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Dar a la población rural
pobre la oportunidad
de salir de la pobreza

Informe del Presidente

Propuesta de préstamo al estado de Paraíba de la República Federativa del Brasil para el

Proyecto de Desarrollo Sostenible en Cariri y Seridó (PROCASE)

Nota para los representantes en la Junta Ejecutiva

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Junta Ejecutiva — 101º período de sesiones
Roma, 14 a 16 de diciembre de 2010

Para **aprobación**

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Abreviaturas y siglas

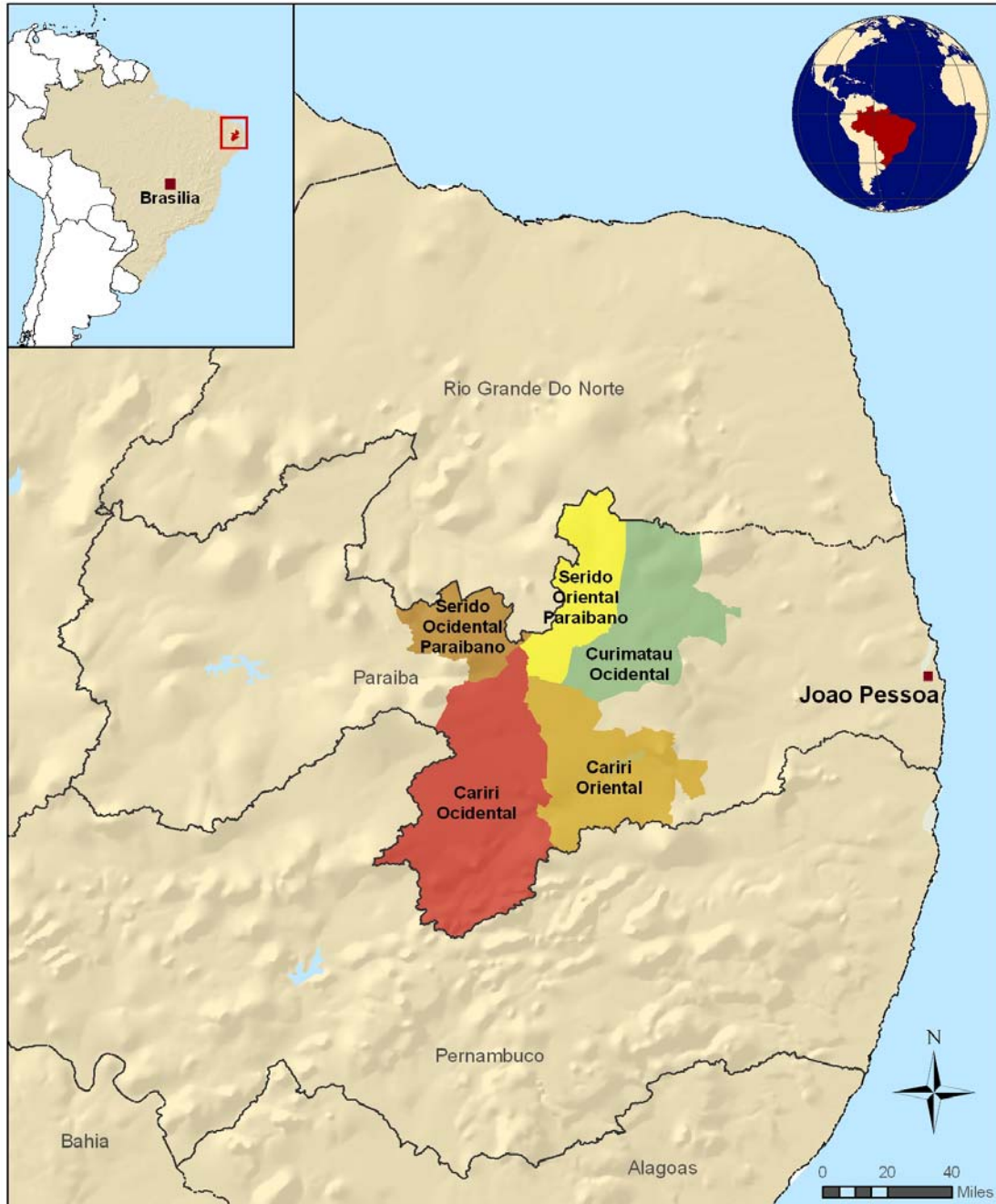
EMATER	Empresa Estatal de Asistencia Técnica y Servicios de Extensión Rural
EMEPA-PB	Empresa de Investigación Agropecuaria del Estado de Paraíba
PRONAF	Programa Nacional de Fortalecimiento de la Agricultura Familiar
SECTMA	Secretaría Estatal de Ciencia, Tecnología y Medio Ambiente
SEDAP	Secretaría Estatal de Desarrollo Agropecuario y de la Pesca
SETDE	Secretaría Estatal de Turismo y Desarrollo Económico
UGP	unidad de gestión del proyecto

Mapa de la zona del proyecto

Brazil

Cariri and Seridó Sustainable Development Project (PROCASE)

Territories of the project area



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD

Fuente: FIDA

Las denominaciones empleadas y la forma en que aparecen presentados los datos en este mapa no suponen juicio alguno del FIDA respecto de la demarcación de las fronteras o límites que figuran en él ni acerca de las autoridades competentes.

Estado de Paraíba de la República Federativa del Brasil

Proyecto de Desarrollo Sostenible en Carirí y Seridó (PROCASE)

Resumen de la financiación

Institución iniciadora:	FIDA
Prestatario:	Estado de Paraíba de la República Federativa del Brasil
Organismo de ejecución:	Secretaría Estatal de Desarrollo Agropecuario y de la Pesca
Costo total del proyecto:	USD 49,69 millones
Cuantía del préstamo del FIDA:	DEG 16,10 millones (equivalente a USD 25 millones, aproximadamente)
Condiciones del préstamo del FIDA:	18 años, incluido un período de gracia de tres, con un tipo de interés igual al tipo de interés anual de referencia que el Fondo determine semestralmente
Contribución del prestatario:	USD 15,50 millones
Contribución de los beneficiarios:	USD 9,19 millones
Institución evaluadora:	FIDA
Institución cooperante:	Supervisado directamente por el FIDA

Recomendación de aprobación

1. En diciembre de 2009 la Junta Ejecutiva examinó la propuesta de proyecto al estado de Paraíba de la República Federativa del Brasil para el Proyecto de Desarrollo Sostenible en Carirí y Seridó (PROCASE), que figura en el documento EB 2009/98/R.36/Rev.1 y adoptó la resolución siguiente:

