
President’s Memorandum

Proposed additional financing to the Entre Ríos Province of the Argentine Republic

Promotion of Resilient and Sustainable Agrifood Systems for Family Farming Programme

Project ID: 2000001530

Document: EB 2024/143/R.6

Agenda: 3(a)(i)(c)(i)

Date: 12 November 2024

Distribution: Public

Original: English

FOR: APPROVAL

Action: The Executive Board is invited to approve the recommendation for the proposed additional financing contained in paragraph 61.

Technical questions:

Rossana Polastri
Regional Director
Latin America and the Caribbean Division
e-mail: r.polastri@ifad.org

Juan Diego Ruiz Cumplido
Country Director
Latin America and the Caribbean Division
e-mail: j.ruizcumplido@ifad.org

Contents

Financing summary	ii
I. Background and programme description	1
A. Background	1
B. Original programme description	2
II. Rationale for additional financing	2
A. Rationale	2
B. Description of geographical area and target groups for Entre Ríos Province	3
C. Components, outcomes and activities	4
D. Costs, benefits and financing	4
III. Risk management	8
A. Risks and mitigation measures	8
B. Environment and social category	9
C. Climate risk classification	10
D. Financial risk classification	10
IV. Implementation	10
A. Compliance with IFAD policies	10
B. Organizational framework	10
C. Monitoring and evaluation, learning, knowledge management and strategic communication	12
D. Proposed amendments to the financing agreement	12
V. Legal instruments and authority	12
VI. Recommendation	12

Appendices

- I. Updated logical framework incorporating the additional financing
- II. Updated summary of the economic and financial analysis

Programme delivery team	
Regional Director:	Rossana Polastri
Country Director:	Juan Diego Ruiz Cumplido
Technical Lead:	Rikke Grand Olivera
Finance Officer:	Johanna Herremans
Climate and Environment Specialist:	Maemi Chinen
Legal Officer:	Pauni Obregon

Financing summary

Initiating institution:	International Fund for Agricultural Development
Guarantor:	Argentine Republic
Borrower/recipient:	Entre Ríos Province
Executing agency for additional financing:	Entre Ríos provincial executing unit
Total programme cost:	US\$52.6 million
Amount of original IFAD loan:	US\$13.1 million
Terms of original IFAD loan to the Argentine Republic:	Ordinary, with a maturity period of 32 years, and a grace period of 7 years, at an interest rate equivalent to the IFAD reference interest rate including a variable spread.
Amount of additional IFAD loan to the Province of Entre Ríos (Borrowed Resource Access Mechanism)	US\$15 million
Terms of additional IFAD financing:	Ordinary, with a maturity period of up to 18 years, and a grace period of up to 3 years, at an interest rate equal to the IFAD reference interest rate including a variable spread.
Cofinancier:	FONPLATA Development Bank
Amount of cofinancing:	US\$13.3 million
Terms of cofinancing:	Loan
Contribution of borrower – Federal Government:	US\$6.7million
Contribution of borrower – Provincial Government:	US\$1.3million
Contribution of beneficiaries:	US\$3.1 million
Amount of original IFAD climate finance:	US\$ 3.7 million
Amount of additional IFAD climate finance:	US\$ 9.9 million
Cooperating institution:	Directly supervised by IFAD

I. Background and programme description

A. Background

1. Additional financing totaling US\$15 million under the Borrowed Resource Access Mechanism (BRAM) has been requested by the Government of Argentina to complement the Promotion of Resilient and Sustainable Agrifood Systems for Family Farming Programme (PROSAF). PROSAF was approved by the Executive Board in September 2021 and launched in October 2022 (first disbursement). The original programme completion and closure dates are 31 December 2026 and 30 June 2027, respectively.
2. The original programme financing amounts to US\$36.1 million, with IFAD financing of US\$13.1 million, including IFAD climate finance of US\$3.7 million under the Eleventh Replenishment of IFAD's Resources (IFAD 11); counterpart funding from the Government of Argentina of US\$6.7 million; a beneficiary contribution of US\$3.0 million; and US\$13.3 million in cofinancing from the FONPLATA Development Bank. PROSAF's current disbursement rate stands at 33.6 per cent. As of 30 June 2024, cumulative expenditure from the IFAD loan is US\$1.5 million, which corresponds to 11 per cent of the authorized allocation and 34 per cent of the disbursed amount of the IFAD loan.
3. According to the latest supervision report of November 2023, a total of 29 organizational plans for small-scale agroecology producer organizations have been approved and are under implementation. Since PROSAF has not yet reached the midterm review, no outcome survey has yet been conducted. PROSAF has made significant progress in establishing partnerships, including agreements with eight provincial governments, academia and several development organizations such as *Fundacion Foro del Sur*, the ProYungas Foundation, *Fundacion Universidad Tres de Febrero* and the National Agricultural Technology Institute. In line with current national policies on public expenditure management, the national implementing unit for international financial institutions (IFIs) within the Ministry of Economy (MECON), namely the National Sector and Special Programmes and Projects Department, is under restructuring including a significant downsizing in terms of technical, administrative and financial management personnel that might affect future implementation.
4. The Argentine Republic is a federal state subdivided into 23 provinces and one autonomous city. Following a redefinition of the implementation arrangements for external credit operations in Argentina, the provincial project management units are assuming greater leadership in the technical coordination of operations, with the central Government no longer borrowing directly from IFIs for rural development projects.
5. On 9 February 2024, through MECON, the Government of Argentina requested additional financing from IFAD with the objective to complement the above referenced PROSAF interventions. On June 22, MECON sent an official request to extend the implementation of PROSAF until 31 December 2029 as the new completion date, to facilitate proper programme execution in view of the potential additional financing and the participation of provincial implementing units, which will require additional time for implementation. Moreover, in accordance with applicable national procedures, Entre Ríos Province sent a communication to MECON requesting access to IFAD additional financing for PROSAF to implement the additional financing over a four-year period from entry into force, which is expected between the first quarter of 2025 and the second quarter of 2029. Details on the original PROSAF extension requested by MECON, along with its implications related to the additional financing, will be discussed during the PROSAF supervision mission in November 2024. This will include implementation arrangements and strategic coordination among the various participating stakeholders. The borrower

for the additional financing will be the Government of Entre Ríos, one of the provinces initially included in the project design report. Therefore, a subnational financing agreement will be signed between IFAD and the Government of Entre Ríos, backed by a sovereign guarantee of the Argentine Republic. The request is primarily based on the need to complement the original design of PROSAF, which received limited funding from IFAD, in line with new rural development public policies in the country to promote productive rural infrastructure.

6. Of the additional IFAD funds, 96.27 per cent will be invested in the infrastructure expenditure category, with the remaining 3.73 per cent invested in the training and operating expenditures categories.

