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Investing in rural people

President's report

Proposed loan and Debt Sustainability
Framework grant

Republic of the Sudan

Sustainable Natural Resources and
Livelihoods Programme

Project ID: 2000002105

Note to Executive Board representatives

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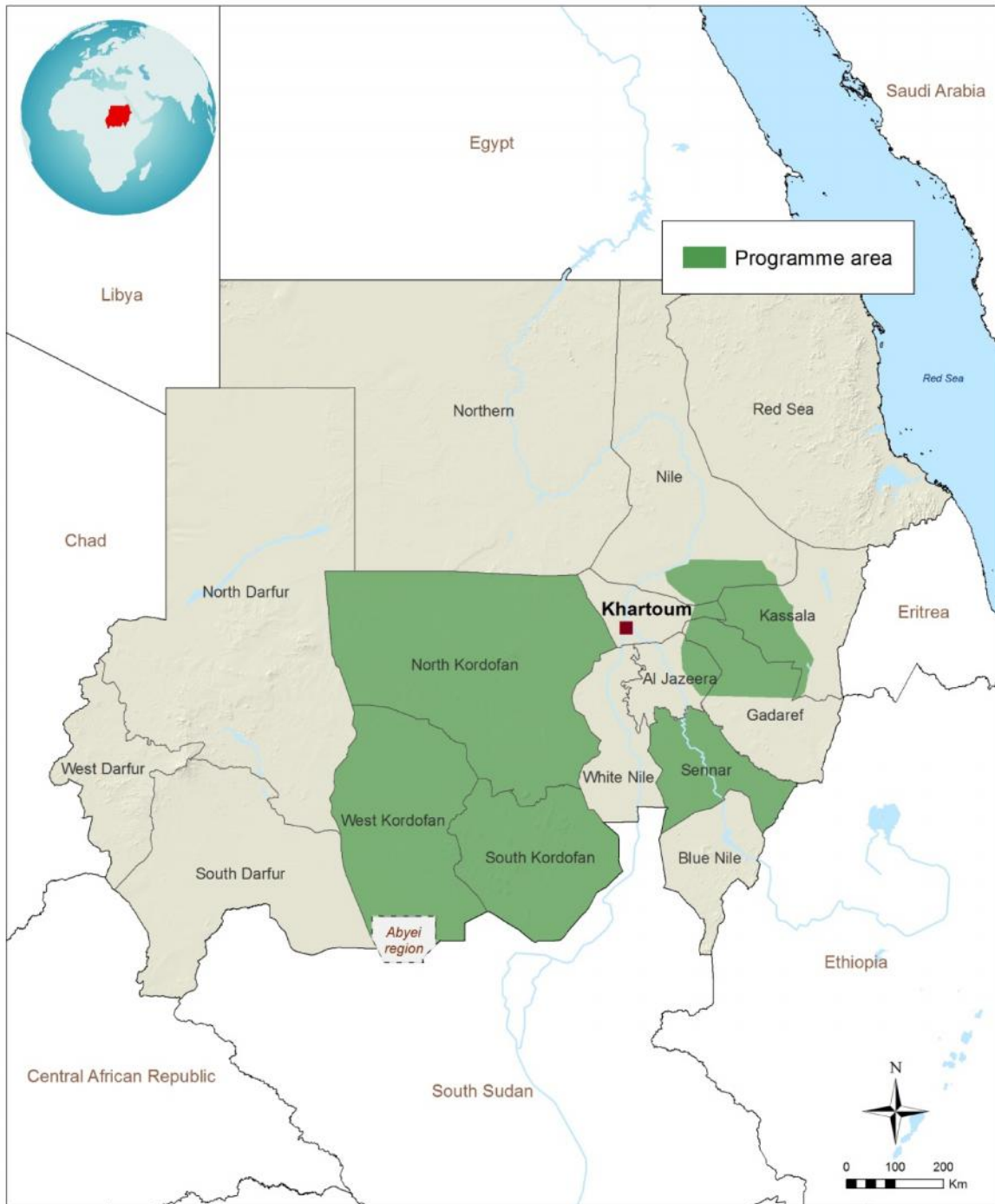
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| | |
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Abbreviations and acronyms

| | |
|-------|---|
| AWP/B | annual workplan and budget |
| CPCU | central programme coordination unit |
| CRA | climate risk assessment |
| IAMDP | Integrated Agricultural and Marketing Development Project |
| ICO | IFAD Country Office |
| LIP | livelihood investment plan |
| LMRP | Livestock Marketing and Resilience Programme |
| M&E | monitoring and evaluation |
| NRLMP | natural resources and land use management plan |
| PP | procurement plan |
| SDG | Sustainable Development Goal |
| SSC | state steering committee |
| SNRLP | Sustainable Natural Resources and Livelihoods Programme |
| SPCC | state policy coordination centre |
| SPCU | state programme coordination unit |
| TMC | Transitional Military Council |

Map of the programme 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. Final status of the Abyei area is not yet determined.
Map compiled by IFAD | 31-05-2019

Financing summary

| | |
|---|---|
| Initiating institution: | IFAD |
| Borrower/recipient: | Republic of the Sudan |
| Executing agency: | Federal Ministry of Agriculture and Forestry |
| Total programme cost: | EUR 77.71 million |
| Amount of IFAD loan: | EUR 11.29 million |
| Amount of DSF grant: | EUR 45.16 million |
| Amount of IFAD climate finance:* | EUR 20.89 million |
| Terms of IFAD loan: | Highly concessional: Maturity period of 40 years, including a grace period of 10 years, with fixed service charge as determined by the Fund at the date of approval |
| Cofinancier(s): | Global Environment Facility Least Developed Countries Fund (GEF/LDCF) |
| Amount of cofinancing: | GEF/LDCF: EUR 1.76 million |
| Terms of cofinancing: | Grant |
| Contribution of recipient/borrower | EUR 11.74 million |
| Contribution of beneficiaries: | EUR 4.45 million |
| Contribution of private sector: | EUR 3.32 million |
| Appraising institution: | IFAD |
| Cooperating institution: | Directly supervised by IFAD |

* As per the MDB Methodologies for Tracking Climate Adaptation and Mitigation Finance.

Recommendation for approval

The Executive Board is invited to approve the recommendation contained in paragraph 45.

I. Context

A. National context and rationale for IFAD involvement

National context

1. The Republic of the Sudan's economy is increasingly dependent on agriculture as a result of declining oil revenues, and more than 80 per cent of the labour force is engaged in agriculture. Although reforms have been introduced, agriculture continues to suffer. One major cause is the fragility of natural resources and the presence of parallel natural resource systems resulting in chaotic land tenure arrangements, along with inconsistencies in laws and policies that lead to conflicts. Additional pressure is exerted by the expansion of mechanized farming and mining into landscapes traditionally used by smallholder agropastoral communities. Small-scale rainfed farming is highly sensitive to fluctuations in rainfall, making climate change a critical factor affecting the economy, livelihoods and food security.
2. Despite political tensions after the former president was ousted in April 2019, IFAD's counterparts in the line ministries have proved to be reliable partners. Throughout the transition at the highest political level, requests and communications from the IFAD Country Office (ICO) have been treated with priority, debt repayments have been processed as scheduled and projects are being implemented with minimal disruptions. Broadly speaking, there are three possible political scenarios for Sudan:
 - (i) A peaceful and consensual transitional process. Across the current political spectrum, future elected governments are likely to support IFAD's operations in the country.
 - (ii) The Transitional Military Council (TMC) continues to rule. This would have minimal impact on IFAD's operations given the TMC's commitment to ensure that government services continue to function.
 - (iii) A worst-case scenario involving armed conflict. The case for continuation of the IFAD portfolio in Sudan would need to be reassessed. This scenario is unlikely, however, because of the international community stance against it.
3. As an agreement between the political parties and the TMC is about to be finalized with support from the international community, it is unlikely that the worst-case scenario will materialize. Nevertheless, should this happen, the proposed plan would be to delay the submission of the proposed Sustainable Natural Resources and Livelihoods Programme (SNRLP) to the Executive Board until the situation has been resolved.