“RESUELVE: que el Fondo conceda un préstamo en condiciones ordinarias al estado de Paraíba de la República Federativa del Brasil, por una cuantía equivalente a quince millones quinientos cincuenta mil derechos especiales de giro (DEG 15 550 000), cuyos términos y condiciones se ajustarán sustancialmente a los presentados en este informe.”
2. La Junta Ejecutiva aprobó el préstamo, que debía contar con la garantía de la República Federativa del Brasil, a condición de que las negociaciones se ultimaran en el plazo de seis meses a partir de la aprobación de la Junta y de que cualquier modificación importante de las condiciones presentadas en el 98º período de sesiones se señalara a la atención de la Junta en un período de sesiones sucesivo.
3. Sin embargo, las negociaciones se concluyeron el 21 de octubre de 2010, es decir, pasado el plazo establecido por la Junta Ejecutiva como condición obligatoria para la aprobación de la financiación propuesta.
4. En consecuencia, se invita a la Junta Ejecutiva a que vuelva a aprobar la recomendación relativa a la financiación propuesta al estado de Paraíba de la República Federativa del Brasil para el Proyecto de Desarrollo Sostenible en Carirí y Seridó, que figura en el párrafo 38, y se señala a su atención que el único cambio sustancial respecto de las condiciones presentadas a la Junta es la cantidad en DEG, debido a las fluctuaciones cambiarias.

Propuesta de préstamo al estado de Paraíba de la República Federativa del Brasil para el Proyecto de Desarrollo Sostenible en Carirí y Seridó (PROCASE)

I. El proyecto

A. Principal oportunidad de desarrollo abordada por el proyecto

1. Los factores que justifican la realización de este proyecto en la región semiárida de Paraíba son los siguientes: i) la gran incidencia de pobreza rural; ii) la falta de explotación del potencial económico de la región; iii) el desarrollo insuficiente de los negocios rurales orientados a los mercados en los últimos dos decenios al haberse dado prioridad a la infraestructura social, y iv) los graves problemas ambientales. Por lo tanto, con este proyecto se prevé explotar el potencial económico de la región a fin de promover oportunidades sostenibles de generación de empleo e ingresos en favor del grupo-objetivo. Las intervenciones orientadas a la producción irán a la par de la introducción de mejoras en la gestión de los recursos naturales y se complementarán con el desarrollo del capital humano y social.

B. Financiación propuesta

Términos y condiciones

2. Se propone que el FIDA conceda al estado de Paraíba de la República Federativa del Brasil un préstamo de DEG 16,10 millones (equivalente a USD 25 millones, aproximadamente), en condiciones ordinarias, para contribuir a financiar el Proyecto

de Desarrollo Sostenible en Cariri y Seridó (PROCASE). El préstamo tendrá un plazo de 18 años, incluido un período de gracia de tres, con un tipo de interés igual al tipo de interés anual de referencia que el Fondo determine semestralmente.

Relación con el sistema de asignación de recursos basado en los resultados (PBAS) del FIDA

3. La asignación que corresponde al Brasil con arreglo al PBAS es de USD 50,41 millones durante el ciclo de asignación de 2007-2009.

Carga de la deuda del país y capacidad de absorción del Estado

4. La gestión de la deuda externa del estado de Paraíba se realiza con arreglo a una estricta política financiera del Gobierno Federal del Brasil. El Gobierno Federal autorizó al gobierno del estado de Paraíba a tomar fondos prestados del FIDA por valor de USD 25,0 millones y manifestó su voluntad de firmar un convenio de garantía. El estado de Paraíba tiene suficiente capacidad para absorber y sufragar los cargos por servicios del préstamo propuesto.

Flujo de fondos

5. Los recursos del préstamo del FIDA se depositarán en una cuenta manejada por el gobierno del estado de Paraíba, y se harán llegar a los organismos de ejecución y de coejecución. Las solicitudes para retirar fondos del préstamo del FIDA deberán ser realizadas por la o las personas que el gobierno estatal designe a tales efectos.

Disposiciones de supervisión

6. El proyecto será supervisado directamente por el FIDA.

Excepciones a las Condiciones Generales para la Financiación del Desarrollo Agrícola y las políticas operacionales del FIDA

7. No se prevén excepciones.

Gobernanza

8. Se han previsto las medidas siguientes para mejorar los aspectos del préstamo del FIDA relacionados con la gobernanza: i) auditorías independientes anuales que se ajusten a las normas de auditoría internacionales y a las directrices del FIDA; ii) supervisión directa y apoyo en materia de ejecución por parte del FIDA, y iii) mecanismos transparentes para la asignación de los recursos financieros a los beneficiarios, que incluyan salvaguardas destinadas a evitar que los beneficios del proyecto sean acaparados por élites.

C. Grupo-objetivo y participación

Grupo-objetivo

9. La población-objetivo del proyecto está constituida por unos 28 000 hogares rurales pobres, a saber, 25 000 pequeños agricultores pobres y 3 000 hogares rurales sin tierra dedicados a la artesanía, la minería en pequeña escala y otras actividades. Alrededor de 11 000 de estos hogares rurales viven en condiciones de pobreza extrema.

Criterios de focalización

10. La estrategia de focalización del proyecto está en consonancia con la política de focalización del FIDA, y en ella se tienen en cuenta las enseñanzas extraídas de anteriores intervenciones del Fondo. Se hará hincapié en la adopción de medidas apropiadas para asistir efectivamente a los grupos desfavorecidos, como las mujeres, los jóvenes y las personas de ascendencia africana. En el marco de la estrategia de focalización se adoptarán mecanismos complementarios que dependerán de las actividades que se realicen: i) un enfoque impulsado por la demanda mediante la autofocalización; ii) un enfoque impulsado por la oferta mediante un proceso de focalización selectiva basado en criterios específicos, y iii) una focalización integradora.

Participación

11. Con respecto a la promoción de la participación de los beneficiarios en el proyecto se prevén diversos mecanismos: i) definición y formulación participativas de los proyectos productivos; ii) autoevaluaciones por parte de los beneficiarios; iii) participación de representantes de los productores pobres en el comité directivo del proyecto, y iv) participación progresiva de los representantes de los beneficiarios en talleres de planificación y evaluación.

D. Objetivos de desarrollo

Objetivos principales del proyecto

12. El objetivo general del proyecto es contribuir al desarrollo de la economía rural y reducir los índices de pobreza extrema de la población rural —hombres, mujeres y jóvenes— que vive en la zona semiárida de Paraíba. La finalidad del proyecto es mejorar de forma sostenible los ingresos agrícolas y no agrícolas, las oportunidades de empleo, los activos productivos, la capacidad de organización y las prácticas ambientales de los beneficiarios del proyecto en la zona semiárida de Paraíba.
13. Los objetivos concretos son los siguientes: i) desarrollar el capital humano y social; ii) mejorar la producción de los pequeños agricultores y promover su competitividad en los mercados; iii) combatir la desertificación y fomentar la gestión sostenible del bioma *caatinga*,¹ y iv) fortalecer el marco institucional y el sistema de extensión en la zona abarcada por el proyecto.