B. Original programme description

7. The PROSAF overall goal is to contribute to reducing poverty among poor family, peasant and Indigenous farm (AFCI) producers and improving the sustainability of Argentina's food systems. The programme development objective is to improve the resilience of poor AFCI producers by promoting sustainable and inclusive production and commercialization systems that are adapted to climate change.
8. The programme was originally planned to reach 16,610 AFCI smallholders households living in poverty, of whom 6,809 are headed by women (40 per cent) and 5,091 by young people (30 per cent, equally divided between women and men), for an estimated total of approximately 66,300 people. Of the total number of households, 20 per cent were expected to be Indigenous.

II. Rationale for additional financing

A. Rationale

9. Argentina has experienced recurrent periods of economic crisis and low economic growth. Recent years have also seen a severe recession. Poverty in Argentina reached 52.9 per cent of the population in the first half of 2024 and the rate of indigence rose to 18.1 per cent. These are the highest levels of poverty and indigence recorded since the first half of 2004.
10. Family farming accounts for over 25 per cent of the value produced by the agriculture sector while utilizing 18 per cent of the land. Family farms generate 27 per cent of the total agricultural output by volume. Although cooperatives help family farms meet various value chain standards, 70 per cent of family farmers are not members. Integrating smallholder farmers into the formal economy and enhancing their access to services and safety nets could significantly increase their contributions and support.
11. The current Government of Argentina took office in December 2023. Since then, provincial governments have taken the lead in driving territorial development programmes. Regarding financing, this includes direct access to international funding sources. To facilitate these mechanisms, the Federal Government offers a sovereign guarantee through MECON to support operations funded by international loans. Other IFIs, such as the World Bank, the Inter-American Development Bank, the Development Bank of Latin America and the Caribbean and FONPLATA, have been using this modality in Argentina for years. MECON is the entity responsible for prioritizing and approving projects submitted by subnational entities to be financed by IFIs.
12. The objective of the additional financing is to complement the original PROSAF programme by boosting investments in resilient productive rural infrastructure. The additional financing will be implemented with the Government of Entre Ríos to scale up PROSAF, by investing in productive rural infrastructure leading to increasing productivity, climate resilience and market access for family farmers, notably in the small-scale beekeeping sector.

13. The Government of Entre Ríos will be the IFAD borrower with a sovereign federal guarantee from the Argentine Republic. The implementation period of the additional financing will be four years from its entry into force, which is expected by the first quarter of 2025. The additional financing will consist of an IFAD loan with BRAM resources on ordinary terms with a maturity period of up to 18 years and a grace period of up to three years, at an interest rate equivalent to the IFAD reference interest rate including a variable spread. Lending terms will be reconfirmed during loan negotiations. The debt burden of the country and the absorption capacity of Entre Ríos Province have been assessed by the Office of Enterprise Risk Management (RMO) and a favorable opinion has been provided. The additional financing will be directly supervised by IFAD.
14. The financing will allow for piloting an alternative approach, based on the intensification of the investments at the provincial level, which is expected to increase the ownership and sustainability of the investment, as well as a more comprehensive set of investments needed to link better family farmers with markets.
15. IFAD's infrastructure investments are both relevant and effective in contributing to poverty reduction, as mentioned in the evaluation synthesis prepared by the Independent Office of Evaluation of IFAD on IFAD's support for infrastructure. Demand for infrastructure investments in partner countries is anticipated to rise, particularly in middle-income countries and upper-middle-income countries (UMICs), where the declining availability of concessional loans and grants increases the need for productive investments, especially at the subnational level.
16. PROSAF's main approaches include enhancing territorial operational networks of AFCI organizations and promoting a transition to agroecological productive systems. The additional financing complements these approaches with partnerships to promote market driven inclusive value chains with traction entities, while ensuring special aspects on mainstreaming priorities.

Special aspects relating to IFAD's corporate mainstreaming priorities

17. In line with IFAD's mainstreaming commitments, the PROSAF programme has been validated as:
 - Including climate finance
 - Gender-transformational
 - Nutrition-sensitive
 - Youth-sensitive
 - Including adaptive capacity
18. With the additional financing, climate finance has been validated as US\$9.9million under IFAD12. Total climate finance under the programme is US\$13.6 million. In addition, the programme builds adaptive capacity and adopts an agroecological approach.

B. Description of geographical area and target groups for Entre Ríos Province

19. Entre Ríos Province has historically relied heavily on the primary sector in its production structure, and the most dynamic industrial activities are those associated with this sector. Moreover, the province has not effectively diversified its productive structure or significantly promoted industries associated with knowledge and technology.
20. According to the latest national agricultural census (2018), around 50 per cent of the 11,627 agricultural units in Entre Ríos can be classified as family farms under national regulations. Approximately 16 per cent of these units are headed by women, and 12 per cent are managed by producers aged 39 or younger. Collectively, they engage in activities that include livestock, honey and its

derivatives, dairy, vegetables and fruits. On average, 60 per cent of the food produced in Entre Ríos comes from family farming.

21. The additional financing will reach an additional 5,009 AFCI smallholders, including 1,209 households of new beekeepers and 3,800 additional direct beneficiaries of constructed rural roads, of whom 2003 are women (40 per cent) and 1,502 are youth (30 per cent). For Indigenous Peoples, the ratio of 20 per cent of the original PROSAF provinces is maintained, while for Entre Ríos it is estimated at 5 per cent due to a lower presence of Indigenous Peoples, the total number corresponding to 250 additional households. The final targets of the programme, including the additional financing, will correspond to a total of 21,619 AFCI smallholders, of whom 8,648 women (40 per cent), 6,486 youth (30 per cent) and 3,572 Indigenous (20 per cent for the original programme and 5 per cent for the additional financing). Overall, the additional financing will allow for an increase in the number of families reached by the programme of 30 per cent.
22. **Programme area and targeting.** The additional financing will be executed in rural areas of 11 departments of the Entre Ríos Province, which are particularly linked to the family farming beekeeping sector. The following targeting criteria will be applied: (i) geographical targeting based on indicators to identify priority areas with overlapping rural poverty indicators and unmet basic needs; (ii) direct targeting, applying eligibility criteria for smallholder organizations composed of rural or Indigenous People whose income is equivalent to not more than twice the minimum monthly salary established by law for a rural worker.