Special aspects relating to IFAD's corporate mainstreaming priorities
4. Climate change in Sudan is a major challenge with increasingly drier climate trends. These trends are attributable to the combined effects of higher temperatures, lower rainfall, overgrazing, tree cutting for charcoal production, and a lack of effective and inclusive resource governance. Rural youth, constituting 23 per cent of the total population and 21 per cent of the poor, do not have sufficient employment opportunities or skills to access finance. Women play an important role in family well-being and food security but are frequently excluded from community decisions and income-generating production activities.

Rationale for IFAD involvement

5. The SNRLP is aligned with IFAD's strategic objectives and addresses the main drivers of fragility, rural poverty, food insecurity and climate change. IFAD's experience in working with development partners and vulnerable pastoral and agropastoral communities in similar fragile ecosystems gives it a solid comparative advantage. SNRLP consolidates successful initiatives by development partners and/or IFAD-cofinanced projects for effective natural resource management. SNRLP also takes on the challenge of governance engagement with government and development partners. In addition, SNRLP supports the sustainability of livelihood development activities under ongoing IFAD-cofinanced projects in Sudan, for example, the Livestock Marketing and Resilience Programme (LMRP) and the Integrated Agricultural and Marketing Development Project (IAMDP).
6. LMRP works to revive the livestock industry and optimize the use of a diminishing natural resource base under threat from climate change. Activities involving community-led natural resource management and enhanced adaptive capacities have proved successful, providing guidance for the SNRLP launch. IAMDP promotes home garden (jubraka) cultivation for enhanced nutrition and food security through a specific subcomponent dedicated to climate change.

B. Lessons learned

7. The IFAD-financed programmes in Sudan demonstrate that natural resource management and conflicts over resources can be addressed at community level to deal with issues of ownership, eligibility, power allocation, and benefit sharing. Experiences show a need to engage at higher levels of governance using community experiences as a push factor from below. Women's groups in Sudan have been successful in generating internal capital through savings and profits earned on investments, and have demonstrated willingness to invest their funds in collective natural resource improvement activities. Building on the experience in supporting start-up business arrangements with microfinance, SNRLP will offer seed capital for start-up support of natural resource-based microenterprises in partnership with financial institutions.

II. Programme description

A. Programme objectives, geographic area of intervention and target groups

8. SNRLP's goal is to increase the food security, incomes and resilience of pastoralists, agropastoralists and smallholders engaging in joint natural resource-related activities. The objective is to increase production, secure access to natural resources for vulnerable users and improve the sustainability of natural resource-related livelihoods, by scaling up community-based natural resource governance practices, technologies and business models. The objective is aligned with the strategic objectives set forth in the results-based country strategic opportunities programme agreed between IFAD and Sudan by: (i) focusing on restoring ecosystems, strengthening resilience against climate change and facilitating target groups' access to basic agricultural services; and (ii) promoting diversification in smallholder livelihood systems, building the capacities of community institutions, producers, women and youth, and promoting target groups' access to rural finance.
9. Plans call for reaching 720,000 target household members in nine states across three regions: Butana in the east, Sennar in the south-east and Kordofan in the west. SNRLP will select communities sharing ecosystems through a cluster/network approach to ensure that the selected communities jointly adopt coordinated ecosystem improvement measures. The community clusters/networks will be developed around the stock routes in Kordofan, around the networks already supported by the Butana Integrated Rural Development Project in Butana, and

around the existing clusters set up by LMRP in Sennar. SNRLP will not duplicate past investments in previously supported communities, but rather capitalize on them to consolidate social infrastructures and strengthen natural resource management mechanisms, thereby enhancing the benefits and sustainability of previous projects.

10. SNRLP's principal target group is poor smallholder farmers (50 per cent), agropastoralists (30 per cent) and pastoralists (20 per cent). Special attention will be paid to the inclusion of youth (30 per cent), women (50 per cent) and vulnerable women-headed households (14 per cent). SNRLP will assist smallholder farmers cultivating up to 7.14 hectares who are dependent on natural resources to improve their incomes. Agropastoralists will be assisted through better access to fodder and animal health services. Pastoralists will be supported in diversifying their livelihoods through small enterprises. SNRLP will support women through jubraka farming, nurseries, saving groups and access to credit. Access to gas stoves will replace dependence on firewood to reduce pressure on natural resources. Nutrition awareness training will be provided to women. Vulnerable women-headed households will receive special support through access to revolving funds for gas stoves and jubraka farming. SNRLP will promote rural youth involvement in crop, fodder and forestry development activities.
11. SNRLP will adopt geographical targeting, self-targeting and direct targeting measures. Geographical targeting will enable the programme to reach a higher concentration of target households. Self-targeting will take place through activities suitable for the target households as identified in participatory natural resources and land use management plans (NRLMPs) and livelihood investment plans (LIPs). The direct targeting of vulnerable households will enable the programme to reach 50 per cent smallholder farmers, 30 per cent agropastoralists and 20 per cent pastoralists, with 50 per cent outreach to women and 30 per cent outreach to youth overall.
12. Implementation of targeting strategies. SNRLP will conduct activities to sensitize implementers and policymakers to the strategic interests and needs of women, youth and pastoralists, and will adopt quotas to ensure that they are represented in decision-making committees and programme-related activities. The monitoring and evaluation (M&E) system will incorporate disaggregated indicators by smallholder farmers, agropastoralists, pastoralists, gender, and youth. The NRLMPs will include socio-economic details of each household to be used in determining their eligibility for programme support and tracking changes in their socio-economic standards.

B. Components/outcomes and activities

13. The programme will have the following components:
 - (i) Component 1: Scaling up community-based natural resource management and businesses. This will focus on consolidating and scaling up good practices to empower clusters/networks of communities and capacity-building in land use planning and natural resource governance, taking into account climate change risks. Subcomponent 1.1, Community mobilization, natural resource and land use management planning, will support communities in the creation of a strengthened village and inter-village framework for land use planning, negotiation of resource governance and joint resource management. Subcomponent 1.2, Implementation of natural resource-based livelihood investment plans, will support natural resource management and assist interest groups in implementing LIPs to increase their resilience and benefit streams derived from natural resources, production systems and related small businesses.

- (ii) Component 2: Improving the institutional framework for scaling up community-based natural resource management. This will support institutional capacity-building and policy engagement from local to state and federal levels in order to institutionalize and scale up proven community and inter-community land and natural resource governance models. Subcomponent 2.1, Strengthening of legal and policy frameworks, will support a participatory review of land and natural resource policies and establish an institutional structure for a comprehensive multisector and multilevel consultation and discussion process. Subcomponent 2.2, Building institutional capacities, will provide training to public and private extension service providers and to locality, state and federal government staff.

