Local Governance and Resilience in South Sudan.
- Trainings on formation of a good governance structure for the slaughterhouses in Kuajok, Aweil and Rumbek planned for April / May 2016.

Activity 1.5: Monitor the formal approval of legal texts

- The formal approval and signing of MoUs and other legal documents such as land titles is conditional to the beginning of the physical interventions. This will help to avoid conflicts such as ownership disputes at later stages.
- GIZ is in the process of contracting a consultant to document all steps needed to implement sustainable PPPs in relation to the slaughterhouses and agricultural warehouse.
 - The consultant will produce a report which can guide other actors in setting up PPPs in the Greater Bahr el Ghazal region. In addition, gaps in the administrative framework and missing legal documents will be identified during this exercise.

In principle, the SMARF Lakes State and GIZ had agreed on the construction of a slaughterhouse in Yirol. However, the shift of the location for a slaughterhouse from Rumbek to Yirol was raised by the ZEAT BEAD Steering Committee during its meeting on 29 September in Wau. Furthermore, the EU

was interested to have an existing but uncomplete slaughterhouse in Rumbek operationalized before constructing a new one in any other location. A team from AMTIP went to Rumbek from 27 October to 2 November 2015. Discussions were held with the Minister of SMARF, DG SMARF and relevant Heads of Departments of SMARF. Further discussions took place with the Mayor of Rumbek, Town Council staff and the Programme Manager of Water for Lakes (WfL).

WfL had planned to complete the construction of the earlier mentioned slaughterhouse in Rumbek and had already communicated this to the various stakeholders. However, WfL had not secured any funding by the time of talks between SMARF, WfL and AMTIP. Therefore, AMTIP accepted to complete the building as well as to upgrade and operationalize the existing slaughterhouse in Rumbek. Verbal agreement was reached on the PPP approach and the fact that the slaughterslab currently in use would be closed immediately when the new facility is commissioned. These points were confirmed in a final meeting involving SMARF, Rumbek Municipal Council and GIZ in December 2015.

AMTIP obtained proof that SMARF Northern Bahr el Ghazal is the owner of the slaughterhouse in Aweil and SMARF Warrap State the owner of the slaughterhouse in Kuajok. Both slaughterhouses were constructed by GIZ with funding from the EU and upon completion in 2012 handed over to the respective SMARFs. Furthermore, agreement was reached among all stakeholders that the Wau Municipal Council will be the owner of a slaughterhouse to be constructed in Wau Municipality and Rumbek Town Council of a slaughterhouse in Rumbek which already exists but will be upgraded and completed. In addition, the planned agricultural warehouse in Kangi will be owned by Jur River County Council. The three owners of the infrastructure to be built are all entities under the Ministry of Local Government.

An assessment of the institutional environment of the slaughterhouse and of the capacities and interests of the different institutions took place in Wau and Kuajok. This was carried out by the GIZ - Strengthening Local Governance and Resilience in South Sudan (SLGR) project. Assessments are also planned for Aweil and Rumbek. These assessments will be followed up with meetings including all government stakeholders in relation to slaughterhouses. In these meetings, GIZ-SLGR will facilitate agreement on governance structures for the slaughterhouses, overall objective and identify actor's contributions towards achieving the overall objective.

The various partners including the SMARFs of the four States- and Local Government entities as well as GIZ agreed that results of discussions and agreements reached will be formalised in a separate Memorandum of Understanding (MoU) for each slaughterhouse and agricultural warehouse. The MoUs will define the contributions of GIZ, SMARF and the respective Local Governments. Also included will be governance structures for each investment, implementation modalities and monitoring roles and plans. Discussions on MoUs with relevant stakeholders including SMARFs and Municipal Councils in the four operational states are in advanced state. AMTIP has been assisting in drafting the MoUs.

All state partners, including SMARFs for slaughterhouses in Aweil and Kuajok, Wau Municipality for slaughterhouse in Wau, Rumbek Town Council for slaughterhouse in Rumbek and Jur River County Council for Kangi agricultural warehouse accepted the principle of the outsourcing of the facilities, once operational, to private operators. The outsourcing was also strongly recommended in a feasibility study carried out by AMTIP which stated: "that commercial slaughtering houses in towns with an animal throughput of at least 50 animals have proven to be commercially viable; and can be

run in a PPP arrangement. Experience in Aweil and Wau has also shown that government-run facilities never get off the ground or collapse within half a year”².