Objetivos institucionales y de políticas

14. Uno de los objetivos específicos es fortalecer las capacidades de las principales instituciones rurales por lo que respecta a la creación de sistemas de asistencia técnica y aplicar políticas de desarrollo rural en la zona semiárida. El principio básico consiste en centrarse en el fortalecimiento de los organismos públicos y las organizaciones de productores existentes a fin de asegurar la sostenibilidad institucional.

Alineación con la política y la estrategia del FIDA

15. Los objetivos y el enfoque del proyecto se ajustan a las políticas del FIDA y a su Marco Estratégico (2007-2010). El proyecto está en total armonía con el programa sobre oportunidades estratégicas nacionales en curso por cuanto sus características básicas son: i) una focalización en la zona semiárida; ii) la definición de un grupo-objetivo integrado por productores y trabajadores rurales pobres agrícolas y no agrícolas, prestando especial atención a las mujeres, los jóvenes y las personas de ascendencia africana; iii) la generación de ingresos y oportunidades de empleo dentro y fuera del sector agrícola; iv) la inclusión de un componente de gestión de los recursos naturales que complementa el desarrollo productivo, y v) la gestión de los conocimientos en relación con la coexistencia en la zona semiárida.

E. Armonización y alineación

Alineación con las prioridades nacionales

16. Los objetivos del proyecto están en plena consonancia con los del Plan plurianual del estado de Paraíba para 2008-2011. El plan refleja el fuerte compromiso del gobierno estatal con la reducción de la pobreza rural, la coexistencia en la zona semiárida, la mitigación del proceso de desertificación y el uso sostenible de los recursos naturales.

Armonización con los asociados en el desarrollo

17. El proyecto propuesto está diseñado a fin de que sus actividades se coordinen, directa o indirectamente, con las de prácticamente la totalidad de los principales agentes de desarrollo con operaciones en curso en el estado de Paraíba. Entre éstas se cuentan

¹ El bioma *caatinga* es un bosque seco del nordeste del Brasil, que se caracteriza por una vegetación arbustiva xerófila y de tipo espinoso, compuesta principalmente por pequeños árboles espinosos que pierden las hojas estacionalmente.

programas del Gobierno Federal, como el Programa Nacional de Fortalecimiento de la Agricultura Familiar (PRONAF), y el Proyecto de reducción de la pobreza rural en Paraíba financiado por el Banco Mundial (Proyecto COOPERAR).

F. Componentes y categorías de gastos

Componentes principales

18. El proyecto consta de los cinco componentes siguientes: i) desarrollo social y humano (5,1% de los costos básicos); ii) desarrollo productivo e inserción competitiva en los mercados (80,5%); iii) gestión sostenible de los recursos naturales (6,5%); iv) desarrollo institucional (2%), y v) unidad de gestión del proyecto (5,9%).

Categorías de gastos

19. Se prevén cinco categorías de gastos: i) equipo y vehículos (2%); ii) capacitación, cursos y talleres (12%); iii) acuerdos y contratos de servicios técnicos (4%); iv) servicio financiero (62%), y v) costos ordinarios (20%).

G. Gestión, responsabilidades de ejecución y asociaciones

Principales asociados en la ejecución

20. El organismo de ejecución será la Secretaría Estatal de Desarrollo Agropecuario y de la Pesca (SEDAP), en tanto que los organismos de coejecución serán los siguientes: i) la Empresa Estatal de Asistencia Técnica y Servicios de Extensión Rural (EMATER); ii) la Empresa de Investigación Agropecuaria del Estado de Paraíba (EMEPA-PB); iii) la Secretaría Estatal de Turismo y Desarrollo Económico (SETDE), y iv) la Secretaría Estatal de Ciencia, Tecnología y Medio Ambiente (SECTMA).
21. En el marco del proyecto se establecerá un comité directivo presidido por el Secretario de la SEDAP e integrado por representantes de las secretarías pertinentes, los productores rurales pobres, los foros territoriales y las organizaciones de la sociedad civil.

Responsabilidades de ejecución

22. En tanto que organismo de ejecución, la SEDAP establecerá un unidad de gestión del proyecto (UGP) que se encargará de la planificación y el seguimiento de las actividades, la concertación y supervisión de acuerdos con los organismos de coejecución, la transferencia de recursos y la preparación de informes periódicos. La UGP descentralizará la gestión del proyecto por medio de seis oficinas regionales de la EMATER, en las que se reforzarán los equipos técnicos y se hará intervenir a personal de todos los organismos de coejecución.
23. El comité directivo tendrá la responsabilidad de examinar y aprobar el plan operativo anual y los informes oficiales que deben enviarse al FIDA y a las autoridades gubernamentales. El comité intervendrá asimismo en la adopción de decisiones estratégicas relativas a la ejecución del proyecto.

Función de la asistencia técnica

24. Para definir correctamente las oportunidades económicas y aplicar con eficiencia los planes operativos, en el proyecto se prevé el fortalecimiento del sistema de asistencia técnica y extensión en vigor. Además, se promoverán las asociaciones entre los organismos de extensión pública e investigación, las organizaciones privadas y las organizaciones de productores por medio de las redes y sistemas privados existentes y de la prestación de apoyo al sistema público de extensión.

Estado de los principales acuerdos de ejecución

25. La SEDAP establecerá acuerdos con la EMATER, la EMEPA-PB, la SETDE y la SECTMA, que en su calidad de organismos de coejecución recibirán recursos para realizar las actividades del proyecto en sus respectivas esferas de trabajo. También se concertarán acuerdos o contratos basados en los resultados con otros organismos e instituciones, como universidades, organizaciones de productores y organizaciones de la sociedad civil.

Principales asociados financieros y cantidades comprometidas

26. Los costos totales del proyecto ascienden a USD 49,69 millones durante un período de seis años. Las fuentes de financiación son: el FIDA (50,3%), el estado de Paraíba (24,3%), el PRONAF (7%) y los beneficiarios (18,4%).

H. Beneficios y justificación económica y financiera

Principales categorías de beneficios generados

27. Según las estimaciones preliminares, alrededor de 18 500 hogares rurales pobres se beneficiarán directamente del proyecto de la siguiente forma: i) 14 000 pequeños productores (en la esfera de la agricultura familiar, la minería en pequeña escala y la artesanía) por conducto del componente de desarrollo productivo e inserción competitiva en los mercados; ii) 500 productores por conducto del componente de gestión sostenible de los recursos naturales, y iii) 4 000 jóvenes del medio rural por conducto del componente de desarrollo del capital social y humano. Además, 10 000 alumnos participarán en actividades educativas con referencia a la coexistencia en la zona semiárida. Se estima que aproximadamente 7 800 mujeres se beneficien directamente de las actividades de desarrollo productivo y educación técnica.

Viabilidad económica y financiera

28. Se han elaborado 10 sistemas que representan las actividades agrícolas y no agrícolas conforme a las características agroecológicas y el potencial económico de la zona del proyecto, y se prevé que éste tenga un impacto significativo en la productividad de dichos sistemas. Sobre esta base, se ha estimado una tasa de rendimiento económico del 21,5%, mientras que el valor actual neto se ha estimado en USD 68,3 millones con arreglo a un costo de oportunidad del capital de un 4,2%.

I. Gestión de conocimientos, innovación y ampliación de escala

Disposiciones relativas a la gestión de conocimientos

29. Dado que el proyecto tiene el potencial de promover el intercambio de conocimientos y el establecimiento de redes en los planos estatal y regional, en él se formulará una estrategia de gestión de los conocimientos y de comunicación. Además, se promoverá el intercambio entre las distintas actividades del FIDA, los proyectos financiados por otros donantes, los programas nacionales, las instituciones regionales y otras partes interesadas, especialmente en la zona semiárida. La UGP organizará actividades de intercambio de conocimientos concretas, y el personal del proyecto de las oficinas locales facilitará el flujo de información hacia las organizaciones de productores y demás interesados locales.

Innovaciones en el desarrollo que el proyecto promoverá

30. El proyecto presenta varias características innovadoras: i) concesión de prioridad al desarrollo de la capacidad de mujeres y jóvenes para acceder a los mercados laborales o establecer negocios rurales, ii) énfasis en la promoción de las actividades de producción rural relacionadas con los mercados en lugar de conceder prioridad a la infraestructura social y básica; iii) asignación de fondos para la conservación de los recursos naturales y la lucha contra la desertificación; iv) utilización de la gestión de los conocimientos y los sistemas de seguimiento y evaluación como instrumentos de difusión de conocimientos, y v) combinación de asistencia técnica, financiación para inversiones mediante donaciones y los mecanismos de servicios de crédito a corto plazo existentes para el desarrollo de los negocios rurales.

Ampliación de la escala

31. Las actividades del proyecto se irán realizando gradualmente y se irán adaptando y ampliando progresivamente en función de los resultados obtenidos. El enfoque que se propone adoptar en el proyecto puede ser reproducido y ampliado tanto en otros territorios del estado de Paraíba como en otros estados con un potencial y unas limitaciones similares. Se prestará especial atención al fomento de las actividades de intercambio de conocimientos con otros proyectos financiados por el FIDA.

J. Riesgos más importantes

Riesgos más importantes y medidas de atenuación

32. El proyecto se enfrenta a tres riesgos importantes en relación con el clima, los mercados y cuestiones institucionales. Las medidas de atenuación previstas son: i) asistencia técnica e inversiones para la gestión de los recursos hídricos; ii) diseño de planes operativos, entre ellos evaluación de los mercados, antes de realizar las inversiones, y fortalecimiento de la capacidad de comercialización de las organizaciones de productores; iii) supervisión directa del FIDA, debida capacitación del personal de la UGP y los organismos de coejecución, y iv) instrumentos jurídicos que prevean las disposiciones necesarias para asegurar que la designación de personal y posibles sustitutos se realice conforme a normas satisfactorias para el FIDA.

Clasificación ambiental

33. De conformidad con los procedimientos del FIDA para la evaluación ambiental, se ha asignado al proyecto la categoría B por considerarse que es improbable que tenga un impacto ambiental negativo importante.

K. Sostenibilidad

34. La sostenibilidad una vez que finalice el proyecto se asegurará por medio de los siguientes elementos: i) el marco institucional existente, que refleja un fuerte compromiso con el desarrollo de la zona semiárida; ii) el proyecto se ha diseñado de modo que sea un instrumento complementario de las políticas y programas existentes, que seguirán siendo aplicados por las organizaciones públicas y privadas permanentes una vez que se cierre el proyecto; iii) la constitución de asociaciones de base autónomas, y iv) el fuerte compromiso de los gobiernos federal y estatal con la reducción de la pobreza rural y el respaldo de la agricultura familiar, con lo que debiera garantizarse la disponibilidad de recursos a medio y a largo plazo.

II. Instrumentos y facultades jurídicos

35. Un convenio de financiación del proyecto entre el estado de Paraíba de la República Federativa del Brasil y el FIDA, y un convenio de garantía independiente entre la República Federativa del Brasil y el FIDA constituyen los instrumentos jurídicos para la concesión de la financiación propuesta al prestatario. En el anexo se adjunta una copia del convenio de financiación negociado y del convenio de garantía.
36. El estado de Paraíba de la República Federativa del Brasil está facultado por la legislación brasileña para recibir financiación del FIDA, y la República Federativa del Brasil está facultada por la legislación brasileña para garantizar el préstamo.
37. Me consta que la financiación propuesta se ajusta a lo dispuesto en el Convenio Constitutivo del FIDA y las Políticas y Criterios en materia de Préstamos.

III. Recomendación

38. Recomiendo a la Junta Ejecutiva que apruebe la financiación propuesta de acuerdo con los términos de la resolución siguiente:

RESUELVE: que el Fondo conceda un préstamo en condiciones ordinarias al estado de Paraíba de la República Federativa del Brasil, por una cuantía equivalente a dieciséis millones cien mil derechos especiales de giro (DEG 16 100 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Kanayo F. Nwanze
Presidente

Negotiated financing agreement: "Cariri and Seridó Sustainable Development Project (PROCASE)"

(Negotiations concluded on 21 October 2010)

PROJECT FINANCING AGREEMENT

Loan Number: _____

Project Title: Cariri and Seridó Sustainable Development Project (PROCASE) (the "Project")

Projeto de Desenvolvimento Sustentável do Cariri e Seridó - PROCASE

The International Fund for Agricultural Development (the "Fund" or "IFAD")

and

The State of Paraíba (the "Borrower") of the Federative Republic of Brazil

(each a "Party" and both of them collectively the "Parties")

hereby agree as follows:

Preamble

Section A

1. The following documents collectively form this Agreement: this document, the Project Description and Implementation Arrangements (Schedule 1) and the Allocation Table (Schedule 2). The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, (the "General Conditions") and amended on 17 September 2010, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement, the terms defined in the General Conditions shall have the meanings set forth therein.

2. The Fund shall provide a Loan to the Borrower (the "Financing"), which the Borrower shall use to implement the Project in accordance with the terms and conditions set forth in this Agreement.

3. The Loan is to be guaranteed by the Federative Republic of Brazil (the "Guarantor") on terms and conditions set forth in an agreement, of even date, to be entered into by the Fund and the Federative Republic of Brazil (the "Guarantee Agreement").

Section B

1. The amount of the Loan is sixteen million one hundred thousand special drawing rights (SDR 16 100 000).

2. The Loan is granted on ordinary terms, and shall have a maturity period of eighteen (18) years, including a grace period of three (3) years starting from the date that the Fund has determined that all general conditions precedent to withdrawal have been fulfilled (Section E paragraph 2 below). The Borrower shall repay the principal amount of the Loan in 30 (thirty) equal semi-annual consecutive instalments; the final instalment amount may vary due to rounding.