C. Theory of change

14. SNRLP will address the challenges related to natural resource governance and management and climate change, which cause water stress and a poor environment for business development. The purpose is to achieve the desired changed situation and build on existing opportunities, for example, the community cluster/network capacities and arrangements for natural resource access and use of negotiation, conflict resolution, agreements and registration/titling, planning of activities and investments in improved natural resource management. Natural resource-based businesses will be established to boost production and incomes. The component 1 outcome will be increased production from scaling up community-based natural resource-related practices, technologies and businesses. The component 2 outcome will be institutions at the federal, state and locality levels adopting and implementing improved regulations and policies on natural resource management.

D. Alignment, ownership, and partnerships

15. SNRLP is aligned with Sustainable Development Goal (SDG) 1 (no poverty), SDG 2 (zero hunger), SDG 5 (gender equality), SDG 6 (clean water and sanitation) and SDG 15 (life on land). In addition to contributing to the objectives of the Sudan National Adaptation Programme of Action, SNRLP is aligned with the Sudan National Agriculture Investment Plan (a five-year investment plan targeting 6 per cent annual growth in agriculture GDP). SNRLP will develop synergies with projects supported by the Global Environment Facility in Butana and Kordofan, together with the Food and Agriculture Organization of the United Nations on water harvesting, land tenure, agroforestry and policy dialogue; the United Nations Development Programme on solar energy solutions and financing natural resource-based enterprises; and the United Nations Environment Programme on climate change adaptation. Synergies with the National Forum for Agriculture, Food Security and Nutrition and the Sudan Higher Council for Environment and Natural Resources will ensure coordination among the different sectors. Synergies will also be developed with ongoing IFAD-supported projects.

E. Costs, benefits and financing

Programme costs

16. Total programme cost including physical and price contingencies is estimated at EUR 77.7 million over a six-year period. Component 1, Scaling up community-based natural resource management and businesses, represents 72.1 per cent of total programme costs and component 2, Improving the institutional framework for scaling up community-based natural resource management, represents 14.4 per cent of total costs. Project management and coordination represent 13.5 per cent of the total.

Table 1
Programme costs by component and financier
 (Thousands of euros)

| Component | DSF grant | | IFAD loan | | GEF/LDCF | | Beneficiaries | | Private sector | | Government | | Total |
|---|---------------|-----------|---------------|-----------|--------------|----------|---------------|----------|----------------|----------|---------------|-----------|---------------|
| | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount |
| 1. Scaling up community-based natural resource management and businesses | 30 205 | 54 | 7 553 | 13 | 1 371 | 2 | 4 370 | 8 | 3 315 | 6 | 9 248 | 17 | 56 062 |
| 2. Improving the institutional framework for scaling up community-based natural resource management | 7 061 | 63 | 1 765 | 16 | 387 | 3 | 78 | 1 | - | - | 1 887 | 17 | 11 178 |
| 3. Project management and coordination | 7 891 | 75 | 1 973 | 19 | - | - | - | - | - | - | 601 | 6 | 10 465 |
| Total | 45 157 | 58 | 11 291 | 15 | 1 758 | 2 | 4 448 | 6 | 3 315 | 4 | 11 736 | 15 | 77 705 |

Table 2
Programme costs by expenditure category and financier
 (Thousands of euros)

| Expenditure category | DSF grant | | IFAD loan | | GEF/LDCF | | Beneficiaries | | Private sector | | Government | | Total |
|-------------------------------|---------------|-----------|---------------|-----------|--------------|----------|---------------|----------|----------------|----------|---------------|-----------|---------------|
| | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount |
| I. Investment costs | | | | | | | | | | | | | |
| Civil works | 10 624 | 53 | 2 656 | 13 | - | - | 3 018 | 15 | 453 | 2 | 3 431 | 17 | 20 182 |
| Goods and services | 5 535 | 53 | 1 384 | 13 | 201 | 2 | 1 079 | 10 | 461 | 5 | 1 773 | 17 | 10 433 |
| Consultancies | 6 120 | 60 | 1 530 | 15 | 693 | 7 | 222 | 2 | - | - | 1 621 | 16 | 10 187 |
| Training and workshops | 10 150 | 66 | 2 538 | 16 | - | - | 124 | 1 | - | - | 2 624 | 17 | 15 436 |
| Equipment and materials | 6 396 | 50 | 1 601 | 12 | 864 | 7 | 6 | - | 1 844 | 14 | 2 193 | 17 | 12 905 |
| Grants | 427 | 80 | 107 | 20 | - | - | - | - | - | - | - | - | 534 |
| Credit, guarantee funds | - | - | - | - | - | - | - | - | 557 | 100 | - | - | 557 |
| Total investment costs | 39 253 | 56 | 9 815 | 14 | 1 758 | 2 | 4 448 | 6 | 3 315 | 5 | 11 643 | 17 | 70 232 |
| II. Recurrent costs | | | | | | | | | | | | | |
| Salaries and allowances | 5 541 | 80 | 1 385 | 20 | - | - | - | - | - | - | - | - | 6 926 |
| Operations and maintenance | 363 | 66 | 91 | 17 | - | - | - | - | - | - | 93 | 17 | 547 |
| Total recurrent costs | 5 904 | 79 | 1 476 | 20 | - | - | - | - | - | - | 93 | 1 | 7 473 |
| Total | 45 157 | 58 | 11 291 | 15 | 1 758 | 2 | 4 448 | 6 | 3 315 | 4 | 11 736 | 15 | 77 705 |

Table 3
Programme costs by component and project year (PY)
 (Thousands of euros)

| Component | PY1 | | PY2 | | PY3 | | PY4 | | PY5 | | PY6 | | Total |
|---|--------------|-----------|---------------|-----------|---------------|-----------|---------------|-----------|--------------|----------|--------------|----------|---------------|
| | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % | Amount |
| 1. Scaling up community-based natural resources management and businesses | 5 052 | 9 | 21 004 | 38 | 20 014 | 36 | 7 904 | 14 | 1 900 | 3 | 189 | 0 | 56 062 |
| 2. Improving the institutional framework for scaling up community-based natural resource management | 1 073 | 10 | 2 506 | 22 | 3 345 | 30 | 2 648 | 24 | 1 164 | 10 | 443 | 4 | 11 178 |
| 3. Project management and coordination | 3 857 | 37 | 1 325 | 13 | 1 380 | 13 | 1 315 | 13 | 1 285 | 12 | 1 301 | 12 | 10 465 |
| Total | 9 982 | 13 | 24 835 | 32 | 24 739 | 32 | 11 867 | 15 | 4 349 | 6 | 1 933 | 2 | 77 705 |

Programme financing/cofinancing strategy and plan

17. IFAD's contribution to the total programme cost of EUR 77.71 million will be EUR 56.45 million (72.60 per cent), of which EUR 45.16 million will be in the form of a grant and EUR 11.29 million in the form of a loan. A GEF/LDCF grant will be provided in the amount of EUR 1.76 million (2.30 per cent). The remaining 19.50 million (25.10 per cent) will be financed from domestic resources comprising government contributions of EUR 11.74 million (15.10 per cent), beneficiary contributions of EUR 4.44 million (5.70 per cent) and EUR 3.32 million (4.30 per cent) from the private sector.