GIZ has started the process of engaging a qualified consultant to document all steps undertaken by GIZ in the implementation of sustainable PPPs in relation to the four slaughterhouses and one agricultural warehouse. Gaps and steps overlooked in the process as well as missing legal documents will be identified during this exercise. These will be brought to the attention of the respective government offices for amendment. In addition, GIZ will produce a report with guidelines of the processes of setting up sustainable PPPs in the Greater Bahr el Ghazal region. This report will be shared with other partners under ZEAT BEAD.

Result 2: The slaughterhouses in Aweil and Kuajok are rehabilitated and operating. Agricultural warehouse in Kangi constructed and operational

Activity 2.1: Assess/verify the economic viability of the projects and develop business plans

- Conducted a Financial and Economic Analysis of Slaughterhouses in Wau-Western Bahr el Ghazal State / Aweil-Northern Bahr el Ghazal State / Kuajok-Warrap State / Yirol-Lakes State.
- Approved feasibility study for Aweil and Kuajok slaughterhouses, carried out by Mr R.J. Bakema in August 2015.
- As part of the feasibility study, the consultant also developed business plans for the management of the slaughterhouses in Aweil and Kuajok.
- Developed ToR and contracted an international consultant in December 2015 to carry out a feasibility study for the proposed agricultural warehouse in Kangi; Study to be carried out in February 2016.

Activity 2.2: Identify suitable plots for construction and monitor the establishment of title deeds

- Meetings with the Commissioner and the Chief Executive Officer of Jur River County on the issue of constructing an agricultural warehouse took place before end of 2015.
- A joint mission to Kangi led by the County Commissioner including GIZ and UNIDO to Kangi took place in November 2016. During that visit, land for the construction of an agricultural warehouse was offered by the chief of Kangi Payam.

Activity 2.3: Assess the physical deficiencies needing rehabilitation, repair or improvement

- Carried out assessment of the physical rehabilitations/improvement needed for Aweil and Kuajok slaughterhouses. The assessment was jointly carried out by an international consultant, Mr Andreas Köhn and the AMTIP programme engineer in October 2015.

2.4 Assess training needs and establish tailor made training programmes

- Carried out training needs assessment of government stakeholders and private operators plus their staff and butchers for Aweil and Kuajok slaughterhouses in October 2015, through Dr David Love, an international consultant.
- Started with planning of trainings for all stakeholders as proposed in training needs assessment report.

2.5 Prepare technical specifications and launch the tenders

² R. J. Bakema, Financial and Economic Analysis of Slaughterhouses in Wau-Western Bahr el Ghazal State / Aweil-Northern Bahr el Ghazal State / Kuajok-Warrap State / Yirol-Lakes State, August 2015

- Prepared BoQs for rehabilitation of Kuajok and Aweil slaughterhouses in December 2015.
- Technical specifications for award of works developed for Kuajok and Aweil slaughterhouses between October and December 2015.

AMTIP carried out two studies in relation to the slaughterhouses in Aweil and Kuajok during the reporting period. One was to determine economic feasibility of operating the two slaughterhouses. The other study looked into the physical rehabilitations and improvement needed for Aweil and Kuajok slaughterhouses. Both studies recommended going ahead with the already planned activities for slaughterhouses in Aweil and Kuajok.

The economic feasibility study concludes “that commercial slaughtering houses in towns with an animal throughput of at least 50 animals have proven to be commercially viable; and can be run in a PPP arrangement. The renovation of the slaughterhouses in Aweil and Kuajok and their management under a PPP make therefore financial and economic sense³.”

In addition, the report on the physical assessment of the slaughterhouses in Aweil and Kuajok states that “in general it can be assessed that both slaughter houses in Kuajok as well as in Aweil are in a functional stage. The dimension of the slaughter halls is more than sufficient in view of the amount of cattle and shoats slaughtered per day so that an increase of slaughter in future can be covered with the current buildings”.

The assessment report also mentions that “even though almost all surfaces from walls, floors and work-tops are in very poor condition and some fixtures are already damaged, the quality of the buildings can be evaluated as sustainable and robust. Nevertheless a comprehensive refurbishment has to be implemented for both slaughter halls and their annex buildings”.