C. Components, outcomes and activities

23. Objectives are the same as in the approved original financing; activities supported by the additional funds are consistent with the original design, implementation approaches and components. The additional financing will allow for the inclusion of a new outcome, 1.4 – productive rural infrastructure, within the original component one, support and financing for production and commercialization:
24. Outcome 1.4: Productive rural infrastructure. AFCI producers and their organizations have strengthened production and marketing systems and participate in development alliances through market-driven inclusive value chains resilient to environmental and climate risks. Storage, processing and marketing centres, along with improved rural roads to enhance market access, are the types of productive rural infrastructure being envisioned, as follows:
 - (i) Improvement of infrastructure and equipment for nine storage and processing centres in the family farming beekeeping sector; and
 - (ii) Rehabilitation of 10 sections of rural roads, with a total planned length of 22 km. One of these sections will be over 10 km at 13.6 km.
25. Other activities will fall under the following components:
 - (i) Component 2: Development of systemic support services for production and commercialization. The supply of technical assistance for AFCIs is expanded and strengthened.
 - (ii) Component 3: Knowledge management, monitoring and evaluation (M&E) and programme management. Coordination of programme management and administration, M&E and evaluation.

D. Costs, benefits and financing

Programme costs

26. Programme components 1 and 2 are partially counted as climate finance. As per the multilateral development banks' methodologies for tracking climate change adaptation and mitigation finance, the total amount of IFAD climate finance for this programme is estimated at US\$9.9million.

27. The total updated programme cost is US\$52.6 million, as shown in table 1. The original IFAD loan financing amounted to US\$13.1 million, with additional IFAD loan financing of US\$15 million. Recurring costs for the additional financing are US\$1.3 million, 7.8 per cent of total additional financing. The costs by component of the additional financing are presented in table 2, costs by expenditure category and financier in table 3, and costs by component and programme year in table 4.

Table 1

Original and additional financing summary

(Thousands of United States dollars)

	<i>Original financing</i>	<i>Additional financing</i>	<i>Total</i>	<i>Disbursed</i>
IFAD loan	13 100	15 000	28 100	4 408
FONPLATA	13 300	-	13 300	1 403
Beneficiaries	3 000	160	3 160	0
Borrower	6 700	1 340	8 040	5
Total	36 100	16 500	52 600	5 816

Table 2
Additional financing: programme costs by component and financier
 (Thousands of United States dollars)

	<i>Additional IFAD loan</i>		<i>Beneficiaries</i>		<i>Borrower</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
1. Support and financing for production and commercialization	14 440	96	160	100	540	40	15 140
2. Development of systemic support services for production and commercialization	134	1	-	-	350	26	484
3. Knowledge management, monitoring and evaluation and programme management	426	3	-	-	450	34	876
Total	15 000	100	160	100	1 340	100	16 500

Table 3
Additional financing: programme costs by expenditure category and financier
 (Thousands of United States dollars)

<i>Expenditure category</i>	<i>Additional IFAD loan</i>		<i>Beneficiaries</i>		<i>Borrower</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
Investment costs							
1. Training	134	1	-	-	-	-	134
2. Service contracts (consultancy services)	-	-	-	-	350	26	350
3. Studies and audit reports (consultancy services)	-	-	-	-	540	40	540
4. Infrastructure	14 440	96	160	-	-	-	14 600
Total investment costs	14 574	97	160	100	890	66	15 624
Recurrent costs							
1. Salaries	156	1	-	-	450	34	606
2. Operating costs	270	2	-	-	-	-	270
Total recurrent costs	426	3	-	-	450	34	876
Total	15 000	100	160	100	1 340	100	16 500

Table 4
Programme costs by component and programme year (PY)
 (Thousands of United States dollars)

<i>Component</i>	<i>PY1 2025</i>		<i>PY2 2026</i>		<i>PY3 2027</i>		<i>PY4 2028</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
1. Support and financing for production and commercialization	3 000	90	6 000	94	4 500	93	1 640	86	15 140
2. Development of systemic support services for production and commercialization	145	4	145	2	97	2	97	5	484
3. Knowledge management, monitoring and evaluation and programme management	175	6	263	4	263	5	175	9	876
Total	3 320	100	6 408	100	4 860	100	1 912	100	16 500

Financing and cofinancing strategy and plan

28. With the requested additional financing included, the programme will be financed by: (i) IFAD financing of US\$28.1 million (53 per cent of total cost); (ii) FONPLATA cofinancing of US\$13.3 million (25 per cent); (iii) a government contribution of US\$8.04 million (15 per cent); and (iv) beneficiary contributions of US\$3.16 million (6 per cent). The additional financing agreement will be signed between IFAD and the Government of Entre Ríos. The Argentine Republic will provide a sovereign guarantee.

Disbursement

29. Disbursement procedures remain to be defined as part of the fiduciary evaluation to be carried out before first disbursement of the additional financing and will be included in a separate financial management and financial control arrangements letter (FMFCL), to be sent by IFAD to the Government of Entre Ríos upon signature of the financing agreement. It will include a provision whereby the financial evaluation of the fiduciary and procurement capacity of the Government of Entre Ríos will be completed prior to the first disbursement. The results of this evaluation must meet the criteria established by IFAD in order to be deemed satisfactory. Should the evaluation be deemed unsatisfactory by IFAD, the programme may be subject to cancellation.

Summary of benefits and economic analysis

30. Increases in income and employment in family beekeeping production systems are expected. The period used to calculate the economic internal rate of return (EIRR) and the economic net present value (NPV) is 10 years for the farming models analysed and 20 years for the integration of the programme. The discount rate adopted was 12 per cent per annum. The economic evaluation was carried out by estimating the incremental net income flow from: (i) the annual income of the beekeeping production and honey value-added models under an agroecological approach; (ii) the annual investments and production costs of these elements; and (iii) the costs of the programme, deducting the contributions made to each model, contingencies and taxes. The results show that the programme is economically viable: the EIRR is 24.8 per cent, the NPV is US\$12,720 million and the cost-benefit ratio is 5.9.

Exit strategy and sustainability

31. PROSAF, through its knowledge management strategy and the combination of its three components, will generate the necessary capacities among the actors involved. Likewise, partnerships and opportunities for continued financial support will be identified.
32. The sustainability of the programme is linked to its operational and methodological strategy, which, if proven successful, will be mainstreamed in the policies of the Government, the provinces and sector institutions.

III. Risk management**A. Risks and mitigation measures**

33. The overall risk of the programme is classified as moderate in the integrated project risk matrix. The main risks in the country context are related to the macroeconomic situation and political commitment. Mitigation is based on a continuous dialogue to keep IFAD in the political agenda. Environmental and social risk is rated substantial (due to rural roads over 10 km) and will be mitigated by the comprehensive set of actions identified in the Social, Environmental and Climate Assessment Procedures note. The main mitigation strategy will be based on maintaining the current excellent dialogue with MECON, which sets budget and investment priorities. As the credit rating at the provincial level can be considered a risk, RMO has provided a risk assessment that is duly mitigated by the federal guarantee issued by MECON.