Disbursement

18. The programme will maintain a pool designated account at the Central Bank of Sudan to receive the proceeds of the IFAD loan and grant and the GEF/LDCF grant in euros. The funds will flow from the designated account to a local-currency pool operating account in Sudanese pounds managed by the central programme coordination unit (CPCU). The funds will subsequently flow from the pool operating account in Sudanese pounds to the bank for each state based on quarterly cash forecast reports. Payments can be made from the designated account, pool operating accounts and the bank account of each state to suppliers, contractors, investment plans, matching grants, etc. To track the income and expenditures/transactions, and enable accurate reconciliation of the designated and project accounts, separate ledgers will be set up and maintained for receipts and expenditures from each financing source separately. The programme will be required to submit quarterly withdrawal applications for replenishment, and other disbursement methods of direct payment and reimbursement will be available.

Summary of benefits and economic analysis

19. Over six years, SNRLP will result in: (i) 84,000 households with increased earnings; (ii) EUR 14 million generated through members' savings and retained profits; (iii) 560 youth employed in youth businesses; (iv) 84,000 households adopting environmentally sustainable and climate-resilient technologies and practices; (v) felling of 40,000 trees prevented and EUR 0.6 million saved by adoption of gas stoves; (vi) water availability extended by five to six months per year; (vii) 8,000 head of livestock with higher weights; and (viii) 10 institutions at the federal, state and locality levels implementing improved natural resource management regulations and policies. Nine policy platforms and 10 policy-relevant knowledge products will be completed and 500 government staff members will be trained in climate change adaptation and natural resource governance.
20. SNRLP's economic internal rate of return over 15 years is estimated at 24 per cent and the net present value is positive at EUR 13.8 million. The economic analysis suggests that the programme is feasible. Sensitivity analysis indicates that the economic internal rate of return drops to 20 per cent with a cost increase of 20 per cent. In terms of scenario analysis, the programme remains profitable with a 20 per cent cost increase and a simultaneous 20 per cent benefit decrease. The sensitivity tests of the programme suggest that the programme is robust and worthwhile.

Exit strategy and sustainability

21. SNRLP's exit strategy will be based on: (i) building community organizations and human capacities; (ii) developing partnerships and linkages among community organizations; (iii) mobilizing local and external resources; (iv) phasing activities and resources; and (v) supporting stakeholders to evolve their activities in the programme area.
22. Institutional sustainability will be supported by strengthening and developing partnerships between community institutions. Marketing sustainability will be supported in partnership with the current IAMDP and LMRP projects, which are working to strengthen crop marketing and livestock marketing services

respectively. Technical sustainability will be achieved by building the capacities of government technical departments dealing with relevant subjects. Environmental sustainability will be achieved by incorporating measures in NRLMPs and LIPs to promote resilience to climate change and prevent environmental degradation.

III. Risks

A. Programme risks and mitigation measures

23. SNRLP's principal risks and related mitigation measures are presented in the table below.

Table 4

| <i>Risk</i> | <i>Risk mitigation</i> | <i>Rating</i> |
|--|---|---------------|
| Political commitment and security situation | Despite the unpredictability in political circumstances, and due to IFAD's reputation and recognized role as a catalyst for Sudan's development, SNRLP will ensure that implementation is rooted within local entities, communities and grass-roots institutions, which have proved resilient in the past and will persevere through potential changes and turnover at the highest political levels. IFAD's long-standing experiences and networks from previous projects are important assets to ensure future high-level support across potential political scenarios and changes. While most parts of Sudan proved to be safe amid past political and economic crises, the ICO will continue to closely monitor political and security developments in the country and act in strict compliance with instructions from the United Nations Department of Safety and Security. | High |
| Macroeconomic and financial instability, exchange rate fluctuations and inflation | Adopt community-based implementation, using bank accounts acceptable to IFAD to avoid disadvantageous exchange rates; mobilize cofinancing; obtain high-level governmental support. | High |
| Climate change: rising temperatures, rainfall variability and prolonged droughts negatively affecting target group livelihoods | Promote sustainable and climate-resilient agricultural practices (rangeland rehabilitation and management preserving buffer areas for dry years, terraces, conservation agriculture, crop rotation and intercropping with climate-adapted varieties, composting, water harvesting, etc.) | Medium |
| Land conflicts between resource users (e.g. crop farmers and pastoralists) | Community and inter-community participatory land use mapping and planning, negotiation and agreements on user rights backed up by a conflict resolution mechanism, involvement of mobile pastoralist communities at all stages of land use governance and management. | Medium |

B. Environment and social category

24. Based on IFAD's environmental and social categories and criteria and the results of the guiding questions for environmental and social risk screening, the SNRLP is classified as a category B operation. With its focus on natural resource management interventions, the programme will have a positive environmental impact. The range of initiatives supported will include water-harvesting structures, soil and water conservation, sustainable forest management, and rangeland rehabilitation and management.

C. Climate risk classification

25. The SNRLP is classified as high risk and will operate in regions characterized by high vulnerability to climate change. Most of the references mention that Sudan has particularly fragile sectors such as food security, water resources and agriculture. Accordingly, climate risk and vulnerability assessments and resilience measures will be mainstreamed into the NRLMPs and LIPs.

D. Debt sustainability

26. Sudan's most recent debt sustainability assessment classifies it as in debt distress. Both public and external debt ratios remain high and the bulk of external debt is in arrears. The sovereign risk rating remains in the C band. The value of nominal GDP in United States dollar terms has fallen by two thirds because of the repeated devaluation of the Sudanese pound in 2018, which will push up the external

debt-GDP ratio. Given the foreign currency shortages and worsening economic and political crisis, the Government may struggle to honour its debt obligations. Sudan previously signed a debt settlement agreement with the Fund in October 2012. The Government has officially agreed to the revised eligibility and financing proposed by the Fund for highly concessional loans and Debt Sustainability Framework grants.

IV. Implementation

A. Organizational framework

Project management and coordination

27. An inter-ministerial steering committee facilitates policy engagement, reviews and approves natural resource governance and management policies and best practices, and champions the adoption of recommendations by national and state level agencies.
28. A national programme steering committee oversees programme planning, reviews progress, provides strategic guidance and facilitates linkages to government services and private sector stakeholders. A technical subcommittee serves as a standing committee empowered to meet as needed to resolve implementation bottlenecks that cannot be settled in the states.
29. A state steering committee (SSC) oversees planning, reviews progress, facilitates linkages between programme stakeholders and removes bottlenecks affecting smooth implementation. A technical subcommittee meets as needed to resolve programme implementation bottlenecks encountered within the state.
30. SNRLP will be implemented by a CPCU located in the former premises of the Supporting Small-scale Traditional Rainfed Producers in Sinnar State Project, and headed by a programme director through a central technical support team and a central operational support team. An internal auditor will also be located in the CPCU. Nine state programme coordination units (SPCUs), one in each state and each headed by a state coordinator, will lead programme implementation in the states. The SSC will be assisted by a state technical support team, a state operations support team and a set of cluster development teams.
31. SNRLP will establish three regional policy coordination centres, one in each sector, to anchor the programme activities related to natural resource policy, laws, governance and regulations in the sector. The Gazira SPCU in Rufaa, the Sennar SPCU in Singa and the North Kordofan SPCU in El Obeid will host the state policy coordination centres (SPCCs) in the Butana, Sennar and Kordofan regions respectively. A regional policy specialist will lead each SPCC supported by a team of state policy officers, one from each state in the sector.
32. All staff members in the CPCU and SPCU will be recruited competitively, retaining qualified staff on the ground from previous projects and assessing SNRLP staff performance on a regular basis.