However, the report also pointed out that, “it should also be noted that a highly stressed building like a daily used slaughter house requires maintenance on regular basis which was not provided in the past”.⁴ Therefore, SMARF needs to clearly ensure daily maintenance of the facility by the operator. GIZ and SMARF agreed that this has to be manifested in the lease/management agreement between SMARF and the operator.

In addition, all parties in both locations agreed to put in place a mechanism and set aside funds for future rehabilitation of the facilities. The creation of an investment fund under the management of a Board from which expensive repairs can be financed was agreed. This issue will be part of the MoU between the SMARF and Local Governments in Kuajok and Aweil and GIZ.

The training needs report spells out that findings from “visiting the slaughterhouses and from the discussions held with SMARF officials (veterinary officers and senior management), slaughterhouse operators and butchers and their staff that training and capacity building is essential for the project

³ R. J. Bakema, Financial and Economic Analysis of Slaughterhouses in Wau-Western Bahr el Ghazal State / Aweil-Northern Bahr el Ghazal State / Kuajok-Warrap State / Yirol-Lakes State, August 2015

⁴ A. Köhn, Consultancy Assessment of 2 Nos. of existing Slaughter Houses in Kuajok and Aweil, South Sudan, November 2015

to become fully operational and sustainable in the future”.⁵ It also points out the need for appropriate training in the operation of the facility including all machinery and equipment.

Meetings with Jur River County authorities including the Commissioner and the Chief Executive Officer were conducted and the issue of constructing an agricultural warehouse were discussed between October and December 2015. A joint mission to Kangi led by the County Commissioner including GIZ and UNIDO to Kangi took place in November 2015.

Jur River County authorities agreed to allocate land within Kangi Payam to facilitate the project. Kangi Payam officials confirmed this commitment and identified possible locations. However, it was agreed that AMTIP will commission an economic feasibility study in relation to the agricultural warehouse before starting any work. This was also requested by the EU-Result Oriented Monitoring (ROM) mission. The study was arranged for February 2016.



Aweil slaughterhouse with biogas plant



Kuajok slaughterhouse inside – outside (from gate)

⁵ Dr David Love, Assessment of training needs for technical personnel running these slaughterhouses and government staff providing services to the slaughtering process of these 4 GIZ supported slaughterhouses, October 2015



Existing trading and storage facilities - Kangi

Result 3: One slaughterhouse in Wau is constructed and operating and one slaughterhouse in Rumbek is upgraded / completed and operating

3.1 Assess/verify the economic viability of the projects and develop business plans

- Developed ToR and hired an international consultant, Mr. R.J. Bakema to carry out feasibility study of planned Wau and Yirol slaughterhouse investments in August 2015.
- Carried out feasibility study for Wau and Yirol slaughterhouses between August and October 2015.
- Agreed with all relevant stakeholders concerning slaughterhouse construction in Lakes State to shift the location from Yirol back to Rumbek as originally planned.
- Developed ToR and contracted an international consultant in December 2015 to carry out a feasibility study of the proposed slaughterhouse in Rumbek in February 2016.

3.2 Identify suitable plots for constructions and monitor the establishment of title deeds

- State Ministry of Housing and Planning at request of Wau Municipality which is the owner of planned slaughterhouse, jointly with SMARF and GIZ identified suitable land in Wau for construction of slaughterhouse in August 2015.
- Planned confirmation of location of slaughterhouse to be carried out with all stakeholders including butchers in March 2016.
- Follow-up allotting of title deed requested by Wau Municipality from ministry of housing.
- Confirmed that land and incomplete slaughterhouse in Rumbek belongs to Rumbek Town Council.

3.3. Assess the physical deficiencies needing rehabilitation, repair or improvement

- Carried out assessment on the VsF built, however not completed slaughterhouse in Rumbek through international consultant engineer in October 2015. The result of the assessment recommended upgrading of that slaughterhouse.

3.4 Prepare technical specifications and launch the tenders

- Developed technical specifications for construction of Wau slaughterhouse in December 2015.
- Prepared first draft BoQs for construction of slaughterhouse in Wau in December 2015.
- Prepared first specifications and drawings for Rumbek slaughterhouse in December 2015.

3.7 Assess training needs and establish tailor made training programmes

- Prepared ToR and hired an international consultant for training needs assessment for Wau and Yirol slaughterhouses in August 2015.
- Carried out training needs assessment for Wau slaughterhouse in October 2015.
- Approved training needs assessment report of Wau slaughterhouse stakeholders in December 2015.