34. As the proposed additional financing will be the first subnational debt operation for IFAD with a provincial government, a potential risk has been identified regarding the harmonization of financial management and procurement processes. Mitigation measures include regularly monitoring financial and procurement procedures through collaboration between IFAD and the provincial programme management unit (PMU).
35. The inherent risk column represents the initial risks, while the residual risk represents the risk remaining after the mitigation measures have been applied.

Table 5

Overall risk summary

<i>Risk areas</i>	<i>Inherent risk</i>	<i>Residual risk</i>
Country context	Substantial	Substantial
Sector strategies and policies	Moderate	Moderate
Environment and climate context	Moderate	Moderate
Programme scope	Low	Low
Institutional capacity for implementation and sustainability	Moderate	Moderate
Financial management	Substantial	Substantial
Programme procurement	Moderate	Moderate
Environment, social and climate impact	Moderate	Moderate
Stakeholders	Moderate	Moderate
Overall	Moderate	Moderate

36. Financial management risk is considered substantial as no evaluation of the financial management capacity of the Government of Entre Ríos executing unit has been completed to date. Mitigation measures are as follows: completion of the fiduciary assessment, no objection by IFAD to a project implementation manual (PIM) at provincial level that includes a description of the flow of funds, systems and internal controls to be included in the additional financing as conditions for the first disbursement.

B. Environment and social category

37. A new screening questionnaire was applied to the new activities related to productive rural infrastructure (mainly storage and processing centres and rehabilitation of rural roads). The environmental and social category of the additional financing is moderate. The rehabilitation of rural roads will result in annual average daily traffic below 400. The Environmental, Social and Climate Management Plan (ESCMP) has been updated to include additional measures to manage the risk related to the new activities for outcome 1.4 of the additional financing. The ESCMP of the programme incorporated new mitigation measures: (i) to conduct a pre-feasibility study for the investment required for the rehabilitation of rural roads, which must include a previous study to verify traffic; and (ii) to ensure that the terms of reference for rural roads rehabilitation include the requirement that service providers comply with national legislation, including occupational health and safety standards.
38. The risk for the rest of the programme remains moderate given that it: (i) could involve or lead to significant consumption of raw materials and energy; (ii) will develop or rehabilitate irrigation schemes at small scale; (iii) is sited in areas where Indigenous Peoples are present; (iv) will incorporate the construction of small-scale hydraulic works and rural roads; (v) could result in the utilization and/or commercial development of natural resources on lands and territories inhabited by Indigenous Peoples; (vi) operates in sectors or value chains where there have been reports of discriminatory practices and a lack of equal opportunity (for disadvantaged and vulnerable workers, including women, children of working age, migrants and persons with disabilities), denial of freedom of association and

collective bargaining, and migrant labour; (vii) targets an area in which there have been reported cases of child labour in some value chains; (viii) will operate where there is a presence of water-borne, zoonotic or vector-borne diseases; (ix) will construct, rehabilitate or upgrade rural roads of less than 10 km but is not foreseen to increase traffic or alter traffic flow; (x) may lead to an influx of programme workers (related to small-scale works); and (xi) could involve or lead to the release of pollutants into the environment (on and off farm) due to routine or non-routine circumstances with the potential for adverse local impact.

C. Climate risk classification

39. Based on the climate risk assessment carried out in April 2024, the climate risk category is moderate. Despite a high level of hazards and substantial exposure identified in the programme intervention area (which includes Entre Ríos Province), the sensitivity of the targeted population is very low or null. On the other hand, the adaptive capacity to climate change is high.
40. The programme is implementing the environmental and social management plan to monitor compliance with the environmental, climatic and social risk management measures identified.

D. Financial risk classification

41. RMO has no objection to the proposal considering the guarantee provided by the Government of Argentina. RMO recommends obtaining comfort or clarification on the enforceability of the guarantee in case it is called.
42. The International Monetary Fund staff report on Argentina (June 2024) states that while the overall risk of sovereign stress is high, the debt sustainability assessment is sustainable but not with high probability, which remains consistent with the previous rating as of early 2024.
43. The assessment is predicated on the successful implementation of the new stabilization plan, involving significant efforts to realign and harmonize the foreign exchange regime amid a more ambitious and frontloaded fiscal consolidation path, which together should secure fiscal and current account surpluses.
44. Since the Government of Entre Ríos will be the borrower of the US\$15 million loan from IFAD, the Argentine Republic will provide a sovereign guarantee for the total amount of the loan.

IV. Implementation

A. Compliance with IFAD policies

45. The procurement of goods, works and services will be carried out fully in accordance with IFAD's Project Procurement Framework using IFAD's Project Procurement Guidelines, Procurement Handbook and Standard Procurement Documents, which exclude any national system.

B. Organizational framework

Management and coordination

46. The additional financing will be implemented by the Government of Entre Ríos PMU, in close and strategic coordination with other provincial entities such as the Secretariat of Family Farming and Productive Development and the Secretariat of Roads. The PMUs will be responsible for ensuring the coordinated implementation of all planned activities in compliance with the financial agreement. IFAD will be responsible for programme supervision. Additionally, the Government of Entre Ríos PMU will coordinate with MECON and the other participating provinces.
47. In view of the recommendations of the recent country strategy and programme evaluation for Argentina, IFAD will provide technical assistance to MECON and the provinces participating in PROSAF to establish a robust and effective M&E system.

Financial management, procurement and governance

48. The Government of Entre Ríos executing unit will be responsible for the financial management of additional financing implementation, including: (i) preparation of the annual workplan and budget; (ii) promotion of a robust internal control environment and comprehensive financial manuals; (iii) maintaining an adequate accounting system; (iv) presentation to IFAD of interim financial reports; (v) submission of withdrawal applications through the IFAD Client Portal; (vi) preparation of annual financial statements in accordance with the provision of the IFAD Audit Manual and submission of unaudited annual financial statements no later than four months following closing of the previous fiscal year; and (viii) coordination of the annual audit.
49. In the absence of a fiduciary assessment of the provincial executing agency, it remains to be determined how the borrower intends to be in compliance with Article IX of the General Conditions regarding financial reporting and audits during implementation and what special covenants are to be included in the financing agreement with regard to fiduciary arrangements. The financial management risk will be formally determined once the assessment of the provincial PMU has been completed and, in the event such assessment is deemed unsatisfactory by IFAD, the programme will be cancelled in accordance with the financing agreement. As part of the fiduciary assessment, specific arrangements for financial management, financial reporting, disbursements and audits will be agreed with the provincial government and reflected in the FMFCL and PIM. IFAD's no objection to a PIM at provincial level that includes a description of the flow of funds, systems and internal controls and the hiring of a finance specialist dedicated to the programme will be included in the financing agreement as additional conditions for first disbursement.
50. Procurement risk will be formally determined once the assessment of the provincial PMU has been completed. Based on this analysis and in addition to the use of IFAD's project procurement framework, the procurement arrangements will be determined and documented in the project performance assessment.
51. As a condition for disbursement, the PIM will need to include the new procurement arrangements and a procurement specialist in the PMU will need to be dedicated to IFAD. Procurement will be managed through the Online Project Procurement End-to-End System and contracts registered in the Country Management Tool.
52. Separate audited financial statements will be prepared for the funds implemented under the financing agreement signed with the Government of Entre Ríos. To be confirmed as a condition for first disbursement is whether the annual audit will be carried out by the provincial court of accounts. The audited financial statements will be submitted to IFAD no later than six months following closing of the previous fiscal year.