Financial management, procurement and governance

33. The programme's overall risk is rated high and the residual risk medium. The risks identified will be mitigated through: establishing the CPCU, recruiting qualified staff at CPCU and state levels; adopting appropriate internal and external auditing arrangements; installing an accounting software system; and carrying out effective budgetary control, generating accurate and reliable monthly and periodic financial reports. The installation of the accounting system and recruitment of key staff at CPCU will be considered disbursement conditions.
34. An annual external audit will be carried out by the National Audit Chamber, in accordance with the International Standards on Auditing. The audit terms of reference will be prepared by the CPCU each year in accordance with the IFAD Handbook for Financial Reporting and Auditing of IFAD-financed Projects and will be submitted to IFAD for no objection. An external audit firm will also be hired to carry

out an internal audit at midterm to review and evaluate the effectiveness of: internal controls; risk management and governance; economical and efficient use of project resources; reliability and integrity of financial information; achievement of the operational/physical targets; and compliance with the financing agreement and applicable regulations.

35. Procurement by national competitive bidding and international competitive bidding will be carried out by the Central Coordination Unit for IFAD-cofinanced projects on behalf of the programme. Procurement will follow government guidelines insofar as they are in line with IFAD guidelines. Considering the capacity gaps indicated, close monitoring by the ICO will ensure that no deviation occurs.

B. Planning, monitoring and evaluation, learning, knowledge management and communication

36. The CPCU will prepare a common annual workplan and budget (AWP/B) template and guidelines for use by all SPCUs. In consultation with the cluster development teams, the SPCU technical officers will develop technical workplans for the next year. Each SPCU will organize a two to three day AWP/B development session to agree on technical workplans and targets and place them in the proper format. The finance officer will prepare the technical and operations budget of the SPCU. The M&E, knowledge management and innovation officer will prepare the annual M&E plan and the procurement officer will prepare the procurement plan (PP). The SPCU coordinator will compile and share the draft state AWP/B with the CPCU along with the M&E plan and PP. The CPCU will review and consolidate the AWP/Bs and PPs for the nine states and share the consolidated AWP/B with IFAD for no objection.
37. The CPCU will have overall responsibility for M&E and will follow a participatory approach. The senior M&E expert at CPCU will be responsible for the proper functioning of the overall M&E system and will guide its deployment at the SPCU level. The cluster development officers will validate the results and submit the reports to the SPCU where the M&E, knowledge management and innovation officer will consolidate and report results to the CPCUs for programme level consolidation and reporting against the logical framework indicators and preparation of monthly and semi-annual reports. Within the first three months, the CPCU's senior M&E expert will develop the required specifications for a management information system, which will be instrumental in data collection, analysis and reporting.
38. The SPCUs will prepare monthly status reports containing quantitative information on progress against the planned targets. The senior M&E expert in the CPCU will develop semi-annual progress reports based on the monthly reports received from the SPCUs for submission to IFAD. Semi-annual M&E reports will be updated prior to IFAD supervision missions, and updates on the logframe core indicators will be provided during supervision missions. A start-up workshop will be conducted to present AWP/B preparation, the M&E system and IFAD's core indicators, and key performance indicators. Baseline studies will be carried out only in those areas which were not previously covered by IFAD-funded interventions. For all other areas, data available from impact studies and project completion reports will be used.

Innovation and scaling up

39. SNRLP innovations include: (i) adopting an ecosystem-based cluster approach whereby a cluster of communities sharing a common ecosystem will be targeted rather than individual isolated communities; (ii) presenting, through the NRLMPs, comprehensive land use plans for the cluster and providing a vision for improving natural resources in the cluster through integrated natural resource governance; (iii) developing clusters/networks around the concept of governing the common resources shared by different communities, resulting in conflict resolution and common natural resource health improvement; (iv) involving pastoralists in consultations regarding common resource management from the beginning and in

the governance structures developed for overseeing common resources; and (v) scaling up the use of young professionals and youth extension agents, which demonstrated good results in previous projects.

C. Implementation plans

Implementation readiness and start-up plans

40. An existing office set up by the Supporting Small-scale Traditional Rainfed Producers in Sennar State Project will be used to house the CPCU of the SNRLP, and office space will also be secured for the nine SPCUs. The assets of the Butana Integrated Rural Development Project, which will be closing soon, will be inherited by the SNRLP. Some of the assets of the IAMDP state office in Sennar, which will be sharing premises with the SNRLP CPCU, will also be shared. With the assistance of the current IFAD-cofinanced projects operating in the SNRLP area, the nine state governments will be oriented to the ecosystem-based cluster approach. Partnership commitments will be secured from the Microfinance Unit of the Central Bank of Sudan and the Sudanese Microfinance Development Company to assist the process of selecting private finance initiatives once implementation starts.

Supervision, midterm review and completion plans

41. IFAD supervision missions will take place at least once per year and support will be provided to resolve issues that may arise during implementation. The supervision missions will monitor the programme feasibility and capacity for annual delivery based on high-level triggers. A midterm review will be carried out three years after programme start-up to assess implementation progress and likelihood of the achievement of the development objectives through the evaluation of results. The programme completion review will be undertaken at the end of the implementation cycle to report on the results achieved through programme interventions.

V. Legal instruments and authority

42. A programme financing agreement between the Republic of the Sudan and IFAD will constitute the legal instrument for extending the proposed financing to the borrower/recipient. A copy of the negotiated financing agreement is attached in appendix I.
43. The Republic of the Sudan is empowered under its laws to receive financing from IFAD.
44. I am satisfied that the proposed financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

VI. Recommendation

45. I recommend that the Executive Board approve the proposed financing in terms of the following resolution:

RESOLVED: that the Fund shall provide a loan on highly concessional terms to the Republic of the Sudan in an amount of eleven million three hundred thousand euros (EUR 11,300,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a grant under the Debt Sustainability Framework to the Republic of the Sudan in an amount of forty five million two hundred thousand euros (EUR 45,200,000) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Gilbert F. Houngbo
President

Negotiated financing agreement: "Sustainable Natural Resources and Livelihoods Programme"

(Negotiations concluded on 20 August 2019)

Loan No: _____

DSF Grant No: _____

Project name: Sustainable Natural Resources and Livelihoods Programme (the "Programme")

Republic of the Sudan (the "Borrower/Recipient")

and

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

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

WHEREAS, the Borrower/Recipient has requested a loan and a grant from the Fund for the purpose of financing the Programme described in Schedule 1 to this Agreement;

WHEREAS, the Fund has agreed to provide financing for the Programme;

WHEREAS, the Programme will be implemented in several regions in Sudan, including: (i) the Butana region, where the IFAD-financed Butana Integrated Rural Development Project (BIRDP) and the Integrated Carbon Sequestration Project (ICSP) will phase out in September 2019; (ii) the Sennar region, where the IFAD-financed Supporting the Small-scale Traditional Rainfed Producers Project in Sennar State (SUSTAIN) phased out in December 2018; and (iii) the Kordofan region, where the IFAD-financed Integrated Agricultural and Marketing Development Project (IAMDP) and Livestock Marketing and Resilience Programme (LMRP) are currently operating; and

WHEREAS, the Programme will scale-up some of the natural resources related activities of the closing projects and as well complementing those of IAMDP and LMRP.