GIZ commissioned a consultancy for an economic and strategic assessment of 2 planned slaughter facilities and development of business plans. The consultancy was carried out by Mr. R. J. Bakema in August 2015. The study points out “[...] that commercial slaughtering houses in towns with an animal throughput of at least 50 animals per day have proven to be commercially viable; and can be run in a PPP arrangement. The construction of new slaughterhouses in Wau and Lakes State, and their management under a PPP make therefore financial and economic sense. However, the project must invest heavily in terms of training and backstopping in the governance and management of the facilities, to maintain the operating standards in the foreseeable future.”⁶

The shift of the location for a slaughterhouse back from Yirol to Rumbek was concluded by all stakeholders. However, the question remained if AMTIP should upgrade an existing but not completed slaughterhouse or build a new one. In order to establish the best option, GIZ conducted a technical assessment of the existing slaughterhouse from 30 October to 2 November. The assessment was carried out by a consultant engineer, Andreas Köhn.

The assessment mainly looked into the state of the existing but incomplete slaughterhouse. It evaluated the possibility of rehabilitation and upgrading the facility versus the need to construct a new one. Parameters were the quality of the building, its size in relation to expected throughput and its location. The assessment report concludes that “since the whole slaughter premises can be evaluated in suitable condition it is recommended to refurbish and enhance the existing buildings and equipment according to their needs.”

However, it also points out the need “to better access the premises the construction of a new Murram road up to the main road is essential. Depending on the road position the length might not be longer than 1 km and the width should not exceed 3 m.”⁷ The rehabilitation of the road was discussed with Rumbek Town Council and is proposed to be undertaken jointly. This could mean the Town Council sending equipment and manpower, while AMTIP contributes fuel. This issue needs to be part of a MoU.

After positive confirmation of the feasibility of Wau location and physical assessment of the Rumbek slaughterhouse, AMTIP looked into possible locations and legal ownership of these premises. In Wau, the State Ministry of Housing and Planning at request of Wau Municipality which is the owner of the planned slaughterhouse, jointly with SMARF and GIZ identified suitable land for construction of a slaughterhouse in August 2015. In the case of Rumbek, the Town Council produced papers,

⁶ R.J. Bakema, August 2015; Financial and Economic Analysis of Slaughterhouses in WAU-Western Bahr el Ghazal State / Aweil-Northern Bahr el Ghazal State / Kuajok-Warrap State / Yirol-Lakes State

⁷ Andreas Köhn, November 2015; Consultancy Assessment of an existing Slaughter House in Rumbek, Lakes State, South Sudan

clearly stating that it is the owner of the slaughterhouse premises. Nevertheless, a final confirmation of location of both slaughterhouses will be carried out with all stakeholders including butchers in March 2016.

The AMTIP engineering team developed technical specifications and BoQs for the construction of a slaughterhouse in Wau in December 2015. These specifications will be shared with the SMARF and the Ministry of Physical Planning. Both ministries will ensure that the planned constructions do adhere to national standards. The AMTIP team also prepared first specifications and drawings for the Rumbek slaughterhouse in December 2015.



Meat market Rumbek



Rumbek Slaughterhouse for completion/upgrading



Existing slaughterslab - Wau

Challenges encountered during the reporting period

- Continued insecurity within the country, which has during the reporting period also spread to the Greater Bahr el Ghazal region. This has led to a number of field missions being postponed or even cancelled. In addition, GIZ decided to close its offices in the Greater Bahr el Ghazal region from the 10 December 2015 till 11 January 2016. Work had to be executed from Juba.
- Necessary changes to initially proposed activities have slowed implementation. Especially shifting support from the Aweil rice mill to the construction of an agricultural warehouse in Kangi and the relocation of the proposed slaughterhouse from Rumbek to Yirol, then back to Rumbek.
- High turnover of key staff among government stakeholders in South Sudan because of the change in number of states from 10 to 28. Due to that, new office bearers had to be

thoroughly briefed concerning AMTIP. In addition, new office bearers took longer to take decisions concerning programme activities. GIZ continuously updates new government staff in order to foster an understanding of the programme processes.