3. The Loan Service Payment Currency shall be USD.
4. The first day of the applicable Fiscal Year shall be January 1st.
5. The Loan shall be subject to interest on the principal amount of the Loan outstanding at a rate equal to the IFAD Reference Interest Rate.
6. Payments of principal and interest shall be payable on each 15 May and 15 November.
7. There shall be a Project Account for the benefit of the Project, where Loan proceeds and counterpart resources shall be allocated, in a Bank acceptable by the Fund.
8. The Borrower shall provide counterpart financing for the Project in the amount of approximately USD 12 101 000 (including taxes).

Section C

1. The Lead Project Agency, who shall also assume responsibility for executing the Project (Executing Agency), shall be the "Secretaria de Estado do Desenvolvimento da Agropecuária e da Pesca - SEDAP" (Secretariat of Agricultural Development and Fisheries) of the Borrower.
2. The following, *inter alia*, are designated as additional Project Parties: the State entity in charge of agricultural research and the State entity in charge of technical assistance and rural extension.
3. The Project Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement and the Financing Closing Date will be established as specified in the General Conditions.

Section D

The Loan will be administered and the Project will be supervised by the Fund.

Section E

1. The following is designated as an additional ground for the suspension of the right of the Borrower to request withdrawals from the Loan: The Project Implementation Manual (PIM), or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund has determined that such waiver, suspension, termination, amendment or modification has had, or is likely to have, a material adverse effect on the Project, and the Borrower has not taken any measures to remedy the situation.
2. The following are designated as additional (general) conditions precedent to withdrawal:
 - (a) the Guarantee Agreement shall have been duly signed, and the signature thereof by the Guarantor shall have been duly authorised by all necessary administrative and governmental action;
 - (b) the IFAD no objection to the final version of the Project Implementation Manual shall have been obtained;
 - (c) the IFAD no objection to the establishment of the PMU shall have been obtained; and

- (d) the Project Account shall have been opened; and
- (e) the no objection of IFAD to the appointment of the Project Coordinator shall have been obtained, bearing in mind his/her professional qualifications and experience.

3. Any amendment(s) to this Agreement shall only be made by mutual agreement between the Borrower and the Fund, after having obtained the Guarantor's concurrence to such amendment, including the Project Completion Date and the Financing Closing Date.

4. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Fund:

The President
International Fund for
Agricultural Development
Via Paolo di Dono 44
00142 Rome, Italy

For the Borrower:

The Governor of the State of Paraiba
Palácio da Redenção
Praça Presidente João Pessoa s/n Centro
58013-140 – João Pessoa-PB, Brasil

This agreement, dated _____, has been prepared in the English language in six (6) original copies, three (3) for the Fund, two (2) for the Borrower and one (1) for the Guarantor.

For the Fund
(insert name and title)

For the Borrower
(insert name and title)

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project's target population is constituted by approximately 18,500 households whom will directly benefit from the project: 14,000 small producers (family farmers, small miners and artisans) through the Productive Development Component, 450 through the Sustainable Management of Natural Resources Component, 50 small producers' representatives to be trained within the Institutional Development Component, 4,000 rural youngsters to be benefited by the fellowship programme included in the Human and Social Capital Development Component; additionally, approximately 10,000 pupils will participate in the educational activities regarding coexistence with the semi arid environmental conditions. The project area is constituted by 55 municipalities which compose the microregions of Cariri Oriental, Cariri Ocidental, Seridó Oriental, Seridó ocidental e Curimataú Ocidental.

2. *Goal.* The Project *overall goal* is to contribute to the development of rural economy and to reduce extreme poverty levels of the rural population living in the semi-arid region of Paraíba. The *purpose* of the Project is, *inter alia*, to improve in a sustainable manner the on-farm and off-farm income, productive assets, organizational capacities and environmental practices of the Project's beneficiaries in Paraíba's semi-arid region.

3. *Objectives.* The specific objectives of the Project are: (a) to develop human and social capital by supporting the technical and vocational training of young people; (b) to improve smallholders' production and to support their market competitiveness, by strengthening participatory extension systems, beneficiaries' organizations, and relevant productive activities and by setting-up co-operative rural industries that add value to local products; (c) to combat desertification and to promote the sustainable management of the caatinga biome in the project area, through adequate environmental education and training, reforestation of the caatinga, dissemination of agro-forestry systems, and knowledge sharing on coexistence with semiarid conditions; and (d) to strengthen the institutional framework of the territories of the project area through the provision of technical assistance and training to councils, forums and other local organizations that can help to improve local development governance and project objectives.

4. *Components.* The Project shall consist of the following Components: (1) Development of Human and Social Capital; (2) Productive Development and Competitive Market Insertion; (3) Sustainable Management of Natural Resources and Combating Desertification; (4) Institutional Development; and (5) Project Management.

Component 1: Development of Human and Social Capital

This component will focus on the development of personal, technical and organizational capacities and skills with special attention to youngsters, women heading households and ethnic groups, particularly *quilombolas*. This component will support young men and women, in acquiring new skills, developing on-farm and off-farm businesses and accessing labour markets in better conditions. This will be achieved by supporting and expanding the access to relevant training and educational facilities existing in the Project Area. The component is basically composed of a "fellowship programme" for youngsters that will finance rural and non-rural activities and support the development of small business plans.

Component 2: Productive Development and Competitive Market Insertion

The Project will focus its support on the following productive activities: (a) goats/sheep dairy and meat production; (b) handicraft's production; (c) capacity building and strengthening of small rural producers' organizations involved in small mining activities; and (d) other value-chains such as sisal, cashew nut and various fruits production and transformation.

In order to ensure a smooth implementation, the Project will phase its intervention by value-chains, taking into account both the level of productive development of the value chain and the maturity of the producers' organizations.

The component will include the following subcomponents:

2.1. *Support to producers' organizations.* The subcomponent aims at fostering the collective/associative action of producers' groups and community organizations so as to allow them to access goods and services they may not access individually. This subcomponent will strengthen producers' groups and community organizations' capacities related to economic and social management, rural development planning, projects' formulation, collective/associative assets management, accounting, administrative and legal information, and leadership.

2.2. *Technical assistance and extension services and training.* The Project will finance the provision of technical assistance and extension services, focusing on the following issues:

- (a) Improving productivity of both primary and processed agricultural and non-agricultural production, by transferring and diffusing enhanced techniques and technologies, especially those adapted to the semi-arid conditions. This subcomponent will particularly strengthen the knowledge transfer from the research centres to the technical assistance organizations.
- (b) Improving the managerial and organizational capacities of producers' groups, including associative governance, cooperative business management, accounting and financial management.
- (c) Improving marketing capacities of producers' organizations including: i) market intelligence to identify market opportunities and define penetration strategies; ii) bargaining and management of input and output marketing contracts; iii) management of market-oriented supply chain, including standards and quality requirements, product packaging, etc.; iv) management and dissemination of market information; and v) promotion and advertisement, amongst others.

2.3. *Agricultural Research and Technology Transfer.* The subcomponent will finance the acquisition of selected embryos of goat and sheep, female goat, sheep to implant the embryos, a travelling caravan for goats and sheep technology transfer, and veterinary inputs. The subcomponent will also finance the implementation of cashew nurseries and workshops on cashew technologies.

2.4. *Productive Investment Facility.* The financial resources to be allocated to producers' organizations will be channelled through a Productive Investment Facility (PIF). The PIF will be managed by the PMU under the supervision of the PIF Executive Board and shall follow specific rules formalized in the Project Implementation Manual (PIM). Investments will be financed on a grant basis, including financing for farm level

investments, as well as processing plants and other facilities. The project will support the producers' cooperatives and apex bodies to ensure an adequate management and ownership of the processing facilities. To this end, the project will focus on strengthening their capacities regarding collective governance, organization, business management and provision of marketing and technical services to their members. The project will also finance investments for water supply such as the drilling and recovery of selected wells for human and animal consumption, the construction of surface and groundwater dams and water infrastructure for small irrigated orchards.

2.5. *Access to Short-term credit.* The implementation of improved technologies for the different activities may require additional resources for financing incremental operative costs. The project will support, through technical assistance activities and partnerships, the links with other providers of financial resources in order to facilitate producers' access to short-term credit.

Component 3: Sustainable Management of Natural Resources and Combating Desertification

The component aims to: (i) support the fight against desertification and promote sustainable management of the Caatinga biome in the project area; (ii) support the dissemination of environmentally sustainable practices within productive activities and value-chains; and (iii) support the rural poor to co-exist and take advantage of the semi-arid environment in which they live.

In order to accomplish these aims, the component will mainly finance: (i) environmental education; (ii) training of extensionists and rural development agents; (iii) reforestation of the caatinga by setting up agro-forestry systems, participative experimental units which could benefit from payment for environmental services, and seed banks of native and exotic species; (iv) support to rural businesses in fulfilling their environmental legislation requirements as part of the business plans implementation; and (v) knowledge sharing with regards to co-existence with semi-arid conditions. The reforestation of the caatinga specifically aims to recover degraded areas and raise the capacity for pasture in small farmers' properties; reforestation will be associated with environmental improvements (erosion control, water conservation systems, etc.) and the reduction of economic vulnerability with the introduction of useful plant species for human or animal consumption.

Component 4: Institutional Development

This component aims at supporting the improvement of the management capacities and working conditions of the governmental and non-governmental organizations (community associations, cooperatives, NGOs, etc.) involved in project implementation. In this sense, the subcomponent will strengthen the capacity of project stakeholders to formulate and implement rural development projects for the semi-arid region.

The first line of intervention will consist in carrying out training and workshops on issues related to local and territorial development methodologies, local governance and social participation. The second line of activities will consist of improving the capacities of the co-executing and partner agencies in implementing the project, emphasis being given to result-based management, monitoring and evaluation, planning methodologies and the management of agreements and contracts, especially with service providers.

Component 5: Project Management

The project will finance the establishment and operations of the Project Management Unit (PMU) within the SEDAP, as well as the establishment and operations of the Monitoring and Evaluation (M&E) system. The M&E System would be part of the PMU and will be integrated into the Secretariat of Planning M&E system. This Secretary will also supervise the evaluation activities.

II. Implementation Arrangements

1. The Lead Project agency

The Secretariat of Agricultural Development and Fisheries of the borrower (SEDAP), in its capacity as lead project agency, will be responsible for executing the Project. The SEDAP will be responsible for Project management operations including, among other tasks, planning, approval of the Annual Working Plan and Budget (AWPB), monitoring, establishing and monitoring agreements with co-executing agencies, transferring resources, preparing periodic reports concerning Project activities to be sent to IFAD and governmental authorities. The SEDAP will chair the Project Steering Committee.

THE SEDAP will also support the necessary articulations of the Project at the political level including the federal, state and municipal public sector, as well as with international counterparts.

2. The Project Management Unit (PMU)

A Project Management Unit (PMU) will be formally established within the SEDAP, with financial and managerial autonomy framed by existing legal regulations. The PMU will prepare the AWPB, directly execute several activities under the project, and will supervise the effective implementation of the co-executing agencies' work plans. The PMU will decentralize project management through the State entity in charge of technical assistance and rural extension's regional offices located in the territories of Seridó Ocidental, Seridó Oriental, Cariri Ocidental, Cariri Oriental and Curimataú, which constitute the project area. In these regional offices the technical teams will be strengthened and will include staff from each co-executing agency. These regional offices will coordinate and articulate the field activities with all co-executing and partner agencies, and any other development institutions with which relevant synergies could be developed, as well as with the municipal sustainable rural development councils (conselhos municipais de desenvolvimento rural sustentável).

The PMU will include an administrative and financial manager, an officer responsible for each project component and it will be headed by a Project Coordinator. The Project Coordinator shall be appointed by the SEDAP, as provided in section E Paragraph 2.e) of the Project Financing Agreement. The terms of reference and the professional requirements for the Project Coordinator and the PMU staff will be agreed upon with the Fund. The Project Coordinator shall be responsible for the day to day management of the Project, including planning, monitoring, transferring resources and following-up with the co-executing agencies, and preparing reports concerning Project activities, amongst others.

3. The Project Steering Committee (PSC)

The project will establish a Project Steering Committee (SC) chaired by SEDAP and composed of representatives of State entities and Federal entities. Representatives of the beneficiaries of the project will be invited to participate. The composition of the Steering Committee shall be specified in the PIM. The Steering Committee will intervene in strategic decisions for project implementation. It will also review and make suggestions to the Annual Working Plan and Budget, and comment the official reports of activities.

4. Implementation Coordination

The SEDAP will agree on Implementation Arrangements with the State Secretariats and/or their decentralized bodies in charge of economic development, science, technology, water resources and environment for: (i) the fellowship programme for rural youngsters (component 1); (ii) the capacity building and strengthening of small rural producers' organizations involved in small mining activities (component 2); (iii) the development of the leather industry (component 2); and iv) the execution of the Natural Resources Management Component (component 3).

These arrangements will establish, on general and on annual basis, the responsibilities of each Secretariat, a result-based program of work and the goals to be achieved.

5. Implementation Agreements

The participation of the co-executing agencies will be carried out under Implementation Agreements concluded between the Borrower, through SEDAP, with each co-executing agency. Disbursement of funds to the co-executing agencies will be subject to formalization of the respective implementation agreement. These agreements will include, on a general and on an annual basis, a result-based working plan, the expected results and goals and the financial resources to be provided to these agencies.

The State agency in charge of technical assistance and rural extension will be responsible for the activities related to the development of producers' organizations, the agricultural value-chains and part of the handicraft sector (such as *renda renascença*). It will also execute and supervise the activities linked to the Natural Resources Management Component. It will provide human and technical resources for promoting producers' organizations, organising and co-ordinating the extension teams in every "value chain" to be served by the project, as well as supervise, with SEDAP, the extension services to be provided by private agents.

The State agency in charge of agricultural research and technology transfer will be responsible for the activities related to research and the transfer of technology in the agricultural value chains to be supported by the project.

6. The Executive Board of the Productive Investment Facility.

The management of the Productive Investment Facility (PIF) will be carried out under specific rules and procedures to be formalised in PIF Regulations included in the Project Implementation Manual. The project will set up an Executive Board of the PIF. This Board will be chaired by the SEDAP and shall be composed of members with voting rights. Members without voting rights may be invited to participate. The Project Coordinator will be the Technical Secretary of the Board which will meet at least 3 times a year to analyze and eventually approve business plans, investments proposals, and decide on strategies, priorities, guidelines and other relevant matters for PIF operation, as provided in the PIM.

7. Project Implementation Manual

The SEDAP shall execute the project as provided for in the PIM, which shall provide, amongst others, rules related to the eligibility criteria for beneficiaries, monitoring and evaluation procedures, implementation strategy, the regulations for the PIF and the procedures for the financial management of the project.

The SEDAP may propose modifications to the PIM which will be effective only after the no objection of the Fund.

8. Taxes

The proceeds of the Loan shall not be used to pay taxes. Taxes shall be covered by the counterpart financing of the Borrower.

Schedule 2

Allocation Table

1. *Allocation of Loan Proceeds.* (a) The Table below sets forth the Categories of Eligible Expenditures to be financed by the Loan and the allocation of the amounts of the Loan to each Category and the percentages of expenditures for items to be financed in each Category:

Category of expenses	Amount Assigned of the Loan (in SDR)	% of eligible expenses to be financed by IFAD
I. Equipment and Vehicles	540 000	83% of total expenditure or 100% net of taxes
II. Training - Courses and Workshops	1 300 000	40% of total expenditures
III. Agreements and Contracts for Technical Services		
(a) Technical Assistance, Audits and Studies and Agreements with Public Institutions	950 000	87% of total expenditures
IV. Financial Facility		
(a) Productive Investment Facility	8 100 000	83% of total expenditures
(b) Environmental Facility	500 000	56% of total expenditures
V. Recurrent Costs		
(a) Payments towards PMU personnel, Extensionists and Local Development Agents (ADL)	2 380 000	51% of total expenditures
(b) Operating costs	720 000	60% of total expenditures
VI. Unallocated	1 610 000	
TOTAL	16 100 000	

(b) The terms used in the Table above are defined as follows:

- i. Equipment and Vehicles for the PMU and for the co-executing agencies, includes: equipment and vehicles like motorcycles, pick ups, sedan vehicles, computers, printers, telephones, photocopiers, scanners, TVs, chicken incubators, office furniture and other office equipment.
- ii. Training includes: courses and workshops for PMU staff, co-executing agencies, services providers and project beneficiaries. Divulcation material is excluded.
- iii. Agreements and contracts for technical services includes: agreements and contracts for the provision of technical assistance services, audits, studies and an agreement with the Secretariat of Planning for the project external evaluation.

- iv. Financial Facility includes:
 - a. Productive Investment Facility: non refundable investments in small farms, family enterprises and cooperative rural industries including plantations, equipment, productive assets, improvements in infrastructure and other investments directly related to the productive activities to be supported by the project. Physical investments in small mining are excluded.
 - b. Environmental Investment Facility: non refundable investments and maintenance of Agro Forestry Systems and Participative Experimental Units.
 - v. Recurrent Costs.
 - a. Payments towards Local Development Agents (ADL), PMU staff and extensionists.
 - b. Operating Costs: maintenance of equipment and vehicles, insurances, rentals, and office miscellaneous. Exclude gasoline, oil and electricity.
2. *Start-up Costs.* Withdrawals in respect of expenditures for start-up costs (equipment, training, technical services, payments toward ADL, PMU personnel and extensionists and operating costs categories) incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of USD 150 000, in the following amounts per category:
- (a) Equipment: up to USD 35 000
 - (b) Training: up to USD 35 000
 - (c) Technical services: up to USD 25 000
 - (d) Payments towards ADL, PMU personnel and extensionists: up to USD 35 000
 - (e) Operating costs: up to USD 20 000

GUARANTEE AGREEMENT

[Loan Number: _____]

Project Title: Cariri and Seridó Sustainable Development Project (PROCASE) (the "Project")

Projeto de Desenvolvimento Sustentável do Cariri e Seridó - PROCASE

The International Fund for Agricultural Development (the "Fund" or "IFAD")

and

The Federative Republic of Brazil (the "Guarantor")

(each a "Party" and both of them collectively the "Parties")

hereby agree as follows:

Section A

1. The following documents collectively constitute an integral part of this Agreement: this document, the Project Financing Agreement (the "Financing Agreement") of even date herewith between the Fund and The State of Paraiba of the Federative Republic of Brazil (the "Borrower"), and The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, and amended on 17 September 2010 (the "General Conditions"). For the purposes of this Agreement the terms defined in the General Conditions and the Financing Agreement have the respective meanings set forth therein.

2. By virtue of the Financing Agreement, the Fund has agreed to extend to the Borrower a loan of sixteen million one hundred thousand Special Drawing Rights (SDR 16 100 000) on the terms and conditions set forth in the Financing Agreement, but only on condition that the Guarantor agrees to guarantee the payment obligations of the Borrower in respect of such Loan, as provided in this Agreement;

3. The Guarantor, in consideration of the Fund entering into the Financing Agreement with the Borrower, has agreed to guarantee such payment obligations of the Borrower, and agrees to remain fully bound until full payment of such obligations, provided that the Borrower has previously obtained the approval of the Guarantor to any modifications or amendments to the "Financing Agreement".

4. The Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of the principal of, and the payment of interest and other charges on, the Loan due under the Financing Agreement.

Section B

1. In the event of default by the Borrower, the Fund shall not be required to exhaust its remedies against the Borrower prior to enforcing its rights against the Guarantor.

Section C

1. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Fund

The President
International Fund for
Agricultural Development
Via Paolo di Dono 44
00142 Rome, Italy
Brasil

For the Guarantor:

The Minister of Finance
Procuradoria-Geral da Fazenda
Nacional
Esplanada dos Ministérios, Bloco P,
8º andar - 70048-900, Brasília, DF,

Fax (55 61) 3412-1740

This agreement, dated _____, has been prepared in the (English) language in six (6) original copies, three (3) for the Fund and one (1) for the Guarantor and two (2) for the Borrower.

For the Fund
(insert name and title)

For the Guarantor
(insert name and title)

Key reference documents

Country reference documents

Carta Consulta approved by the Federative Government of Brazil: *Projeto de Desenvolvimento do Cariri e Seridó: PROCASE*. May 2008.

Government of Paraíba: Multi-year Plan 2008-2011

Caprinocultura, estudio previo proyecto Paraíba, Sep-08

IFAD reference documents

Project design document and key files

Results-based COSOP 2008

Administrative Procedures on Environmental Assessment

Logical framework

Narrative	Indicators (RIMS in italics)	Means of verification	Assumptions and Risks
Goal Rural economy of Paraiba's semi-arid region developed and poor rural households reduced their poverty levels	<ul style="list-style-type: none"> 20% of households with improvements in household assets ownership index 10% reduction in the prevalence of child malnutrition, by gender (h/a, w/a, w/h)* Gross Domestic Product of Paraiba's semi-arid region grew by 5% 	<ul style="list-style-type: none"> Project Baseline Survey Mid-term and final results and impact evaluation National statistical data (IBGE) 	
Purpose Project beneficiaries in Paraiba's semi-arid region sustainably improved their farm and off-farm income, productive assets, organizational capacities and environmental practices	<p>18 500 households directly benefited from project services</p> <ul style="list-style-type: none"> 75% of beneficiary households increased both average farm and off-farm income by 20% 10% annual increase in volumes and values of marketed products supported by the project, by product 80 % of agricultural and non agricultural businesses operate profitably after three years 4 300 jobs created by the economic activities supported by the project Rural extension institutions are able to attend 15 200 rural poor families 225 hectares of caatinga under good NRM practices At least 80% of the producers' organizations supported by the project participate in territorial forums and councils 	<ul style="list-style-type: none"> Local business register Project Baseline Survey Mid-term and final evaluation Project's Management Information System Co-executing agencies' reports Systematizations of experiences Specific studies on local economic activities Participative beneficiaries' evaluations National statistical data (IBGE) Labour information system 	<ul style="list-style-type: none"> Droughts Land access and tenancy facilitated by GOB Social infrastructure continue to be provided by the GOB Targeted markets absorb incremental production Policies to strengthen public extension services maintained Land access problems
Component 1. Human and social development			
Output 1. Youngsters, men and women, benefited from technical and entrepreneurship education for better insertion in labour market and to develop businesses	<ul style="list-style-type: none"> 4 000 rural poor youngsters jovens (50% of women) receive fellowship (US\$ 400 each) to attend technical and entrepreneurship training 1 200 youngsters (50% of women) benefited from US\$ 400 fellowship to design business plan 80% of the youngsters who designed business plans have access to financing sources to implement their project 	<ul style="list-style-type: none"> Mid-term and final evaluation Project's MIS Co-executing agencies' reports Participative beneficiaries' evaluations 	<ul style="list-style-type: none"> SECTMA does not establish the necessary partnerships to implement the program Technical education programs inadequate to labour market demand
Component 2: Productive development			
<p>Output 2. Rural poor producers supported to improve their organizational capacities, design and implement productive projects and improve their access to markets</p> <p>Output 3. Small producers access to technical assistance and financial resources to improve agricultural and no-agricultural production</p>	<ul style="list-style-type: none"> 11 600 farmers, 1 400 small miners and 1 000 artisans, organized in at least 54 associations and cooperatives, benefited from training and technical assistance on organizational strengthening Producers' associations and cooperatives develop at least 2 second-tier cooperatives to provide marketing and technical assistance services to their members 14 000 small producers (40% of women and 20% of women heading households) trained in agricultural and non agricultural production techniques (disaggregated by production and gender) 32 extension officers supervise 200 local development agents (50% of women) USD 25.8 million from the Productive Investment Fund are allocated to 11 200 small producers through the Business Plans, by production 11 200 small producers receive USD 3.25 million to finance short-term credit (including PRONAF) 36 agricultural and non agricultural businesses supported for better insertion in the markets At least 700 women artisans receive technical assistance and financial resources to develop their businesses 	<ul style="list-style-type: none"> Mid-term and final evaluation Specific studies of local economic activities Project's (MIS) and AWPB Technical partners' reports Systematizations of experiences Beneficiaries' evaluations 	<ul style="list-style-type: none"> Local participation policies maintained Droughts Co-operative mismanagement Grassland expansion in caatinga Negative impacts of mining industries Land access and tenancy facilitated by GOB Policies to strengthen public extension services maintained Targeted markets absorb incremental production
Component 3. Natural resources management and mitigation of desertification			
Output 4. Sustainable management of natural resources promoted, including techniques and knowledge to mitigate desertification process	<ul style="list-style-type: none"> 450 producers trained and financed to establish 450 agro-forestry systems and 30 demo units A pilot system for payments for environmental services to small producers set up At least 80% extension officers and local development agents trained in natural resources management techniques (50% of women) 150 school teachers trained in natural resources management techniques attending 10 000 pupils (50% of women) 	<ul style="list-style-type: none"> Mid-term and final evaluation Specific studies on NRM Project's (MIS) and AWPB Technical partners' reports Systematizations of experiences Beneficiaries' evaluations 	<ul style="list-style-type: none"> Droughts Land access and tenancy facilitated by GOB Present policies to strengthen public extension services maintained
Component 4. Institutional strengthening			
Output 5. Rural institutions supported to strengthen their capacities regarding provision of technical assistance and implementation of rural development policies in the semi-arid region	<ul style="list-style-type: none"> Staff of project partner agencies, representatives from municipal councils and producers' organizations attend 27 training events on territorial planning, rural development and participative local governance 5 successful development experiences systematized 6 consortiums workshops organized 50 small producers' representatives trained on rural development issues (50% of women) 	<ul style="list-style-type: none"> Mid-term and final evaluation Project's (MIS) and AWPB Systematizations of experiences and case studies Policy and strategy documents produced Beneficiaries' evaluations 	<ul style="list-style-type: none"> Local governance and local participation policies and legislation maintained
Component 5. Project management, monitoring and evaluation			
Output 6. Effective project management unit established and operational	<ul style="list-style-type: none"> 3 regional offices are set-up and composed by staff from EMATER, SETDE and SECTMA Supervision mission rate project technical and financial management as satisfactory At least 70% of interventions/activities effectively implemented as planned in AWPB At least 40% of project staff are women Project MIS and M&E system operational (baseline survey, RIMS, participatory evaluations, etc.) 	<ul style="list-style-type: none"> Project's MIS Audit reports Supervision reports Technical partners' reports and M&E system Project AWPB 	<ul style="list-style-type: none"> Changes in Government might imply staff turn-over The PMU is adequately trained to implement the project