NOW THEREFORE, the Parties hereby agree as follows:

Section A

1. The following documents collectively form this Agreement: this document, the Programme Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).

2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2018, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, 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, unless the Parties shall otherwise agree in this Agreement.

3. The Fund shall provide a Loan and a Debt Sustainability Framework (DSF) Grant (together the "Financing") to the Borrower/Recipient, which the Borrower/Recipient shall use to implement the Programme in accordance with the terms and conditions of this Agreement.

Section B

1. A. The amount of the Loan is eleven million three hundred thousand euro (EUR 11 300 000).

B. The amount of the DSF Grant is forty five million two hundred thousand euro (EUR 45 200 000).

2. The Loan is granted on highly concessional terms, and shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency. The Loan shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board.

3. The principal of the Loan will be repaid at four and half per cent (4.5%) of the total principal per annum for years eleven (11) to thirty (30), and one per cent (1%) of the total principal per annum for years thirty-first (31) to forty (40).

4. The Loan Service Payment Currency shall be in euro (EUR).

5. The first day of the applicable Fiscal Year shall be 1 January.

6. Payments of principal and service charge shall be payable on each 15 May and 15 November.

7. There shall be a pool Designated Account in euro (EUR) for both the Loan and DSF Grant resources for the exclusive use of the Programme opened in the Central Bank of Sudan or any other bank acceptable to the Fund.

8. The Borrower/Recipient shall provide counterpart financing for the Programme approximately in the amount of eleven million seven hundred thirty thousand euro (EUR 11 730 000) equivalent in the form of in kind contributions, taxes and custom exemptions. The beneficiaries shall provide a contribution to the Programme for the approximate equivalent of four million four hundred fifty thousand euro (EUR 4 450 000) in the form of in-kind and cash. The private sector shall provide a contribution to the Programme for the approximate equivalent of three million three hundred thousand euro (EUR 3 300 000) in the form of credit support to Microfinance Institutions (MFIs).

Section C

1. The Lead Programme Agency shall be the Federal Ministry of Agriculture and Forestry (MoAF).

2. The following are designated as additional Programme Parties: Ministries of Production and Economic Resources in the state of River Nile, Khartoum, Gezira, Gedaref, Kassala, Sennar, North Kordofan, South Kordofan and West Kordofan.

3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Programme.

4. The Programme Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement. The Financing Closing Date will be established as specified in the General Conditions.

5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with procurement methods and any other measures identified by IFAD.

Section D

1. The Fund will administer the Financing and supervise the Programme, and the Borrower/Recipient will implement and conduct its own administration and supervision of the Financing and the Programme.

Section E

1. The following are designated as additional grounds for suspension of this Agreement:

- a) The Programme Implementation Manual (PIM) and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower/Recipient, has determined that it has had, or is likely to have, a material adverse effect on the Programme; and
- b) Any transfer of key Programme staff of the bodies described in paragraph 7 of Schedule 1 of this Agreement has not been communicated to IFAD.

2. The following are designated as additional conditions precedent to withdrawal:

- a) Key Programme staff of the bodies described in paragraph 7 of Schedule 1 of this Agreement have been appointed.
- b) A fully functional accounting software to satisfy International Accounting Standards and IFAD's requirements, subject to no objection by the Fund, shall have been installed at Central Programme Coordination Unit (CPCU) and State Programme Coordination Units (SPCUs).

3. This Agreement is subject to ratification by the Borrower/Recipient.

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

For the Borrower/Recipient:

Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
P.O. Box 298
Khartoum
The Republic of Sudan

For the Fund:

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

This Agreement, [dated _____], has been prepared in the English language in two (2) original copies, one (1) for the Fund and one (1) for the Borrower/Recipient and shall enter into force on the date the Fund receives an instrument of ratification from the Borrower/Recipient. .

REPUBLIC OF THE SUDAN

Authorised Representative name
Authorised Representative title

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

Gilbert F. Houngbo
President

Schedule 1

Programme Description and Implementation Arrangements

I. Programme Description

1. Target Population. The Programme shall benefit food insecure people, especially women, youth and children. The targeted outreach is approximately 120 000 households (HH), with 720 000 HH members.
2. Programme area. The Programme will be operated in nine States across the Butana region in the East, the Sennar Region in the South-East and the Kordofan Region in the West of Sudan. The nine States are the River Nile, Khartoum, Gezira, Gedaref and Kassala States in the Butana region; the Sennar State in the Sennar region and; the North, South and West Kordofan States in the Kordofan region (the "Programme Area").
3. Goal. The goal of the Programme is to increase food security, incomes and resilience of pastoralist, agro-pastoralist and smallholder crop farmers engaging in joint natural resources (NR) governance and management and development of related businesses in targeted landscapes.
4. Objective. The objective of the Programme is to increase production, secure access to NRs for vulnerable users and improve the sustainability of NR related livelihoods through scaling up community based NR governance and management practices, technologies and business models.
5. Components. The Programme shall consist of the following Components and respective Subcomponents:
 - Component One (C1) – Scaling-up community-based NR management and business. C1 will focus at consolidating and upscaling existing good practices in Sudan for empowering communities and networks or clusters of communities and build their capacities in land-use planning and NR governance and management, that takes into account climate change risks.
 - Component Two (C2) – Improving the institutional framework for upscaling community based natural resources management (NRM). C2 will support institutional capacity strengthening and policy engagement from local to State and Federal levels in order to institutionalise and scale up proven community and inter-community land and NR governance and management models.

II. Implementation Arrangements

6. Lead Programme Agency. The MoAF will be the Lead Programme Agency.
7. Central Programme Coordination Unit (CPCU). The CPCU will be responsible for overall oversight of the Programme's activities implementation. The CPCU shall include the following key Programme staff: Programme Director, Senior Natural Resources Management Expert, Senior M&E Expert, Finance Manager, Senior Central Procurement Expert, and Central Programme Accountant.
8. State Programme Coordination Units (SPCUs) and other bodies. The Programme will establish SPCUs in the different States of the Programme Area. The Programme will also establish Regional NRM Policy Coordination Centres (RPCCs) in the different regions of the Programme Area. The overall composition of the SPCUs and RPCCs and their key staff will be indicated in the PIM.

9. Implementing partners. Implementation partners will comprise: the Ministries of Production and Economic Resources of the nine (9) states comprising the Programme Area; the community organisations acting in the Programme Area; and the NGOs contributing to the Programme implementation.

10. Monitoring and Evaluation (M&E). The M&E will provide timely information on progress of implementation to determine deviations to be addressed and ensure consistent performance. Data will be disaggregated to reflect gender, age and locality. Key indicators will take into account IFAD's Operations Result Management System (ORMS).

11. Programme Implementation Manual (PIM). The CPCU will update the draft PIM provided during Programme design and submit the final version for IFAD's approval within eight (8) months after entry into force. After being so approved, a copy of the PIM shall be provided by CPCU to IFAD. Being a living document, the PIM may be updated as necessary, with approval of the Fund in order to introduce clarifications of procedures and eliminate constraints for Programme implementation.