- Disputes over slaughterhouse ownership existed in Kuajok and Rumbek. The owners of both slaughterhouses are the respective SMARFs. However, each municipality would like to benefit from rent (i.e. be the owner). GIZ, with the support of its SLGR project, is striving to establish a well thought-out partnership and functional relationship.
- The selection of independent private operators is difficult since each stakeholder has preferences. GIZ has been leading the process of jointly drafting terms of reference (ToR), conditions and requirements for private operators, based on which the operators are then jointly selected.
- The exchange rate between EURO and SSP was fixed at a low rate by the Government of South Sudan. This was coupled with extremely high prices of commodities throughout 2015. However, this issue was tackled by the government of South Sudan by removing the pegged exchange rate to the US Dollar to a floating exchange rate system in December 2015.

2.3 Logframe matrix updated

Results chain		Indicators	Base line	Curr value	Targets (incl. reference year)			Sources and means of verification	Assumptions
			Ref year	Ref date	Y1	Y2	Y3		
Overall objective: Impact	Access to and availability of food for rural and semi-urban households in the States of NBG, WBG, Warrap and Lakes are sustainably improved	x % of final beneficiaries have increased FS by x %	0	0	0	0		<input type="checkbox"/> National statistics <input type="checkbox"/> FAO, WFP, World Bank reports	
Specific objective(s): Outcome(s)	SO 1: Enlarging capacities to process, store and market agricultural products	<input type="checkbox"/> Processing, storage and marketing capacities have been increased by 10 per cent	0	0	0	0	10%	<input type="checkbox"/> Project progress reports <input type="checkbox"/> Documentation concerning PPP at state level <input type="checkbox"/> State statistics <input type="checkbox"/> TV, printed media	The political situation stabilises progressively/ favourable to development of private sector
	SO 2: State governments are contracting private operators to run the processing, storage and marketing facilities	<input type="checkbox"/> The legal and administrative framework for PPPs developed, formally approved and disseminated	0	0	0	5	0	<input type="checkbox"/> 5 contracts with private operators	
	SO 3: The selected private operators are enabled to run the facilities technically and economically at affordable prices	<input type="checkbox"/> 5 contracts with private operators established	0	0	0	5	0		

Outputs	Result 1: State ministries, county and town administrations accept and manage the outsourcing of public owned facilities to private operators	<input type="checkbox"/> Legal contracts for PPPs have been established <input type="checkbox"/> 5 private operators have been selected/contracted	0	0	0	5	0	<input type="checkbox"/> Public documents on PPP <input type="checkbox"/> Project progress reports <input type="checkbox"/> Training reports <input type="checkbox"/> Business reports <input type="checkbox"/> Annual financial statements of the private enterprises	The state administration accepts the concept of PPP
	Result 2: 3 investment projects rehabilitated or constructed and operational	<input type="checkbox"/> The slaughterhouses in Aweil and Kuajok have been rehabilitated and operational	0	0	0	2	0	<input type="checkbox"/> Mid-term and final review reports	
		<input type="checkbox"/> 1 agricultural warehouse constructed in Kangi and operational	0	0	0	1	0	<input type="checkbox"/> Mid-term and final review reports	
	Result 3: 2 investment projects realised and operational	<input type="checkbox"/> The slaughterhouse in Wau constructed and operational <input type="checkbox"/> The slaughterhouse in Rumbek upgraded and operational	0	0	0	2	0	<input type="checkbox"/> Mid-term and final review reports	
	Result 4: 5 private operators and their staff are trained and able to run the facilities according to the required technical and economic standards	<input type="checkbox"/> 5 private operators have been selected/contracted <input type="checkbox"/> Each operator and his staff have participated in at least 3 training events <input type="checkbox"/> Technical problems affecting the productive process have been reduced by 20 per cent <input type="checkbox"/> The economic balance of	0	0	0	5	0		

		the 5 enterprises shows positive results							
Activities	Results chain	Indicators	Baseline	Current value	Targets (incl. reference year)			Sources and means of verification	Assumptions
			reference year	reference date	Y1	Y2	Y3		
	Mobilize project staff and set up the project office in Wau and Rumbek	The project offices in Wau and Rumbek Operational	0	1	1	1	0	<input type="checkbox"/> Progress and financial reports Qualified staff available <input type="checkbox"/> Office Premise available <input type="checkbox"/> Staff contracts and files	Timely delivery of equipment
	Organize information meetings with state authorities	<input type="checkbox"/> Information meetings conducted with stakeholders of the 5 investments in all the 4 state capitals with the State authorities	0	5	5		0	<input type="checkbox"/> Minutes of meetings <input type="checkbox"/> Progress reports	
	Agree on the proposed projects to be funded and identify the public partners at state level to become owners of the infrastructure	<input type="checkbox"/> The 5 proposed projects accepted by all stakeholders <input type="checkbox"/> 5 public partners to be legal owners of infrastructure identified	0	5	5		0	<input type="checkbox"/> Minutes of meetings <input type="checkbox"/> Request letters by SMARF DGs and Jur River County Commissioner to GIZ to Construct / rehabilitate slaughterhouses and agric warehouse <input type="checkbox"/> Copies of documents showing infrastructure ownership/Land title	