Programme target group engagement and feedback and grievance redress

53. The main feedback mechanisms are: (i) differentiated feedback spaces for women and men; (ii) free, prior and informed consent of Indigenous Peoples and communities; and (iii) a participatory monitoring system. In addition, steps will be taken to promote the participation of women in dialogue and decision-making mechanisms.
- Grievance redress**
54. In accordance with IFAD's social and environmental policies, an open mechanism will be made available to the programme's target population to address claims and complaints from individuals, community authorities or representatives of groups who consider that they have been affected by the programme implementation.

C. Monitoring and evaluation, learning, knowledge management and strategic communication

55. The programme will dedicate resources to the systematization and documentation of experiences and the collection of lessons. Argentinian institutions have strong potential as providers of know-how and technologies for South-South and Triangular Cooperation (SSTC) and are also interested in participating in knowledge exchanges.
56. The main innovations of the programme are: (i) the focus on agroecology systems promotion; (ii) a combination of policy dialogue, knowledge management and SSTC, responding to IFAD's agenda for UMICs; (iii) the combination of an investment component and a systemic component to solve bottlenecks and structural problems; (iv) the adoption of a gender-transformative, youth-sensitive and nutrition-sensitive approach; (v) an information and communications technologies for development and innovation strategy; and (vi) a territorial approach based on local networks and multi-stakeholder platforms.

D. Proposed amendments to the financing agreement

57. A new bilateral financing agreement will be signed between IFAD and the Government of Entre Ríos for implementation of the additional financing, with the federal sovereign guarantee provided by Argentine Republic.

V. Legal instruments and authority

58. A financing agreement between the Government of Entre Ríos Province and IFAD and a separate guarantee agreement between the Argentine Republic and IFAD will constitute the legal instrument for extending the proposed financing to the borrower.
59. The Government of Entre Ríos Province of the Argentine Republic is empowered under Argentinian laws to receive financing from IFAD. The Argentine Republic is empowered under Argentinian law to guarantee the loan.
60. I am satisfied that the proposed additional financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

VI. Recommendation

61. I recommend that the Executive Board approve additional financing in terms of the following resolution:

RESOLVED: that the Fund, on the guarantee of the Argentine Republic shall provide a loan on ordinary terms to the Province of Entre Ríos in the Argentine Republic in an amount of fifteen million United States dollars (US\$15,000,000) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Alvaro Lario
President

Updated logical framework incorporating the additional financing

Results hierarchy	Indicators					Means of verification			Assumptions/notes
	Name	Baseline	Midterm	Original target	Final target	Source	Frequency	Responsibility	
Outreach	1.b. Estimated corresponding total number of households members					Annual M&E Reports	Annual	DIPROSE/ EERR PMU	
	Households members- Number of people	0	46408	69762	90800				
	1.a Corresponding number of households reached					Annual M&E Reports	Annual	DIPROSE/ EERR PMU	
	Households	0	11050	16610	21619				
	1 Persons receiving services promoted or supported by the project					Annual M&E Reports	Annual	DIPROSE/ EERR PMU	
	Men	0	6861	9966	12971				
	Women	0	4766	6644	8648				
	Youth	0	3564	4983	6486				
	Indigenous People	0	2325	3322	3572				
	Total number of people	0	11627	16610	21619				
	Organizations, networks/alliances and youth entrepreneurship					Annual M&E Reports	Annual	DIPROSE/ EERR PMU	
	Organizations-Number	0	140	200	214				
	Networks-Number	0	8	12	12				
	Entrepreneurship-Number	0	175	250	290				
Programme Goal Contribute to reducing the poverty of poor producers AFCI (PPAFCI) and improving the sustainability of Argentina's food systems	PPAFCI in poverty increase their income in 10% (CI) (ODS 1)					SIIG	Baseline, MTR and end report based on SIIG and COI evaluation	DIPROSE/ EERR PMU	<ul style="list-style-type: none"> - Policies on food and food security are maintained. - The conditions post-pandemic allow the adequate provision of program services. -The economic crisis shows improvement
	Persons(total) - Number of persons	0	5980	13288	17295				
	Women (total) - Percentage (%)	0	40	40	40				
	Women (total) - Number of people	0	2451	5447	6918				
	Youth (total) - Percentage (%)	0	30	30	30				

	Youth (total) - Number of people	0	1832	4073	5189					
	Youth women (% of total youth) - Percentage (%)	0	50	50	50					
	Youth women - Number of people	0	916	2036	3459					
	Indigenous people (total) - Percentage (%)	0	20	20	16.8					
	Indigenous people (total) - Number	0	1196	2658	2908					
	PPAFCI in poverty conditions that increase their farm and off-farm production volume by 20% or more (CI) (ODS2)						SIIG	Baseline, MTR and end report	DIPROSE/ EERR PMU	
	Persons(total) - Number of persons	0	5656	12568	16214					
	Women (total) - Percentage (%)	0	40	40	40					
	Women (total) - Number of people	0	2289	5087	6486					
	Youth (total) - Percentage (%)	0	27	27	27					
	Youth (total) - Number of people	0	1508	3352	4378					
	Youth women (% of total youth) - Percentage (%)	0	50	50	50					
	Youth women - Number of people	0	754	1676	3243					
	Indigenous people (total) - Percentage (%)	0	20	20	17					
	Indigenous people (total) - Number	0	1131	2514	2764					
Development objective Improve the resilience of poor AFCI producers by promoting sustainable and inclusive production and commercialization systems that are	PPAFCI in poverty that transform/improve their agri-food systems (conventional) to agroecological systems (AE)						DNA	SIIG Reports, Final Evaluation and Survey at baseline, MTR and End	DIPROSE/ EERR PMU	- There are policies and incentives that favour the agroecological productive transformation - The effects of CC are kept within the parameters established at the national level and
	Persons (total) - Number of people	0	5520	12268	15998					
	Women (total) - Number of people	0	2222	4907	6399					
	Youth (total) - Number of people	0	1306	2902	3680					

adapted to climate change	Number (total) - Number of indigenous people	0	1104	2453	3200				the CCA measures are applied. - There are favourable policies for the gender and youth approach - Extreme weather events have limited effects on production.
	IE.2.1 People demonstrating an improvement in empowerment					Baseline, MTR and end report based on SIIG Reports, COI survey	Baseline, MTR and end report	DIPROSE/ EERR PMU	
	Indigenous people	0	1103	2658	2908				
	Youth	0	1833	4073	5189				
	Total number of people (%)	0	80	80	80				
	Total number of people	0	8840	13288	17295				
	Women-Percentage (%)	0	41	41	41				
	Women	0	3624	5447	7091				
	Men-Percentage (%)	0	59	59	59				
	Men	0	5216	7841	10204				
	PPAFCI in poverty with increased resilience (20% or more)* (CI, ODS1, ODS 13)					Baseline, MTR and end report based on SIIG Reports	Baseline, MTR and end report	DIPROSE/ EERR PMU	
	People (total)- Number of people	0	5980	13288	17295				
	Women (total)-Number of people	0	2451	5447	6918				
	Youth (total) - Number of people	0	1832	4073	5189				
	Youth women - Number of people	0	916	2036	2594				
	Indigenous people (total) - Number of people	0	1196	2658	2908				
	CI 3.2.2. PPAFCI reporting adoption of environmentally sustainable and climate-resilient technologies and practices					SIIG reports; Evaluation reports	Annual	DIPROSE/ EERR PMU	
	People (total)- Number of people	0	5980	13288	17295				
	Women (total) - Number of people	0	2451	5447	6918				
	Youth (total)-Number of people	0	1832	4073	5189				
	Youth women - Number of people	0	916	2036	2594				

	Indigenous population (total) -Number of people	0	1196	2658	2908			
	3.2.2 PPAFCI reporting adoption of environmentally sustainable and climate-resilient technologies and practices					COI survey	Annual	DIPROSE/ EERR PMU
	Households members - Number of people	0	37126	55810	72640			
	Households - percentage (%)	0	80	80	80			
	Households	0	8840	13288	17295			
	PPAFCI satisfied with the services provided by the programme					Survey	Final	DIPROSE/ EERR PMU
	Persons (total) - Percentage	0	80	80	80			
	Persons (total) - Number of people	0	8840	13288	17295			
	SF.2.1 Households satisfied with the services provided by the programme					COI survey	Baseline-MTR and End report	MyE DIPROSE
	Households members- number of people	0	23204	55810	72640			
	Households of indigenous people - Households	0	1163	2525	3286			
	Female-headed households- households	0	1279	2778	3459			
	Households - percentage (%)	0	50	80	80			
	Households (number)- households	0	5525	13288	17295			
Outcome	PPAFCI in poverty reporting adoption of new or improved AE inputs, technologies or practices					SIIG reports	Annual	DIPROSE/ EERR PMU
PPAFCI, women and youth, and their organisations (OPP AE networks), have strengthened productive and	Small producers (total) - Number of people	0	8588	12268	15998			
	Women - Number	0	3456	4938	6399			
	Youth (total) - Number of people	0	2031	2902	3840			

commercialization systems	Youth women - Percentage(%)	0	50	50	50				
	Youth women - Number of people	0	1016	1451	1920				
	Indigenous people - Number	0	1718	2454	2704				
	1.2.2 Households reporting adoption of new or improved AE inputs, technologies or practices						COI survey	Baseline, MTR and End	DIPROSE/ EERR PMU
	Households member - Number of people	0	37128	55809	72640				
	Household - Percentage (%)	0	80	80	80				
	Women led households - Households	0	3536	5315	6918				
	Households	0	8840	13288	17295				
	PPAFCI that report improved access to digital innovations and alternatives for financing and marketing						SIIG reports	Annual	DIPROSE/ EERR PMU
	Small producers (total) - Number of people	0	8798	12568	16214				
	Women (total) - Number of people	0	3561	5087	6486				
	Youth (total) - Number of people	0	2346	3352	4378				
	Youth women - Percentage (%)	0	50	50	50				
	Youth women - Number of people	0	1173	1676	2189				
	Indigenous people (total) - Number	0	1760	2513	2763				
	1.2.9 Households with improved nutrition Knowledge Attitudes and Practices (KAP)						COI Survey	Baseline, MTR and End	DIPROSE/ EERR PMU
	Indigenous households - Households	0	1578	2658					
	Women led households- Households	0	2226	3748					
	Households (number) - Households	0	8840	13288					
	Households (%) - Percentage (%)	0	80	80					

	Households members - Number of people	0	37126	55810				
Output C1.1.1 AE networks, OPP, youth groups with productive investments/AE commercialization and organizational strengthening supported	AE networks, OPP, youth groups with productive investments/AE commercialization, bioeconomy and strengthening approach (associative, business, etc.) supported (PDF-O, PDF-R, PDF-J, PDF-A) (IE)					SIIG reports	Annual	DIPROSE/ EERR PMU
	AE networks - Number	0	8	12				
	OPP AE - Number	0	140	200	214			
	Youth entrepreneurship - Number	0	168	240	280			
Output C1 1.2 PPAFCI training	(CI 1.1.4) PPAFCI trained in AE production practices and/or technologies, gender and nutrition					SIIG reports	Annual	DIPROSE/ EERR PMU
	Small producers (total) - Number of people	0	8305	16610	18770			
	Women (total) - Number of people	0	3404	6644	7508			
	Youth (total) - Number of people	0	2545	4983	5631			
	Youth women - Number of people	0	1272	2540	2816			
	Indigenous population - Number of people	0	1661	3322	3453			
	1.1.4 People trained in production technology and practices					SIIG reports	Annual	DIPROSE/ EERR PMU
	Total number of people trained by the project	0	8305	16610	19610			
	Men trained in crop production - Men	0	4901	9966	11766			
	Women trained in crop production - Women	0	3404	6644	7844			
	Youth trained in crop production - Youth	0	2545	4983	5883			
	Indigenous people trained in crop production - Indigenous people	0	1661	3322	3572			
	People trained in crop production- Number of people	0	8305	16610	19610			

					SIIG reports	Annual	DIPROSE/ EERR PMU
Groups (networks, OPP, youth groups) supported to improve their natural resources and climate risks management (CI 2.1.3)							
Networks-Number	0	8	12	0			
OPP - Number	0	140	200	214			
Youth entrepreneurship - Number	0	175	250	290			
					SIIG reports	Annual	DIPROSE/ EERR PMU
2.1.3 Rural organizations supported							
Size of producers organizations - Organizations	0	7805	16170	17500			
Rural organizations supported- Organizations	0	223	462	500			
Men	0	4683	9702	10500			
Women	0	3122	6468	7000			
Youth	0	243	4851	5250			
Indigenous population	0	1561	3234	3484			
Rural organizations supported led by women-organizations	0	45	92	100			
					SIIG reports	Annual	DIPROSE
1.1.8 Households with targeted support to improve their nutrition							
Number of people	0	8304	16445				
Men	0	4900	9801				
Women	0	3404	6644				
Households	0	7892	15785				
Members of the households - Number of people	0	33146	66297				
Indigenous population	0	1661	3322				
Youth	0	2540	4983				
Households led by womenHouseholds -	0	1555	3157				

Outcome C1 R FA. Family farmers and other small-scale producers have access to public infrastructure that improves the resilience and productivity of their AE production	Roads constructed, rehabilitated or upgraded (CI 2.1.5)				3800	Households surveys; COI survey	MTR and end	EERR PMU	
	Rural roads - Households	0	0	0					
Output C1 FA. Construction of rural roads in support of OPP	Rural roads built linked to AE OPP plans				22	SIIG reports, evaluation reports	Annual	EERR PMU	
	Number of km	0	0	0					
	Number of rural sections	0	0	0					10
Outcome C1 R2. PPAFCI in poverty conditions and their organizations that participates in spaces for dialogue on the application of policies and services for AE	PPAFCI in poverty who participate in spaces for dialogue on the application of policies and services for AE systems					SIIG reports ; evaluation reports	Annual	DIPROSE	
	Indigenous population - Number of people	0	1515	2526					
	Small producers (total) - Number of people	0	7577	12628					
	Women (total) - Number of people	0	3031	5051					
	Youth (total) - Number of people	0	1515	2526					
	Youth women - Number of people	0	758	1263					
	SF.2.2 Households supported by the project that declare that they can influence the decision-making of local authorities and service providers				63560	COI survey	Baseline, MTR and End	DIPROSE	
	Household members- Number of people	0	13922	48833					
	Households (%) - Percentage (%)	0	30	70					70
	Households (number) - Households	0	3315	11627					15133

Output C1 2.1 Participatory spaces for dialogue on the application of policies and services for AE systems	Supported and operational multi-stakeholder platforms (participatory spaces) (CI P2)				SIIG reports; evaluation reports	Annual	DIPROSE	
	Platforms - Number	0	20	20				
	Representatives of PPAFCI organizations participating in the platforms - Number of people	0	200	200	238			
	Policy 2 Number of multi-stakeholder platforms supported and operational				SIIG; Evaluation reports	Annual	DIPROSE	
	Platforms - Number	0	20	20	40			
Output C1 2.2 Roundtables develop relevant products to support EC	Roundtables with development of relevant products to support AE and BE (CI, P1)				SIIG	Annual	DIPROSE	
	Tables with products-Number	0	10	20				
	Policy 1 Number of policy-relevant knowledge products completed				SIIG	Annual	DIPROSE	
	Number - Knowledge Products	0	10	20				
Outcome C1 R3. Rural young people with strengthened skills for employment and entrepreneurship	Rural young people with improved technical skills for employment and entrepreneurship, along lines:				SIIG	Annual	DIPROSE	Rural youth express their interest in education and forming networks/OPP
	Young people with training for employment - Number of people	0	800	1300				
	Young people with training in entrepreneurship - Number of people	0	200	400				
	Young people with training in AE - Number of people	0	525	750				
	Youth (total)-Number of people	0	1525	2450				
Output C1 3.1 PD-J linked to incubators/accelerators	PD-J linked to incubators/accelerators				SIIG	Annual	DIPROSE	
	PD-J - Number	0	175	250				
Output C1 3.2 Youth network developed	C1 3.2 Youth network developed				SIIG	Annual	DIPROSE	Rural youth express their interest in forming a network
	Developed youth platform (network) - Number	0	0	1				

Outcome C2 R4. PPAFCI increase confidence in the use of digital innovations and developed marketing and financing alternatives	PPAFCI increase confidence in the use of digital innovations and developed marketing and financing alternatives				SIIG	Annual	DIPROSE		
	Small producers (total) - Number	0	5364	11920					15566
	Women (total) - Number	0	2192	4872					6226
	Youth (total) - Number	0	1609	3576					4670
	Women youth- Number	0	805	1771					2335
	Indigenous populations - Number of people	0	1073	2384					3113
Output C2 4.1 Digital innovations and commercial and financing alternatives developed	Digital innovations developed				SIIG	Annual	DIPROSE	Provincial/municipal governments provide public spaces for the commercialization of agroecological production	
	Total number of innovations - Number	0	32	32					37
Outcome C2 R5. Improved technological and knowledge offer for small agroecological producers	Professionals, promoters, talents for AT in AE to PPAFCI strengthened (new/existing)				SIIG	Annual	DIPROSE		
	Professionals, promoters and talents (total) - Number of people	0	3920	5600					
	Professionals, promoters and talents (women) - Number of people	0	1568	2240					
Output C2 5.1 AE education program (virtual and in- person)	Programa de educación en AE, género, nutrición (virtual y presencial) desarrollado				SIIG	Annual	DIPROSE		
	Program - Number	0	1	1					
Output C2 5.2 Trained EC service providers	Trained EC service providers				SIIG	Annual	DIPROSE		
	Trained EC Service Providers - Number	0	4900	7000					

Updated summary of the economic and financial analysis

Table A
Financial cash flow models

E C O N O M I C A N A L Y S I S	NET INCREMENTAL BENEFITS						
	Year	Mod 1	Mod 2	Mod 3	Total Net Inc. Benefits	Total Incremental Costs	Cash Flow ('COP)
	PY1	-271947.5785	-1184832.224	-429087.525	-1885867.328	371363.6364	-2257230.96
	PY2	-487451.258	-1660998.893	-393479.8446	-2541929.996	751363.6364	-3293293.63
	PY3	-536249.8715	-1272563.641	-325168.6075	-2133982.12	578636.3636	-2712618.48
	PY4	-340306.0963	-679426.968	-220476.6488	-1240209.713	198636.3636	-1438846.08
	PY5	600108.634	1830653.66	398183.0412	2828945.335	198636.3636	2630308.97
	PY6	668947.933	2434541.876	552147.5258	3655637.335	198636.3636	3457000.97
	PY7	685488.634	2717338.461	673408.4536	4076235.549	198636.3636	3877599.19
	PY8	685488.634	2853628.732	758288.6598	4297406.026	198636.3636	4098769.66
PY9	685488.634	2853628.732	758288.6598	4297406.026	198636.3636	4098769.66	
PY10-20	685488.634	2853628.732	758288.6598	4297406.026	198636.3636	4098769.66	
		VANe	12,720,493				
		TIRe	24.8%				

Table B
Programme costs and logframe targets

PROJECT COSTS AND INDICATORS FOR LOGFRAME							
TOTAL PROJECT COSTS (in million USD)			\$ 16,500,000	Base costs	\$ 15,624,000	PMU	\$ 876,000
Usuarios	5,832	people	22,162	Households	5,832	Organizations	12
Cost per beneficiary	\$ 2,829	USD x person	\$ 744.531	USD x HH	Adoption rates	75%	
Componets and Cost (USD million)							
Desarrollo de mercados y apoyo a las políticas del sector	\$ 15,140,000	Incrementar la resiliencia de productores de agricultura familiar y campesina e indígena, a través de la promoción y apoyo a sistemas de producción y comercialización sustentables e inclusivos en la Provincia de Entre Ríos.		- Contribuir al desarrollo productivo del sector apícola, a través de la mejora de la accesibilidad vial y de la infraestructura rural productiva.			
Desarrollo productivo, organizativo y comercial	\$ 484,000			- Mejorar el estado de los accesos a salas de extracción y apiarios, dentro del área de intervención para lograr la integración y conectividad de zonas de producción de miel.			
Gestión del Programa	\$ 876,000			- Mejorar las oportunidades de desarrollo productivo del sector apícola a través del fortalecimiento de capacidades de los beneficiarios del Programa.			
TOTAL PROJECT COSTS (in million USD)	\$ 16,500,000						

Table C
Main assumptions and shadow prices

MAIN ASSUMPTIONS & SHADOW PRICES					
FINANCIAL	Output	Beneficios incrementales	Cantidades	Input prices	Price (\$)
Modelo: "Mejora de producción de miel fraccionada y AgroEcológica"	528%	kg	\$ 95.00	\$ 115.00	
Modelo de Emprendimiento de Jóvenes Rurales: Servicio de reparto de productos	257%	\$/kg	\$ -	\$ 100,000	
Modelo Ganadero bovino AgroEcológico con Remates on Line	83%	\$/Kg	\$ 70.00	\$ 100.00	
Modelo de Transición AgroEcológica (1ha) 100% AT	303%	\$/Kg	\$ 25.30	\$ 33.00	
Modelo "Espacio de Comercialización para una Red AgroEcológica"	15%	kg	\$ 30.00	\$ 37.50	
Modelo "Alianza productiva entre productores de tealeros de Misiones"	19%	\$/kg	\$ 0.49	\$ 0.90	
Modelo "Obra Menor de electrificación rural"	154%	\$	\$ 1,400.00	\$ 2,800.00	
ECONOMIC	Official Exchange rate (OER)	1	Discount rate (opportunity cost of capit	10%	
	Shadow Exchange rate (SER)	1.085	Social Discount rate	7%	
	Standard Conversion Factor	1.09	Output conversion factor	1.10	
	Labour Conversion factor	0.400	Input Conversion factor	0.97	

Table D
Beneficiary adoption rates and phasing

BENEFICIARIOS, TASAS DE ADOPCIÓN Y FASES de INGRESO						Tasa de Adopción
	Año 1	Año 2	Año 3	Año 4	Total	75%
Modelo I: "Apoyo al crecimiento de la producción de miel AgroEcológica Entrerriana"	3	6	8	8	25	
<i>Ajustado (tasa de adopción)</i>	2	5	6	6	19	75%
Modelo II: "Fortlecimiento de Planta para la diferenciación y Valor Agregado de la miel de EERR"	4	6	6	6	22	
<i>Ajustado (tasa de adopción)</i>	3	5	5	5	17	75%
Modelo III: "Ampliación de Planta para la extracción y procesamiento de la miel de EERR"	2	2	2	2	8	
<i>Ajustado (tasa de adopción)</i>	2	2	2	2	6	75%
Total de Planes de Negocio					55	

Table E
Economic cash flow

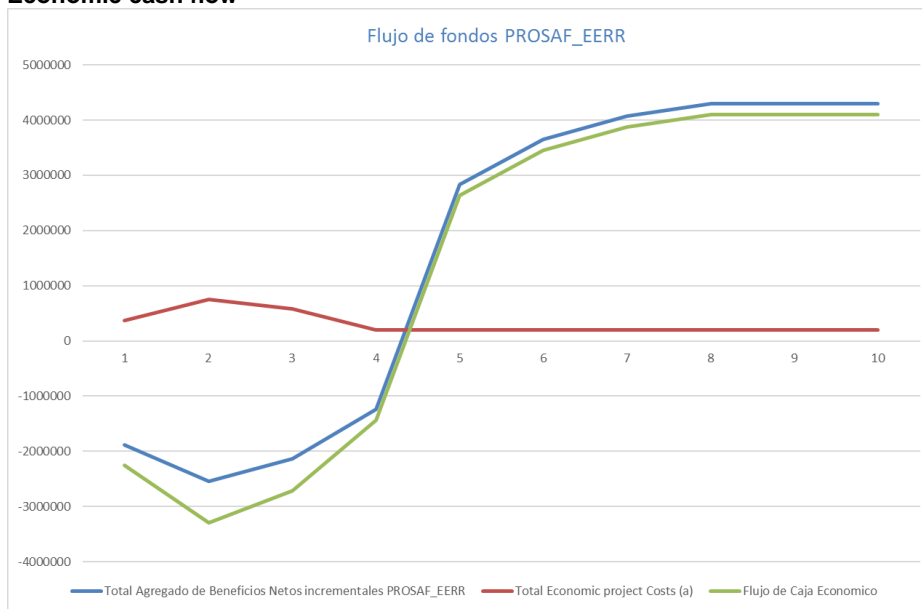


Table F
Sensitivity analysis

ANALISIS DE SENSIBILIDAD					
Efectos	Δ%	Enlace con la matriz de riesgos	Δ%	IRR	NPV (R\$)
Base escenario				24.8%	12,720,493
Beneficios del Proyecto	-10%	Combinación de riesgos que afectan los beneficios del Proyecto	2%	24.3%	11,189,401
Beneficios del Proyecto	-20%		4%	23.7%	9,658,309
Beneficios del Proyecto	-30%		8%	22.9%	8,127,217
Costos del Proyecto	10%	Aumento de los precios de los costos	1%	24.6%	12,979,076
Costos del Proyecto	20%		4%	23.9%	12,202,407
1 año de atraso		Atrasos en la implementación del Proyecto	5%	23.6%	10,747,880
2 años de atraso			10%	22.2%	8,954,596
Precios de venta	-5%	Baja capacidad de gestión y negociación de los beneficiarios	1%	24.6%	12,108,056
Precios de venta	-10%		2%	24.4%	11,342,510
Precios de insumos	10%	Fluctuaciones de precios de mercado	2%	24.4%	12,482,173
Precios de insumos	20%		3%	24.0%	12,243,854
Tasa de adopcion	-10%	El alcance del servicio de extensión es limitado, baja aceptación de las buenas prácticas, planes sanitarios y compromiso con la profesionalización.	3%	24.1%	10,679,037
Tasa de adopcion	-20%		6%	23.2%	8,637,581