Schedule 2

Allocation Table

1. Allocation of Loan/Grant Proceeds. (a) The Table below sets forth the Categories of Eligible Expenditures to be financed by the Loan/Grant and the allocation of the amounts to each category of the Financing:

| Category | Loan Amount Allocated (expressed in EUR) | Grant Amount Allocated (expressed in EUR) |
|--|--|---|
| I. Works | 2 390 000 | 9 580 000 |
| II. Goods and services and equipment and materials | 2 700 000 | 10 790 000 |
| III. Consultancies, training and workshops | 3 650 000 | 14 600 000 |
| IV. Grants | 100 000 | 390 000 |
| V. Salaries and allowances and operating costs | 1 330 000 | 5 320 000 |
| Unallocated | 1 130 000 | 4 520 000 |
| TOTAL | 11 300 000 | 45 200 000 |

(b) The terms used in the Table above and the percentages of expenditures to be financed under each Category are defined as follows:

- (i) Category I "Works" means eligible expenditures to be financed 80% from the Grant and 20% from the Loan net of taxes, private sector and beneficiaries' contributions.
- (ii) Category II "Goods and services and equipment and materials" means eligible expenditures for goods and services and equipment and materials to be financed 80% from the Grant and 20% from the Loan net of taxes, custom duties, co-financiers, private sector and beneficiaries contributions.
- (iii) Category III "Consultancies and training and workshops" includes: (a) eligible expenditures for consultancies to be financed 80% from the Grant and 20% from the Loan net of taxes, co-financiers, private sector and beneficiaries contributions; and (b) eligible expenditures for training and workshops to be financed 80% from the Grant and 20% from the Loan net of taxes and beneficiaries contributions.
- (iv) Category IV "Grants" shall mean eligible expenditures incurred under Component 1 related to initial working start-up money for gas stove revolving schemes for poor households to be financed 80% from the Grant and 20% from the Loan.

- (v) Category V "Salaries and allowances and operating costs" shall mean eligible expenditures to be financed 80% from the Grant and 20% from the Loan net of taxes.

2. Start-up Costs. Withdrawals in respect of expenditures for start-up costs incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of three hundred forty thousand euro (EUR 340 000). The following amounts per category: (i) procurement & installation of accounting system and furniture and fittings costs for CPCU, under category II "Goods & services and equipment and materials" EUR 125 000; (ii) recruitment, salaries and allowances of CPCU staff and operating costs for six (6) months, under category V "Salaries & allowances and operating costs" EUR 185 000; and (iii) Start-up workshop, under category III "Consultancies, training & workshops" EUR 30 000. Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

Schedule 3

Special Covenants

In accordance with Section 12.01(a)(xxiii) of the General Conditions, the Fund may suspend, in whole or in part, the right of the Borrower/Recipient to request withdrawals from the Loan/Grant Account if the Borrower/Recipient has defaulted in the performance of any covenant set forth below, and the Fund has determined that such default has had, or is likely to have, a material adverse effect on the Programme:

1. Accounting software. Within six (6) months from the entry into force of the Financing Agreement, the Programme will procure and install a customize accounting software as mentioned in section E.3 as it is the practice in IFAD on-going supported projects, to satisfy International Accounting Standards and IFAD's requirements.
2. Planning, Monitoring and Evaluation. The Borrower/Recipient shall ensure that a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement.
3. Land tenure security. The Borrower/Recipient shall ensure that the land acquisition process has already been completed and that compensation processes were consistent with international best practice and free prior and informed consent principles.
4. Compliance with the Social Environmental and Climate Assessment Procedures (SECAP). The Borrower/Recipient shall ensure that the Programme will be implemented in compliance with IFAD's SECAP.

Logical framework

| Results Hierarchy | Indicators | Unit | Baseline | Mid-Term | End-Target | Means of Verification | | | Assumptions | |
|---|--|--|----------|----------|------------|---------------------------------|--------------------------------|----------------|---|--|
| | | | | | | Source | Frequency | Responsibility | | |
| Outreach | 1. a Households receiving project services* | | | | | | Proj. reports | Annual | CPCU | |
| | Total number (50% female) | HH | | 84,000 | 120,000 | | | | | |
| | 1. b Estimated corresponding total number of HH members | | | | | | Proj. reports | Annual | CPCU | |
| | - Household members - Number of people (6 members per households) | HH Members | | 504,000 | 720,000 | | | | | |
| | 1. Persons directly receiving SNRLP promoted/supported services | | | | | | Proj. reports | Annual | CPCU | |
| | - Men | persons | | 42,000 | 60,000 | | | | | |
| | - Women | persons | | 42,000 | 60,000 | | | | | |
| | - Youth | persons | | 25,200 | 36,000 | | | | | |
| | - Pastoralists | persons | | 16,800 | 24,000 | | | | | |
| | - Agro-pastoralists | persons | | 25,200 | 36,000 | | | | | |
| - Smallholder farmers | persons | | 42,000 | 60,000 | | | | | | |
| | Total number | persons | | 84,000 | 120,000 | | | | | |
| Project Goal Improved food security, incomes and resilience of pastoralist, agro-pastoralist and smallholder crop farmers in the Butana, Kordofan and Sennar regions | Reduction of severe acute malnutrition in children | Prevalence of wasting in children under five (%) | | 16.5 | 14.5 | Baseline, mid & end line survey | Baseline, Mid-term, Completion | CPCU | - Stable political and macro-economic environment - No major natural disaster affects the Project Area | |
| | Households reporting an increase of at least 20% in income as a result of services provided by the project | | | 30 | 70 | Baseline, mid & end line Survey | Baseline, Mid-term, Completion | CPCU | | |
| | | HH | | 36,000 | 84,000 | | | | | |
| | Households with increased score of at least 30% in the resilience score card (appendix 5.2) | | | 20 | 60 | Baseline, mid & end line Survey | Baseline, Mid-term, Completion | CPCU | | |
| | | HH | | 24,000 | 72,000 | | | | | |
| Development Objective Increase production, secure access to NRs for vulnerable | 1.2.4 Households reporting increase in production of milk, meat, crop, forest products | | | 40 | 70 | Baseline, mid & end line Survey | Baseline, Mid-term, Completion | CPCU | Government willingness to improve access to NR | |
| | - Men | HH | | 24,000 | 42,000 | | | | | |
| | - Women | HH | | 24,000 | 42,000 | | | | | |

| Results Hierarchy | Indicators | Unit | Baseline | Mid-Term | End-Target | Means of Verification | | | Assumptions | |
|--|---|---------|----------|----------|------------|--------------------------|---------------------------------|--------------------------------|---|--|
| | | | | | | Source | Frequency | Responsibility | | |
| users and improve the sustainability of NR related livelihoods in Butana, Kordofan, and the Sennar regions | - Youth | HH | | 14,400 | 25,200 | | | | | |
| | - Pastoralists | HH | | 9,600 | 16,800 | | | | | |
| | - Agro-pastoralists | HH | | 14,400 | 25,200 | | | | | |
| | - Smallholder farmers | HH | | 24,000 | 42,000 | | | | | |
| | Total | HH | | 48,000 | 84,000 | | | | | |
| | 1.2.1 Households reporting improved access to each of land, forests, water or water bodies for production | | | | 30 | 60 | Baseline, mid & end line Survey | Baseline, Mid-term, Completion | CPCU | |
| | - Men | persons | | 18,000 | 36,000 | | | | | |
| | - Women | persons | | 18,000 | 36,000 | | | | | |
| | - Youth | persons | | 10,800 | 21,600 | | | | | |
| | - Pastoralists | persons | | 7,200 | 14,400 | | | | | |
| - Agro-pastoralists | persons | | 10,800 | 21,600 | | | | | | |
| - Smallholder farmers | persons | | 18,000 | 36,000 | | | | | | |
| Total | persons | | 36,000 | 72,000 | | | | | | |
| Outcome 1 Increased adoption of NR management practices, technologies and business models that enhances the quality and sustainable use of NRs, . | 3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient practices | | | 30 | 70 | Progress reports by SCUs | Annual | SPCU | NRM practices are disseminated and adopted widely Good quality BDS are available Smallholder access to rural financial services | |
| | - Men | persons | | 18,000 | 42,000 | | | | | |
| | - Women | persons | | 18,000 | 42,000 | | | | | |
| | - Youth | persons | | 10,800 | 25,200 | | | | | |
| | - Pastoralists | persons | | 7,200 | 16,800 | | | | | |
| | - Agro-pastoralists | persons | | 10,800 | 25,200 | | | | | |
| | - Smallholder farmers | persons | | 18,000 | 42,000 | | | | | |
| | Total | persons | | 36,000 | 84,000 | | | | | |
| | 3.2.3 Persons reporting a significant reduction in time spent collecting water or fuel | | | | 40 | 70 | Progress reports by SPCUs | Annual | SPCU | |
| | - Men | Persons | | 24,000 | 42,000 | | | | | |
| | - Women | Persons | | 24,000 | 42,000 | | | | | |
| | - Youth | Persons | | 14,400 | 25,200 | | | | | |
| | - Pastoralists | Persons | | 9,600 | 16,800 | | | | | |
| - Agro-pastoralists | Persons | | 14,400 | 25,200 | | | | | | |
| - Smallholder farmers | Persons | | 24,000 | 42,000 | | | | | | |

| Results Hierarchy | Indicators | Unit | Baseline | Mid-Term | End-Target | Means of Verification | | | Assumptions |
|--|--|-----------------|----------|----------|------------|---------------------------|---------------|----------------|-------------|
| | | | | | | Source | Frequency | Responsibility | |
| | Total | Persons | | 48,000 | 84,000 | | | | |
| | 3.1.4 Number of hectares of land brought under climate resilience management | Ha | | 81,876 | 793,972 | Progress reports by SPCUs | Annual | SPCU | |
| | - Cropland | Ha | | 65,285 | 163,213 | | | | |
| | - Rangeland | Ha | | 11,441 | 28,602 | | | | |
| | - Stock routes | Ha | | 3,750 | 600,000 | | | | |
| | - Forest land | Ha | | 1,400 | 2,157 | | | | |
| Output 1.1 | Number of cluster/network NR and Land-Use Management Plans (NRLMP) with CCA mainstreamed being implemented | Number of plans | | 70 | 150 | Progress reports by SPCUs | Semi-annually | SPCU | |
| Inter-community framework for NR and land-use governance effectively implemented | 1.1.1 Persons whose ownership or user rights over NR registered in national cadasters/ geographic information management systems (forests & rangelands registration) | | | 30 | 60 | Progress reports by SCUs | Semi-annually | SPCU | |
| | - Men | Persons | | 18,000 | 36,000 | | | | |
| | - Women | Persons | | 18,000 | 36,000 | | | | |
| | - Youth | Persons | | 10,800 | 21,600 | | | | |
| | - Pastoralists | Persons | | 7,200 | 14,400 | | | | |
| | - Agro-pastoralists | Persons | | 10,800 | 21,600 | | | | |
| | - Smallholder farmers | Persons | | 18,000 | 36,000 | | | | |
| | Total | Persons | | 36,000 | 72,000 | | | | |
| | Persons reporting reduction in dispute over use of land and natural resources | | | 30 | 60 | Progress reports by SCUs | Semi-annually | SPCU | |
| | - Men | Persons | | 18,000 | 36,000 | | | | |
| | - Women | Persons | | 18,000 | 36,000 | | | | |
| | - Youth | Persons | | 10,800 | 21,600 | | | | |
| | - Pastoralists | Persons | | 7,200 | 14,400 | | | | |
| | - Agro-pastoralists | Persons | | 10,800 | 21,600 | | | | |
| | - Smallholder farmers | Persons | | 18,000 | 36,000 | | | | |
| | Total | Persons | | 36,000 | 72,000 | | | | |
| Output 1.2 | 3.1.1 Groups supported to improve their livelihoods by sustainably managing NR and climate risks | | | 3,850 | 5,500 | | | | |
| Access to technical assistance | Number of groups (gp) | | | | | | | | |

| Results Hierarchy | Indicators | Unit | Baseline | Mid-Term | End-Target | Means of Verification | | | Assumptions |
|--|---|-------------|----------|----------|------------|-----------------------|-----------|----------------|---|
| | | | | | | Source | Frequency | Responsibility | |
| and finance facilitated to support the implementation of Livelihood Investment Plans (LIP) aligned with NRLMPs | - Men | Gp. members | | 42,000 | 60,000 | | | | |
| | - Women | Gp. members | | 42,000 | 60,000 | | | | |
| | - Youth | Gp. members | | 25,200 | 36,000 | | | | |
| | - Pastoralists | Gp. members | | 16,800 | 24,000 | | | | |
| | - Agro-pastoralists | Gp. members | | 25,200 | 36,000 | | | | |
| | - Smallholder farmers | Gp. members | | 42,000 | 60,000 | | | | |
| | Total | Gp. members | | 84,000 | 120,000 | | | | |
| | - Women in leadership position | Group | | 1,155 | 1,650 | | | | |
| | - Pastoralist in leadership position | Group | | 280 | 400 | | | | |
| Outcome 2 Legal, policy and institutional framework for upscaling community based NRM improved | Number of institutions at federal, state and locality level that have adopted and implemented improved regulations and policies in the realm of NRM Institutions | | | 5 | 10 | M&E system | Annual | SPCU | -The capacities of institutions developed -Government support review for NRM framework |
| Output 2.1 Natural resources legal and policy frameworks strengthened | Policy 1 Number of policy-relevant knowledge products completed Frameworks/knowledge products | | | 5 | 10 | M&E system | Annual | CPCU | |
| - Reviews of frameworks governing land-use and NRM with a set of recommendations for revisions and for strengthened implementation | Frameworks | | 4 | 4 | | | | | |
| - Guidelines for community schemes/models for governance and management of NRs generating revenues for reinvestment | Frameworks | | 3 | 3 | | | | | |
| - Other policy relevant knowledge products | Knowledge products | | 3 | 3 | | | | | |
| | Policy 2 Number of Land and NR governance multi-stakeholder platforms/fora at Locality, State & Federal levels Platforms | | | 6 | 9 | | | | |
| Output 2.2 Institutions capacitated on community based CCA and NR governance, management and suitable technology related issues | No. of institution staff trained on CC adaptation & NR govern. Staff | | | 250 | 500 | M&E system | Annual | CPCU | |
| - Men | Staff | | 150 | 300 | | | | | |
| - Women | Staff | | 100 | 200 | | | | | |