	Assess and discuss the legal gaps for the implementation of PPPs	<input type="checkbox"/> Legal gaps affecting implementation of PPP identified for all the 5 investment projects	0	2		5	0	<input type="checkbox"/> Assessment report	
	Assist the partner in the formulation of decrees, bylaws or any other needed legal document to establish and process PPPs	<input type="checkbox"/> Guideline documents to help in establishment of effective PPP approach developed for the 5 investment projects	0	0		5	0	<input type="checkbox"/> Draft documents• Progress reports	
	Monitor the formal approval of needed legal documents	<input type="checkbox"/> Guideline documents for implementation of PPP approved for the 5 locations	0	0		5	0	<input type="checkbox"/> Progress reports	
	Result 2: 3 investment projects rehabilitated or constructed and operational								
	Assess/verify the economic viability of the projects and develop business plans	<input type="checkbox"/> Economic viability of Aweil and Kuajok slaughterhouses assessed/verified <input type="checkbox"/> 2 Business Plans developed for Aweil and Kuajok	0	2	2	0	0	<input type="checkbox"/> Economic viability of Aweil and Kuajok slaughterhouses assessed/verified <input type="checkbox"/> 2 Business Plans developed for Aweil	
	Assess the physical deficiencies needing rehabilitation, repair or improvement	deficiencies needing rehabilitation, repair or improvement identified for both Aweil and Kuajok Slaughterhouses	0	2	2	0	0	<input type="checkbox"/> Assessment reports	

	Identify suitable location for construction of agricultural warehouse	Suitable location for construction of agriculture warehouse in Kangi identified	0	1	1	0	0	<input type="checkbox"/> Land assessment report	
	Assess training needs and establish tailor made training programmes	<input type="checkbox"/> Training needs identified for private operators and their staff, meat inspectors, supervisors and butchers in Aweil, Kuajok.	0	2	2	1	0	<input type="checkbox"/> Assessment report	
	Training needs identified for Agriculture warehouse operator	<input type="checkbox"/> Training needs identified for Agriculture warehouse operator	0	0	0	1	0	<input type="checkbox"/> Assessment report	
	(NO)tailor made training programmes conducted for categories listed above	<input type="checkbox"/> (NO)tailor made training programmes conducted for categories listed above	0	0	0	3	0	<input type="checkbox"/> Training programmes Progress reports	
	Prepare technical specifications and launch the tenders	<input type="checkbox"/> 2 technical specifications/BoQs established for rehabilitations of Aweil and Kuajok slaughterhouses.	0	2	2	0	0	<input type="checkbox"/> Tender documents	
		<input type="checkbox"/> Technical specification for construction of agriculture warehouse in Kangi established	0	0	0	1	0	<input type="checkbox"/> Tender document	
		<input type="checkbox"/> Tenders launched for rehabilitation of Aweil and Kuajok slaughterhouses. <input type="checkbox"/> tender launched for construction of agric warehouse in Kangi	0	0	0	3	0	<input type="checkbox"/> Advertisements	

	Select and contract constructors/suppliers	<input type="checkbox"/> 2 constructors / suppliers contracted to rehabilitate Aweil and Kuajok slaughterhouses <input type="checkbox"/> 1 constructor/supplier contracted to construct an agric warehouse	0	0	0	3	0	<input type="checkbox"/> Minutes of tender evaluation sessions <input type="checkbox"/> Works and supply contracts	
	Supervise the construction / supply of equipment	<input type="checkbox"/> Aweil and Kuajok rehabilitation works completed conform to the technical specifications of tender document <input type="checkbox"/> Warehouse constructed in Kangi conforms to the technical specifications of the tender document	0	0	0	3	0	<input type="checkbox"/> Mission reports, notes to file <input type="checkbox"/> Certificates of acceptance	
	Organise trainings according to the established programmes	<input type="checkbox"/> (X no of trainings on (zzz) conducted	0	0	0	2	1	<input type="checkbox"/> Training reports <input type="checkbox"/> Progress reports	
	Result 3: 2 investment projects realised and operational								
	Assess/verify the economic viability of the projects and develop business plans	<input type="checkbox"/> Economic viability of the 2 slaughterhouses of Wau and Rumbek assessed/verified	0	2	2	0	0	<input type="checkbox"/> Filled questionnaires <input type="checkbox"/> Assessment report <input type="checkbox"/> Business plans	
	Identify suitable plots for constructions and monitor the establishment of title deeds.	<input type="checkbox"/> 2 suitable plots for construction of Wau and Rumbek slaughterhouses assessed and identified	0	2	2	0	0	<input type="checkbox"/> Assessment report <input type="checkbox"/> Copies of title deed	

	Prepare technical specifications and	<input type="checkbox"/> 2 technical specifications for construction of Wau and Rumbek slaughterhouses prepared <input type="checkbox"/> 2 tenders launched for construction of Wau and Rumbek S-houses	0	2	2	0	0	<input type="checkbox"/> Tender document	
	launch the tenders	<input type="checkbox"/> 2 tenders launched for construction of Wau and Rumbek Slaughterhouses	0	0	0	2	0	<input type="checkbox"/> Advertisement	
	Select and contract constructors/suppliers	<input type="checkbox"/> 2 Constructors / suppliers contracted to construct Wau and Rumbek Slaughterhouse	0	0	0	2	0	<input type="checkbox"/> Minutes of tender evaluation sessions <input type="checkbox"/> Works and supply contracts	
	Supervise the construction / supply of equipment	<input type="checkbox"/> Construction works conform to technical specifications	0	0	0	2	0	<input type="checkbox"/> Mission reports, notes to file <input type="checkbox"/> Certificates of acceptance	
	Assess training needs and establish tailor made training programmes	<input type="checkbox"/> Training needs of private operators, meat inspectors, supervisors and butchers for Wau and Rumbek slaughterhouses assessed and identified	0	2	2	0	0	<input type="checkbox"/> Assessment report <input type="checkbox"/> Progress reports	
	Result 4: 5 private operators and their staff are trained and able to run the facilities according to the required technical and economic standards								

	Monitor on a regular basis the operations of all investment projects	<input type="checkbox"/> Quarterly monitoring of operations of the investment projects conducted	0	0	2	4	4	<input type="checkbox"/> Mission reports <input type="checkbox"/> Progress reports	
	Assess the performance of the operators and their staff				0	4	4		

2.3.1 Contracts with value above Euro 60,000

There were no contracts issued with a value of Euro 60,000 or above during the reporting period.

2.4 Updated action plan for the future activities of the project⁸

Year 2														
		Half-year 1						Half-year 2						
Activity/Month		F	M	A	M	J	J	A	S	O	N	D	J	Implementer
Set up project office in Rumbek														GIZ
Result 1														
1.1	Organise information meetings with state authorities													
1.2	Agree on the proposed projects to be funded and identify the public partners at state level to become owners of the infrastructure													
1.3	Assess and discuss the legal gaps for the implementation of PPPs													
1.4	Assist the partner in the formulation of decrees, bylaws or any other text to legally establish and process PPPs													

⁸ This plan will cover the financial period between the interim report and the next report.

1.5	Monitor the formal approval of legal texts													
	Implementation Phase													
	Result 2													
2.1	Assess/verify the economic viability of the projects and develop business plans													
2.2	Identify suitable plots for construction and monitor the establishment of title deeds													
2.4	Assess training needs and establish tailor made training programmes													
2.5	Prepare technical specifications and launch the tenders													
2.6	Select and contract constructors/suppliers													
2.7	Supervise the construction/supply of equipment													
2.8	Organise trainings according to the established CB programme													>>>
	Result 3													
3.1	Assess the economic viability of the projects and develop business plans													
3.3	Assess the physical deficiencies needing rehabilitation, repair or improvement													
3.4	Prepare technical specifications and launch the tenders													
3.5	Select and contract constructors/suppliers													
3.6	Supervise the construction/supply of equipment													>>>
3.7	Assess training needs and establish tailor made training programmes													

3.8	Organise trainings according to the established CB programme													
	Result 4													
4.1	Monitor on a regular basis the operations of all investment projects													
4.2	Assess the performance of the operators and their staff													
4.3	Organise technical and managerial advise/support where needed													

3 Beneficiaries/affiliated entities and other Cooperation

3.1 Relationship between GIZ - AMTIP and state authorities

The relationship between GIZ AMTIP and National Ministries, State Ministries and County and Town Councils is very good. The four SMARFs, Rumbek Town Council, Wau-, Aweil-, Kuajok- Municipalities and Jur River County are the main partners. Consultations take place regularly and relevant information is shared. The good relationship between AMTIP and State Authorities has enabled the programme to implement activities without much delay.

3.2 Relationship with other organisations involved in implementing the action

Final beneficiaries and target groups

The relationship between GIZ AMTIP and the target group consisting of state ministries staff, county- and town council staff and private operators and their staff is good and based on mutual respect. The AMTIP management and staff is in constant contact with the above mentioned target group. Information from both sides is freely exchanged and both groups work jointly towards achieving the commonly agreed targets.

The relationship with the final beneficiaries of AMTIP which are the smallholder producers and urban and peri-urban consumers is not exercised on an individual basis.

3.3 Links and synergies with other actions

A number of links and synergies are being developed with other ZEAT BEAT actors. Close cooperation with UNIDO's EU funded programme "Enhanced local value addition and strengthening value chains" takes place. GIZ and UNIDO are in the process of signing a MoU manifesting their cooperation. Areas of cooperation are the slaughterhouse operations, where UNIDO has included hides and skins as one of their high potential value chains. Cooperation will include activities such as joint trainings of butchers.

Furthermore, a close cooperation between UNIDO and AMTIP and UNOPS is established in relation to the planned agricultural warehouse in Kangi. UNIDO and UNOPS were part of the team led by the Jur River County Commissioner that went to Kangi and introduced the ZEAT BEAD activities to the Payam leadership. The three partners will decide the final location of the agricultural warehouse facility within Kangi centre jointly.

AMTIP is exploring possible links and strives towards establishing synergies with the FAO Pastoralists Project in Lakes State. The development of information material in regards to hygienic slaughtering and value addition in slaughterhouses for use by FAO are areas for cooperation. In addition, visits of members of the pastoralist community to the Rumbek slaughterhouse will be organised.

In addition to the bilateral links between partners, monthly coordination meetings among all ZEAT BEAD and SORUDEV partners take place. The meetings are chaired by FAO and hosted by partners on a rotational basis. These meetings are used to discuss activities, exchange information and plan activities jointly.

3.4 Previous EU grants in view of strengthening the same target group

The EU funded the Livestock Production and Marketing Project (LPMP) under STABEX – SPCRP - 02 which GIZ implemented from 29 March 2008 to 28 September 2012. The LPMP used methods such as

the PPP approach and operated in the region also selected for AMTIP. In addition, one of its main activities was the “Slaughter/meat hygiene including construction of three modern slaughter houses”. Two of these slaughterhouses are in Aweil and Kuajok.

AMTIP is realising investment projects in four states of the Greater Bahr el Ghazal region. Among these interventions are the renovation and upgrading of the 2 slaughterhouses built by LPMP in Aweil and Kuajok. In principle, AMTIPs interventions are based on the experiences with the slaughterhouses in Aweil and Kuajok, constructed in 2010/2011 with funding from the EU.

4 Visibility

GIZ is fully committed to the Annex VI, Communication and Visibility Plan of the Indirect Management Delegation Agreement.

GIZ initiated a number of activities to ensure EU visibility:

- Banners with the logos of GIZ, EU and SMARF were procured and are used during all official functions.
- All State partners will be issued banners with the logos of EU, GIZ and SMARF for display on their offices.
- AMTIP erected signposts close to Wau airport as well as at the junction leading from the railway road to the AMTIP office in Wau.
- All signposts giving directions to AMTIP offices or activity sites include the logo of the EU.
- The official AMTIP letterhead as well as all other official documents comprises the logos of GIZ, EU and the SMARF.
- All AMTIP publications bear the logos of EU, GIZ and SMARF.
- Accompanying letters in regard to distributed publications point out that these were produced with co-funding from the EU.



Name of the contact person for the Action:

Bernadette Neu

Signature:

Location:

Date: