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**Rapport du Président****Proposition de don au titre du Cadre pour la  
soutenabilité de la dette****République fédérale de Somalie****Programme pour la résilience des moyens  
d'existence en milieu rural**Numéro du projet: 2000004325

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**POUR: APPROBATION****Mesures à prendre:** Le Conseil d'administration est invité à approuver la recommandation telle qu'elle figure au paragraphe 45.

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**Questions techniques:****Dina Saleh**

Directrice régionale

Division Proche-Orient, Afrique du Nord et Europe

courriel: d.saleh@ifad.org

**Omar Ebrima Njie**

Directeur de pays

Division Proche-Orient, Afrique du Nord et Europe

courriel: o.njie@ifad.org

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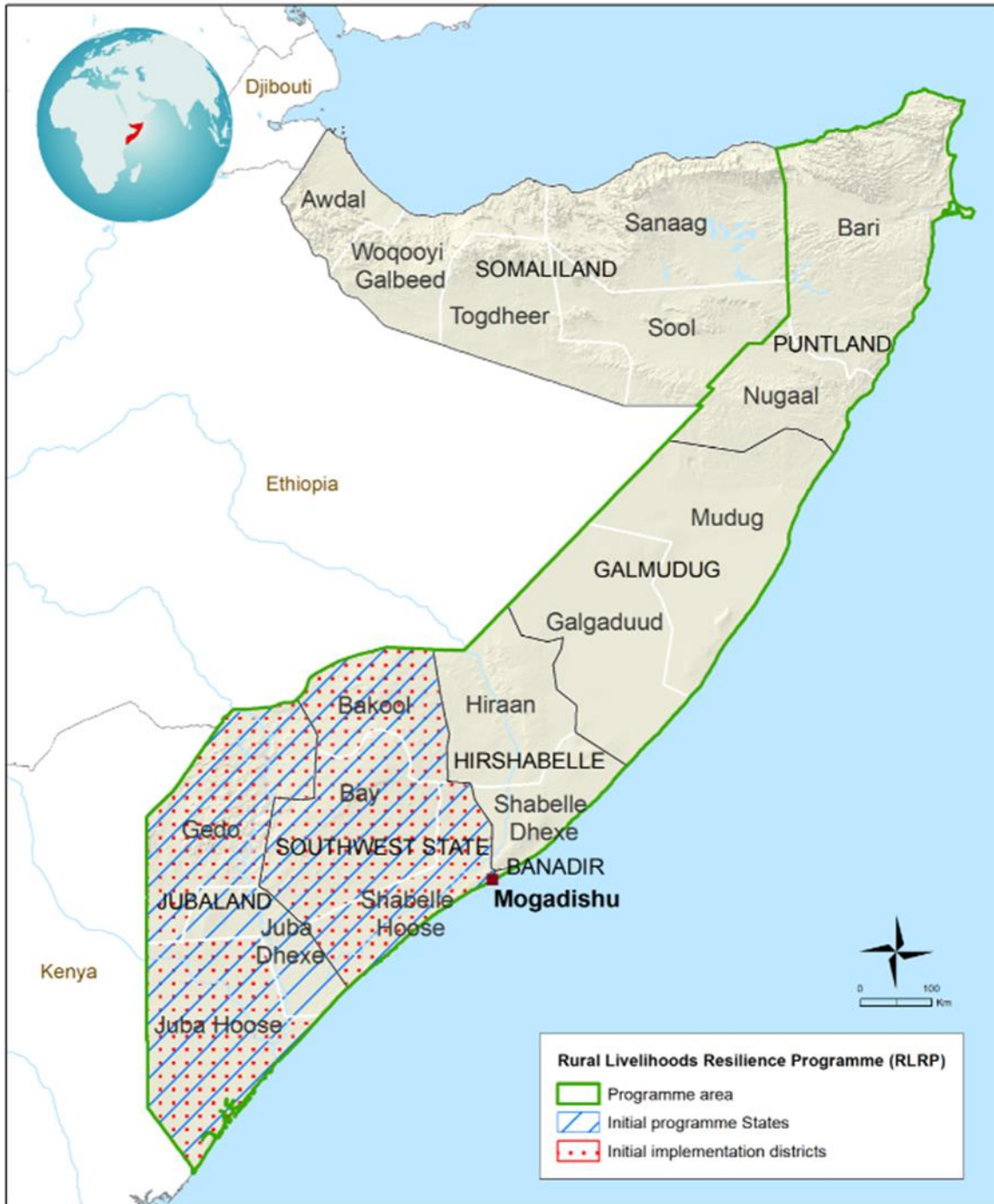
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<b>Équipe d'exécution du programme</b>	
Directrice régionale:	Dina Saleh
Directeur de pays:	Omar Ebrima Njie
Responsable technique:	Putso Nyathi
Responsable des finances:	Federico Rossetti
Spécialiste climat et environnement:	Walid Nasr
Juriste:	Ebrima Ceesay

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## Carte de la zone du programme



Les appellations employées et la présentation des données n'expriment aucune position particulière du FIDA quant au tracé des frontières ou limites ni aux autorités concernées.  
Carte établie par le FIDA | 17/06/2023

## Résumé du financement

<b>Institution initiatrice:</b>	FIDA
<b>Emprunteur/bénéficiaire:</b>	Ministère des finances
<b>Organisme d'exécution:</b>	Ministère de l'agriculture et de l'irrigation
<b>Coût total du programme:</b>	31,22 millions d'USD
<b>Montant du don du FIDA au titre du Cadre pour la soutenabilité de la dette:</b>	11,60 millions d'USD
<b>Contribution des autorités locales:</b>	2,0 millions d'USD
<b>Contribution de l'emprunteur/bénéficiaire:</b>	0,7 million d'USD
<b>Contribution des bénéficiaires:</b>	3,0 millions d'USD
<b>Déficit de financement:</b>	13,92 millions d'USD
<b>Montant du financement climatique apporté par le FIDA:</b>	6,41 millions d'USD

## **I. Contexte**

### **A. Contexte national et justification de l'intervention du FIDA**

#### **Contexte national**

1. Le contexte national en Somalie est complexe, en raison d'un niveau élevé d'insécurité perçue qui s'explique par la récente sortie du pays de 30 années de troubles civils. Le Gouvernement fédéral de la Somalie, établi en 2012, réunit six États autonomes. Le Gouvernement actuel est au pouvoir depuis juin 2022. La Somalie présente un intérêt particulier pour les puissances tant régionales qu'internationales en raison de son emplacement stratégique et de ses vastes ressources naturelles.
2. La Somalie a obtenu un score de 111,9 points au regard de l'indice des États fragiles en 2023, ce qui en fait l'un des deux pays les plus fragiles depuis 2008. Les facteurs de fragilité du pays sont, entre autres, les luttes violentes pour le pouvoir et les ressources qui ont duré près de 30 ans, le très mauvais état des infrastructures de services dû au conflit, la faiblesse des capacités de gouvernance et des capacités institutionnelles, la pauvreté et le chômage des jeunes, et la radicalisation.
3. L'agriculture représentait 56,6% du produit intérieur brut (PIB) en 2020 et employait 26,3% de la population en 2021, mais la productivité des cultures est très faible. Les petits exploitants agricoles doivent notamment faire face aux risques suivants: i) les effets des changements climatiques, en particulier les sécheresses et les inondations; ii) l'insécurité; iii) la faiblesse des capacités institutionnelles; iv) la dégradation des terres.

#### **Aspects particuliers relatifs aux thématiques transversales prioritaires du FIDA**

4. Conformément aux engagements du FIDA en matière de transversalisation, le programme a été validé comme:
  - incluant un financement climatique;
  - tenant compte des enjeux nutritionnels;
  - axé sur les jeunes.

#### **Justification de l'intervention du FIDA**

5. La Somalie a subi des sécheresses pendant cinq saisons consécutives, ce qui a entraîné des pertes importantes de bétail, de mauvaises récoltes, des déplacements de populations et la destruction d'infrastructures d'irrigation par des inondations ponctuelles. Ces facteurs, parallèlement à l'insécurité, à la pandémie de COVID-19 et à la guerre en Ukraine, ont contribué à la fragilité des moyens d'existence agricoles et aux niveaux élevés d'insécurité alimentaire et nutritionnelle.
6. Les petits exploitants somaliens ont besoin d'être appuyés par des interventions comme le Programme pour la résilience des moyens d'existence en milieu rural pour restaurer leurs moyens d'existence et renforcer leur résilience face à de multiples chocs. Depuis une dizaine d'années, le FIDA ne soutient le développement agricole de la Somalie que par l'intermédiaire de dons. En février 2023, les arriérés de paiement du pays au FIDA ont été apurés, ce qui a donné à la Somalie un accès aux ressources de base. Le FIDA s'est engagé à consacrer la première contribution du Système d'allocation fondé sur la performance au Programme pour la résilience des moyens d'existence en milieu rural, ce qui marquera son retour stratégique en Somalie après 30 années d'absence.

7. Le Programme pour la résilience des moyens d'existence en milieu rural s'appuiera sur l'expérience acquise par le FIDA dans les situations de fragilité en Somalie et dans d'autres pays pour contribuer, par le développement d'une agriculture et d'infrastructures communautaires et résilientes face au climat, au renforcement de la résilience des moyens d'existence des communautés rurales, à l'intégration des questions de genre, à l'inclusion sociale, et à la prise en compte des jeunes et des enjeux nutritionnels.

## **B. Enseignements à retenir**

8. Le Programme pour la résilience des moyens d'existence en milieu rural a été conçu en tenant compte des enseignements tirés de projets financés par des dons du FIDA et de projets mis en œuvre en Somalie par d'autres partenaires du développement au cours des 30 dernières années, en particulier:
- i) Le principe de la primauté de la disponibilité de l'eau est un point de départ et une condition préalable à d'autres activités visant à améliorer la résilience et à réduire les conflits au sein des populations pauvres vivant dans des zones fragiles fréquemment touchées par des sécheresses;
  - ii) l'approche fondée sur le développement à l'initiative des communautés est une solution efficace pour fournir des biens publics et améliorer le ciblage et l'appropriation, en particulier dans les zones isolées et les contextes de fragilité;
  - iii) le recours à des partenaires d'exécution tiers a permis au FIDA de continuer à intervenir en Somalie pendant les 30 années de suspension des prêts par l'intermédiaire de projets financés par des dons. Ces partenaires d'exécution se sont attaqués aux facteurs de fragilité, comme le manque de capacités institutionnelles, l'accessibilité limitée des zones rurales marquées par une forte insécurité et le nombre restreint de prestataires de services;
  - iv) les pratiques d'agriculture climato-compatible peuvent augmenter considérablement la production et la résilience des petits exploitants agricoles;
  - v) une sous-composante d'urgence avec dotation nulle permet à l'équipe du projet de réagir rapidement aux situations d'urgence telles que les sécheresses, les inondations et les incendies. L'expérience tirée du Mécanisme de relance en faveur des populations rurales pauvres et de l'Initiative de riposte à la crise a montré que les investissements prioritaires après les situations d'urgence concernaient: i) l'amélioration de la productivité; ii) des opérations de remise en état à petite échelle.

## **II. Description du programme**

### **A. Objectifs, zone d'intervention et groupes cibles**

9. Le Programme pour la résilience des moyens d'existence en milieu rural a pour but de garantir aux petits exploitants somaliens des moyens d'existence améliorés et résilients. Sur le plan du développement, le programme vise à améliorer durablement la productivité, les revenus et la sécurité nutritionnelle et à renforcer la résilience des familles de petits exploitants ruraux en Somalie. Ces objectifs seront évalués à l'aide des indicateurs de base suivants: i) augmentation (en pourcentage) des capacités en matière de résilience (objectif: 15%); ii) nombre de personnes ayant un nouvel emploi/de nouveaux débouchés professionnels (objectif: 3 600 personnes).
10. Le Gouvernement somalien et le FIDA ont choisi, à partir de critères tels que la prévalence de la pauvreté, le taux d'insécurité alimentaire et nutritionnelle, le niveau des processus cumulatifs de dégradation de la base de ressources naturelles nécessaires à la production et le niveau acceptable s'agissant des conflits et de l'insécurité autorisant un accès à la zone, de lancer le Programme pour la résilience

des moyens d'existence en milieu rural dans cinq districts des deux États autonomes suivants: l'État du Sud-Ouest de la Somalie (districts de Bay, Bakool et Lower Shabelle) et le Jubaland (districts de Gedo et Lower Juba). Certaines activités seront reproduites dans les districts ou États autonomes initiaux ou dans d'autres États, probablement au moment de l'examen à mi-parcours, en fonction des enseignements tirés de l'exécution du programme, de la disponibilité de financements et de l'évolution des conflits.

## B. Composantes, résultats et activités

11. Le Programme pour la résilience des moyens d'existence en milieu rural comprend trois composantes: **1) l'appui à la résilience communautaire**, dont le but est de favoriser le renforcement et l'inclusivité des communautés, qui bénéficieront ainsi d'une meilleure cohésion sociale et des moyens de définir leurs propres voies de développement des moyens d'existence et de gérer les conflits; **2) l'appui à l'amélioration des moyens d'existence des petits exploitants**, qui visera à accroître la production et la productivité des cultures et activités d'élevage définies comme prioritaires aux fins de l'amélioration de la résilience, de la diversité et de la sécurité alimentaires et des revenus, conformément au plan de développement communautaire; **3) la coordination du programme et le renforcement des capacités**, qui amélioreront la gouvernance locale en s'appuyant sur un environnement politique et institutionnel renforcé et sur des politiques locales et nationales durables, grâce à une gestion efficace et efficiente du programme.
12. La **composante 1: Appui à la résilience communautaire** est constituée de deux sous-composantes. Les activités principales menées dans le cadre de la **sous-composante 1.1 (Renforcement de la gouvernance et des services communautaires)** visent à renforcer les institutions et à développer les compétences pour permettre aux communautés bénéficiaires du programme de s'approprier les initiatives de développement et d'en assumer la responsabilité. Les principales activités sont les suivantes: i) la création de profils de districts; ii) la mobilisation des communautés; iii) l'élaboration du plan de développement communautaire; iv) le renforcement des capacités des institutions communautaires existantes et nouvellement établies à œuvrer dans l'intérêt de leurs membres et gérer les risques de catastrophe. La **sous-composante 1.2 (Appui à l'investissement communautaire)** financera les investissements définis comme prioritaires dans le plan de développement communautaire, notamment en ce qui concerne: i) la gestion communautaire des sources d'approvisionnement en eau destinée à un usage domestique et à la production végétale et animale; ii) la remise en état des canaux d'irrigation; iii) la transition vers des réseaux d'irrigation sous pression alimentés par des systèmes de pompage à énergie solaire; iv) la récupération des eaux de surface; v) la remise en état et la construction d'installations de gestion après-récolte et de transformation, de silos à céréales détenus par les communautés, de systèmes de séchage des céréales, d'installations de chaîne du froid dans les principaux marchés ruraux et de hangars dans les marchés à bétail.
13. La **composante 2: Appui à l'amélioration des moyens d'existence des petits exploitants** comprend deux sous-composantes. La **sous-composante 2.1 (Renforcement de la résilience des filières de production végétale et animale)** favorisera: i) l'adoption d'une approche pluraliste des services de vulgarisation dans les domaines de la production végétale et animale; ii) l'amélioration de la santé animale grâce à des formations et à la distribution d'équipements aux agents vétérinaires communautaires; iii) la promotion d'intrants améliorés et de technologies agricoles climato-compatibles par des formations et des démonstrations; iv) l'accès aux intrants de production; v) le renforcement des capacités des paysans en matière de gestion après récolte, d'établissement de liens commerciaux et de diversification de la production en vue de l'adoption de techniques culinaires tenant compte des enjeux nutritionnels; vi) un soutien à la

production animale et végétale ciblé sur les ménages défavorisés. La **sous-composante 2.2 (Entrepreneuriat aux fins du développement des filières)** favorisera le développement des compétences entrepreneuriales des jeunes et des femmes dans le secteur des services agricoles et services connexes, pour notamment accroître les revenus et créer des emplois. Les activités relevant de cette sous-composante sont les suivantes: i) études visant à guider la création d'entreprises agroalimentaires dans les districts du programme; ii) aide au développement de l'entrepreneuriat par l'intermédiaire du renforcement des capacités; iii) facilitation de l'accès des jeunes et des femmes aux services financiers pour la création d'entreprises dans les filières prioritaires. Enfin, la **sous-composante 2.3** relative aux situations d'urgence pourra être activée en cas de catastrophe naturelle ou d'urgence sociale. Les activités en situation d'urgence concernent: i) l'amélioration de la productivité; ii) les opérations urgentes de remise en état des petites infrastructures.

14. La **composante 3: Coordination du programme et renforcement des capacités** favorisera: i) la coordination du programme; ii) l'évaluation des besoins en matière de capacités et le renforcement de ces dernières; iii) la gestion financière; iv) le suivi-évaluation; v) l'élaboration de politiques fondées sur des données factuelles.

### C. Théorie du changement

15. La fragilité du secteur agricole en Somalie est imputable à différentes causes, notamment: i) la vulnérabilité aux changements climatiques, lesquels font perdurer les graves pénuries d'eau; ii) les violents conflits qui provoquent le déplacement de paysans; iii) la destruction des infrastructures de production; iv) le manque d'accès à la nourriture; v) la faiblesse des institutions communautaires de gouvernance et de prestation de services aux paysans; vi) la faible inclusion des jeunes, des femmes et des personnes déplacées dans les activités agricoles et les institutions communautaires. Les obstacles à la production se caractérisent par: i) un manque d'accès à des services de production et des technologies commerciales améliorées et climato-compatibles; ii) des pertes élevées après récolte; iii) le manque de compétences entrepreneuriales mobilisables pour améliorer les moyens d'existence; iv) l'érosion des compétences techniques; v) la connaissance et l'application limitées des pratiques nutritionnelles. Par ailleurs, les capacités institutionnelles et techniques en matière d'élaboration de politiques de développement agricole sont limitées à différents niveaux. Ces difficultés engendrent une faible production et une faible productivité agricoles, ainsi qu'un accès insuffisant à la nourriture, qui débouchent à leur tour sur des taux élevés de malnutrition et d'insécurité alimentaire.
16. Le Programme pour la résilience des moyens d'existence en milieu rural relèvera ces défis par une approche à trois volets: i) le recours à l'approche fondée sur le développement à l'initiative des communautés pour faciliter la mise en œuvre d'investissements inclusifs et climato-compatibles et bâtir des institutions communautaires résilientes et solidaires; ii) le renforcement de la capacité de résilience des paysans, y compris des femmes, des jeunes et des personnes déplacées, en leur donnant accès à l'eau, à des moyens de production et à des variétés de cultures et des races de bétail améliorées, en développant leurs capacités en matière de pratiques d'élevage et de culture climato-compatibles, en leur prodiguant des formations sur la nutrition et la gestion après récolte, en améliorant leur accès aux marchés et aux financements et en développant leurs compétences entrepreneuriales; iii) le renforcement des institutions publiques pertinentes pour offrir aux petits producteurs un environnement propice à des investissements dans des activités agricoles résilientes. Les résultats attendus du programme sont les suivants: i) une meilleure cohésion sociale au sein des communautés, amenant celles-ci à définir leurs propres voies de développement des moyens d'existence et à gérer les conflits; ii) l'amélioration de la production et



de la productivité animale et végétale pour accroître la résilience, la diversité et la sécurité alimentaires et les revenus; iii) l'amélioration de la gouvernance locale grâce à un environnement politique et institutionnel renforcé, et des politiques locales et nationales pérennes résultant de programmes communautaires gérés de manière efficace et efficiente.

## **D. Cohérence, appropriation et partenariats**

17. Le Programme pour la résilience des moyens d'existence en milieu rural contribuera à la concrétisation de certaines des priorités d'investissement définies dans le pacte signé par la Somalie à l'occasion du Forum sur les systèmes alimentaires en Afrique en 2023, à savoir: i) la création d'infrastructures d'irrigation et de marché productives; ii) le renforcement des filières de production animale et végétale, la création d'entreprises agroalimentaires et l'amélioration de l'accès aux financements; iii) le renforcement des capacités des institutions publiques et de leur personnel; iv) la commercialisation de fourrages et d'autres aliments pour animaux.
18. Le Programme pour la résilience des moyens d'existence en milieu rural s'inscrit dans la perspective des politiques et stratégies nationales suivantes du Gouvernement, elles-mêmes conformes aux objectifs de développement durable (ODD): i) les priorités du neuvième Plan national de développement, qui visent à améliorer la productivité des systèmes agricoles pour accroître la sécurité alimentaire, la participation des groupes vulnérables à la mise en œuvre des programmes et la prise en compte de la protection de l'environnement dans la conception et l'exécution des interventions; ii) les objectifs du Plan stratégique de développement agricole qui visent à faire passer en deçà de la barre des 25% le nombre de personnes vivant sous le seuil de pauvreté absolue (ODD 1), à réduire de plus de 12% l'insécurité alimentaire, à assurer une croissance agricole annuelle moyenne comprise entre 3 et 5% et à accroître de plus de 6% la productivité des denrées alimentaires de base (ODD 2).
19. Du fait de la participation du FIDA à l'équipe de pays des Nations Unies et au Forum de partenariat sur la Somalie, l'exécution du Programme pour la résilience des moyens d'existence en milieu rural pourra être harmonisée avec celle des interventions connexes en faveur du développement rural menées par le Gouvernement et les partenaires de développement. L'équipe du Programme travaillera en étroite collaboration avec les projets sectoriels de la Banque mondiale, le projet Barwaaqo (L'eau au service de la résilience rurale en Somalie), approuvé en décembre 2022, et le Programme régional de résilience des systèmes alimentaires pour l'Afrique de l'Est et australe, approuvé en mai 2023. Des partenaires seront mobilisés dans le cadre de la coopération Sud-Sud et triangulaire pour assurer la gestion des savoirs et la création de partenariats bilatéraux. D'autres partenariats avec les secteurs public et privé seront forgés pendant la mise en œuvre du Programme pour la résilience des moyens d'existence en milieu rural.

## **E. Coûts, avantages et financement**

20. Les dépenses d'investissement et les coûts récurrents du Programme pour la résilience des moyens d'existence en milieu rural, y compris les provisions pour hausse des prix et imprévus matériels, sont estimés à 31,2 millions d'USD sur une période d'exécution de huit ans. Ces coûts englobent des coûts de base de 29 millions d'USD et des provisions pour hausse des prix et imprévus matériels de 1,8 million d'USD.
21. Le déficit de financement, qui s'élève à 13,9 millions d'USD, pourra être couvert par des cycles ultérieurs du Système d'allocation fondé sur la performance (en vertu de conditions de financement à définir et sous réserve des procédures internes et de leur approbation ultérieure par le Conseil d'administration) ou par un cofinancement à déterminer pendant l'exécution.

22. Les sous-composantes 1.1, 1.2 et 2.2 du programme relèvent partiellement du financement de l'action climatique. Le montant total alloué par le FIDA au programme au titre du financement de l'action climatique, calculé suivant les méthodes des banques multilatérales de développement pour le suivi du financement de l'adaptation aux changements climatiques et de l'atténuation de leurs effets, est estimé à 6,41 millions d'USD.

**Coût du programme**

23. Les dépenses d'investissement générales sont estimées à 26,98 millions d'USD (soit 86% du coût total), et les coûts récurrents à 4,24 millions d'USD (14% du coût total). Les coûts sont répartis de la manière suivante en fonction des composantes: Composante 1 – Appui à la résilience communautaire, 11,61 millions d'USD, soit 37% de l'investissement global du programme; Composante 2 – Appui à l'amélioration des moyens d'existence des petits exploitants, 14,29 millions d'USD (46%); et Composante 3 – Coordination du programme et renforcement des capacités, 5,3 millions d'USD, soit 17% des coûts totaux du programme.

Tableau 1

**Coût du programme par composante et sous-composante et par source de financement**

(en milliers d'USD)

	<i>Gouvernement</i>		<i>Don au titre du Cadre de soutenabilité de la dette (CSD) du FIDA</i>		<i>Déficit de financement</i>		<i>États autonomes</i>		<i>Bénéficiaires</i>		<i>Total</i>	
	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>
	<b>1. Appui à la résilience communautaire</b>											
1.1 Renforcement de la gouvernance et des services communautaires	-	-	1 571	42	2 154	58	-	-	-	-	3 725	12
1.2 Appui à l'investissement communautaire	-	-	2 828	36	2 929	37	1 212	15	924	12	7 892	25
<b>Sous-total</b>			<b>4 399</b>	<b>38</b>	<b>5 083</b>	<b>44</b>	<b>1 212</b>	<b>10</b>	<b>924</b>	<b>8</b>	<b>11 617</b>	<b>37</b>
<b>2. Appui à l'amélioration des moyens d'existence des petits exploitants</b>												
2.1 Renforcement de la résilience des filières de production animale et végétale	-	-	2 444	31	4 378	55	-	-	1 155	15	7 977	26
2.2 Entrepreneuriat aux fins du développement des filières	-	-	1 815	29	2 792	44	788	13	921	15	6 316	20
2.3 Urgence, catastrophe et atténuation des risques	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sous-total</b>	<b>-</b>	<b>-</b>	<b>4 259</b>	<b>30</b>	<b>7 169</b>	<b>50</b>	<b>788</b>	<b>6</b>	<b>2 077</b>	<b>15</b>	<b>14 293</b>	<b>46</b>
<b>3. Coordination du programme et renforcement des capacités</b>												
3.1 Coordination du programme et renforcement des capacités	700	13	2 942	55	1 668	31	-	-	-	-	5 310	17
<b>Coût total du programme</b>	<b>700</b>	<b>2</b>	<b>11 600</b>	<b>37</b>	<b>13 920</b>	<b>45</b>	<b>2 000</b>	<b>6</b>	<b>3 000</b>	<b>10</b>	<b>31 220</b>	<b>100</b>

Tableau 2

**Coût du programme par catégorie de dépenses et par source de financement**

(en milliers d'USD)

	<i>Gouvernement</i>		<i>Don CSD du FIDA</i>		<i>Déficit de financement</i>		<i>États autonomes</i>		<i>Bénéficiaires</i>		<i>Total</i>
	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>
<b>I. Dépenses d'investissement</b>											
A. Travaux	-	-	2 416	38	2 198	35	962	15	749	12	6 326
B. Formation et renforcement des capacités	40	1	1 519	24	3 432	55	476	8	803	13	6 271
C. Consultants, études et assistance technique	659	9	2 804	39	2 866	40	365	5	449	6	7 143
D. Biens et intrants	-	-	1 332	25	3 026	58	144	3	746	14	5 248
E. Services	-	-	647	37	793	45	53	3	253	15	1 747
F. Équipement et matériels	-	-	247	100	-	-	-	-	-	-	247
<b>Total des dépenses d'investissement</b>	<b>700</b>	<b>3</b>	<b>8 966</b>	<b>33</b>	<b>12 316</b>	<b>46</b>	<b>2 000</b>	<b>7</b>	<b>3 000</b>	<b>11</b>	<b>26 982</b>
<b>II. Dépenses récurrentes</b>											
A. Salaires, traitements et indemnités	-	-	2 457	64	1 406	36	-	-	-	-	3 863
B. Frais de fonctionnement des bureaux	-	-	178	47	198	53	-	-	-	-	375
<b>Total des dépenses récurrentes</b>	<b>-</b>	<b>-</b>	<b>2 634</b>	<b>62</b>	<b>1 604</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 238</b>
<b>Dépenses totales du programme</b>	<b>700</b>	<b>2</b>	<b>11 600</b>	<b>37</b>	<b>13 920</b>	<b>45</b>	<b>2 000</b>	<b>6</b>	<b>3 000</b>	<b>10</b>	<b>31 220</b>

Tableau 3

**Coût du programme par composante et sous-composante et par année**

(en milliers d'USD)

	<i>2024</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>	<i>Total</i>
<b>1. Appui à la résilience communautaire</b>									
1.1 Renforcement de la gouvernance et des services communautaires	935	1 411	294	302	311	320	76	78	3 725
1.2 Appui à l'investissement communautaire	697	2 259	1 618	1 853	1 028	296	66	76	7 892
<b>Sous-total</b>	<b>1 632</b>	<b>3 670</b>	<b>1 912</b>	<b>2 155</b>	<b>1 338</b>	<b>615</b>	<b>142</b>	<b>154</b>	<b>11 617</b>
<b>2. Appui à l'amélioration des moyens d'existence des petits exploitants</b>									
2.1 Renforcement de la résilience des filières de production animale et végétale	1 166	1 692	1 482	867	754	818	639	558	7 977
2.2 Entrepreneuriat aux fins du développement des filières	930	770	788	811	852	701	721	742	6 316
2.3 Urgence, catastrophe et atténuation des risques	0	-	-	-	-	-	-	-	0
<b>Sous-total</b>	<b>2 096</b>	<b>2 462</b>	<b>2 271</b>	<b>1 678</b>	<b>1 606</b>	<b>1 520</b>	<b>1 361</b>	<b>1 300</b>	<b>14 293</b>
<b>3. Coordination du programme et renforcement des capacités</b>									
3.1 Coordination du programme et renforcement des capacités	946	709	726	747	652	463	476	591	5 310
<b>Sous-total</b>	<b>946</b>	<b>709</b>	<b>726</b>	<b>747</b>	<b>652</b>	<b>463</b>	<b>476</b>	<b>591</b>	<b>5 310</b>
<b>Coût total du programme</b>	<b>4 673</b>	<b>6 841</b>	<b>4 909</b>	<b>4 580</b>	<b>3 596</b>	<b>2 598</b>	<b>1 978</b>	<b>2 045</b>	<b>31 220</b>

### **Stratégie et plan de financement et de cofinancement**

24. Le financement du FIDA est estimé à 11,6 millions d'USD. Les cofinancements nationaux du Gouvernement et des États autonomes participants sont estimés à 2,7 millions d'USD (respectivement 0,7 million et 2 millions d'USD), sous la forme de contributions en nature. Les bénéficiaires devraient eux-mêmes participer à hauteur de 3 millions d'USD en nature. Le déficit de financement, qui s'élève à 13,9 millions d'USD, pourra être couvert par des cycles ultérieurs du Système d'allocation fondé sur la performance (en vertu de conditions de financement à définir et sous réserve des procédures internes et de leur approbation ultérieure par le Conseil d'administration) ou par un cofinancement à déterminer pendant l'exécution.

### **Décaissements**

25. Après signature de l'accord de financement du Programme pour la résilience des moyens d'existence en milieu rural avec le FIDA, l'emprunteur ouvrira un compte en dollars des États-Unis à la Banque centrale de Somalie pour recevoir les fonds reçus au titre du don du FIDA. Il ouvrira un compte distinct pour toutes les sources de cofinancement supplémentaires définies pendant l'exécution du programme. Les fonds du FIDA seront décaissés conformément aux procédures de décaissement fondées sur les rapports financiers intermédiaires. Selon cette procédure, les fonds du FIDA ne seront décaissés qu'à condition que des rapports financiers trimestriels soient remis au FIDA dans les 45 jours suivant la fin de chaque trimestre. Tous les paiements au niveau des projets seront traités par l'unité nationale de coordination des projets par l'intermédiaire du Système d'information sur la gestion financière de la Somalie. Un compte de petite caisse sera ouvert dans les deux États et géré par l'intermédiaire du système d'information susmentionné. Une avance au démarrage d'un montant maximal de 162 000 USD sera mise à la disposition du programme avant que les conditions du premier versement ne soient remplies, afin d'assurer un démarrage rapide des projets.

### **Résumé des avantages et analyse économique**

26. Le Programme pour la résilience des moyens d'existence en milieu rural renforcera la résilience des petits producteurs directement bénéficiaires face aux chocs économiques, environnementaux et climatiques, en: i) renforçant les capacités relatives aux aspects techniques et à la gestion de leurs moyens d'existence; ii) favorisant l'accès aux intrants et aux services de production; iii) accroissant la productivité des cultures et de l'élevage grâce au recours à des intrants, services et technologies de production améliorés; iv) investissant dans des actifs; v) optimisant la gestion des ressources naturelles; vi) améliorant l'adaptation aux changements climatiques et l'atténuation de leurs effets.
27. Le taux de rentabilité économique de base est évalué à 24% et la valeur actuelle nette à 63,2 USD. Tous les avantages quantifiables ont été actualisés sur une période de 20 ans, dont les huit années d'exécution du Programme pour la résilience des moyens d'existence en milieu rural, à un taux de 8%. Le taux de rentabilité économique de 24% est supérieur au taux d'actualisation utilisé pour l'analyse économique, ce qui justifie l'investissement proposé. Le ratio avantages-coûts pour l'investissement dans son ensemble est estimé à 7,74.

### **Stratégie de retrait et pérennisation**

28. Afin d'améliorer la durabilité des résultats, les activités du Programme pour la résilience des moyens d'existence en milieu rural viseront à assurer: i) l'instauration d'institutions efficaces au niveau des communautés, des districts, des États autonomes et de l'État fédéral et l'autonomisation des acteurs des filières; ii) des interventions intégrées dans les systèmes gouvernementaux à tous les niveaux; iii) un environnement politique plus favorable aux petits acteurs des filières.

### III. Gestion du risque

#### A. Risques et mesures d'atténuation

29. Selon les estimations, le contexte de fragilité et à haut risque se maintiendra pendant l'exécution du Programme pour la résilience des moyens d'existence en milieu rural, et le risque inhérent général est donc jugé substantiel. Bon nombre des sous-catégories présentent des risques élevés (gouvernance, macroéconomie, fragilité et sécurité, modalités d'exécution et gestion financière du programme) ou substantiels (élaboration et mise en œuvre des politiques, vulnérabilité du programme aux conditions environnementales, effets des changements climatiques, solidité sur le plan technique, dispositifs de suivi-évaluation, passation de marchés au titre du programme, redevabilité et transparence, capacités en matière de passation de marchés publics, efficacité des ressources environnementales et pollution, populations autochtones, vulnérabilité des populations cibles et des écosystèmes aux fluctuations et aléas climatiques, et doléances des parties prenantes).

Tableau 4

#### Synthèse des risques

<i>Catégories de risque</i>	<i>Niveau de risque inhérent</i>	<i>Évaluation du risque résiduel</i>
Contexte national	Élevé	Élevé
Stratégies et politiques sectorielles	Modéré	Modéré
Contexte environnemental et climatique	Substantiel	Modéré
Portée du projet	Substantiel	Modéré
Capacités institutionnelles d'exécution et pérennisation	Élevé	Substantiel
Gestion financière	Élevé	Substantiel
Passation des marchés au titre du projet	Substantiel	Substantiel
Impact environnemental, social et climatique	Modéré	Faible
Parties prenantes	Substantiel	Modéré
<b>Risque global</b>	<b>Substantiel</b>	<b>Modéré</b>

#### B. Catégorie environnementale et sociale

30. Les risques environnementaux que présente le Programme pour la résilience des moyens d'existence en milieu rural ont été jugés substantiels, étant donné que les activités mises en œuvre devraient avoir des impacts environnementaux importants par nature, qui seront néanmoins dispersés, largement circonscrits à une zone et réversibles. Afin d'atténuer ces potentiels effets négatifs, des mesures de viabilité environnementale ont été intégrées dans le Programme, telles que la mise en œuvre des stratégies d'atténuation présentées dans le Cadre de gestion environnementale, sociale et climatique, la participation structurée des communautés, le renforcement des capacités en matière de pratiques durables et le suivi-évaluation régulier des principaux éléments, pour faire en sorte que les activités du programme visant à améliorer les moyens d'existence ne nuisent pas involontairement à l'environnement.

#### C. Soutenabilité de la dette

31. D'après la dernière analyse de la soutenabilité de la dette effectuée par le Fonds monétaire international en mai 2023, la dette publique totale de la Somalie s'élève à 3,3 milliards d'USD, soit 40,8% du PIB, à la fin de l'année 2022; elle est en quasi-totalité extérieure, et bien supérieure au seuil de 30% applicable aux pays ayant une faible capacité d'endettement, dont fait partie la Somalie. Le pays accuse des arriérés de paiement vis-à-vis de ses créanciers extérieurs, et des négociations sur la restructuration de sa dette sont en cours. Celle-ci est toutefois jugée soutenable lorsqu'elle est analysée de manière prospective, sous réserve de l'application totale

des initiatives d'allégement. La Somalie est actuellement considérée comme étant en situation de surendettement, s'agissant à la fois de sa dette extérieure et de sa dette globale, et est par conséquent éligible aux dons au titre du Cadre pour la soutenabilité de la dette du FIDA.

## **IV. Exécution**

### **A. Cadre organisationnel**

#### **Gestion et coordination du programme**

32. Un comité de pilotage du programme relevant du Ministère de l'agriculture et de l'irrigation, l'organisme d'exécution principal, assurera la supervision de l'exécution à l'échelle nationale du Programme pour la résilience des moyens d'existence en milieu rural et fournira des orientations à cet égard. Plus précisément, il approuvera le plan de travail et le budget annuels et examinera les rapports et l'audit du Programme. Un comité de pilotage du programme sera mis en place dans chaque État autonome participant, afin d'assurer la supervision de l'exécution à l'échelle de l'État et de fournir des orientations à cet égard.
33. L'unité de coordination nationale des projets, qui rend compte au Ministère de l'agriculture et de l'irrigation, sera chargée: i) de gérer la passation des marchés des biens, travaux et services en vue de l'exécution de toutes les activités du programme; ii) d'élaborer le plan de travail et budget annuel; iii) d'assurer le suivi-évaluation et les activités de gestion des savoirs et de communication relatives aux activités du programme; iv) de communiquer au FIDA et au Ministère les progrès accomplis et les résultats obtenus. L'unité de coordination nationale des projets sera composée de personnel recruté par voie de mise en concurrence. Une unité de coordination du programme à l'échelle des États, composée d'un personnel restreint, sera chargée de mettre en œuvre le programme au jour le jour au niveau des États autonomes, et rendra compte au Ministre de l'agriculture et de l'irrigation sur le plan administratif et à l'unité de coordination nationale des projets sur le plan technique.
34. Le FIDA supervisera directement le Programme pour la résilience des moyens d'existence en milieu rural, mènera lui-même des missions sur le terrain dans la mesure du possible ou fera appel à des partenaires d'exécution tiers pour renforcer les activités de supervision du FIDA en procédant à un suivi périodique et en élaborant des rapports d'exécution des projets, en particulier dans les zones difficiles à atteindre du fait de l'insécurité et de la faible accessibilité. L'équipe de pays du FIDA et le responsable des activités dans le pays, basés à Nairobi, procéderont au contrôle et au suivi de l'exécution du programme et appuieront l'engagement politique, la gestion des savoirs et la communication et l'établissement de partenariats.

#### **Gestion financière, passation des marchés et gouvernance**

35. Le bénéficiaire officiel du don sera le Ministère des finances, et le Ministère de l'agriculture et de l'irrigation sera l'organisme principal d'exécution du Programme pour la résilience des moyens d'existence en milieu rural. L'unité de coordination nationale des projets, qui relève du Ministère de l'agriculture et de l'irrigation, comptera une équipe chargée des finances, constituée de personnes recrutées par voie de mise en concurrence et encadrées par des fonctionnaires publics détachés. Chaque État autonome participant aura également un assistant comptable principal. Le Programme pour la résilience des moyens d'existence en milieu rural utilisera le Système d'information sur la gestion financière de la Somalie, qui sera configuré pour traiter directement les paiements depuis le compte créé à cet effet, garantir la comptabilisation de toutes les dépenses par source de financement, composante et catégorie et produire des rapports conformes aux Normes comptables internationales pour le secteur public sur la base de la comptabilité de caisse. Le budget annuel sera approuvé dans le cadre du système budgétaire gouvernemental

au titre de la loi budgétaire avant d'être enregistré dans le système comptable du projet. L'institution supérieure de contrôle de la Somalie a pour responsabilité légale d'auditer tous les projets du Gouvernement, et à ce titre le Programme pour la résilience des moyens d'existence en milieu rural. Elle peut nommer, à sa discrétion et en consultation avec le FIDA, des cabinets d'audit privés pour effectuer ces contrôles. Le FIDA examinera les modalités de l'audit et émettra un avis de non-objection avant le début de l'audit. Les normes d'audit applicables seront les normes internationales d'audit. Compte tenu du manque d'expérience du FIDA en la matière, les modalités de gestion financière proposées sont fondées sur les enseignements tirés de la Banque mondiale concernant l'exploitation des systèmes nationaux et seront validées plus avant au moment de la phase de démarrage.

### **Participation et retours d'information du groupe cible, et mécanisme de réponse aux doléances**

36. Parmi les approches mises en place pour assurer la participation des parties prenantes, nouer des relations avec elles et obtenir leurs retours, citons: i) la communication d'informations sur les activités du Programme pour la résilience des moyens d'existence en milieu rural aux parties susceptibles d'être affectées; ii) l'organisation de réunions d'information régulières avec les parties prenantes principales; iii) l'installation de boîtes à idées dans les bureaux de l'unité de coordination des projets; iv) l'engagement des parties prenantes dans la planification participative, par exemple dans le cadre de consultations publiques organisées pendant la rédaction des termes de référence pour l'évaluation environnementale et sa réalisation; v) l'engagement des parties prenantes dans le suivi-évaluation participatif; vi) la réalisation d'enquêtes auprès des bénéficiaires pour apprécier les progrès, mesurer leur degré de satisfaction vis-à-vis des services rendus et évaluer les résultats du programme à mi-parcours et à l'achèvement, ou à des intervalles plus rapprochés si nécessaire; vii) l'inclusion de représentants des bénéficiaires dans le comité de pilotage du programme de l'État pour que ceux-ci puissent exercer une influence plus importante sur la prise de décisions.

#### **Réponse aux doléances**

37. Le mécanisme de réponse aux doléances donne aux groupes ou aux acteurs concernés un moyen officiel d'aborder des sujets de préoccupation ou des problèmes non résolus avec les maîtres d'ouvrage ou les responsables de la mise en œuvre. En Somalie, certaines communautés appliquent un système communautaire de réponse aux doléances par l'intermédiaire des chefs de village et des conseils d'anciens. La participation des chefs de village, qui connaissent bien leur propre communauté et entretiennent des liens forts avec ses membres, assure une résolution rapide des problèmes. Des efforts seront déployés dans le cadre du Programme pour la résilience des moyens d'existence en milieu rural pour garantir le règlement des plaintes au niveau communautaire. Les griefs non résolus par le système traditionnel le seront dans le cadre d'un mécanisme formel de réponse aux doléances. Celui du FIDA prévoit une procédure de règlement des plaintes en cas d'allégation de non-respect des Procédures d'évaluation sociale, environnementale et climatique (PESEC).

### **B. Planification, suivi-évaluation, apprentissage, gestion des connaissances et communication**

38. Le système de suivi-évaluation mis en place suivra un plan de suivi-évaluation approuvé et validé. Il servira au suivi des indicateurs du cadre logique et répondra aux besoins d'évaluation pendant l'exécution du programme. Parallèlement à la construction du système, des informations seront collectées pour définir la situation de référence des éventuels bénéficiaires du programme avant la mise en œuvre. Les activités de gestion des connaissances, d'apprentissage et de communication seront menées dans le respect des directives présentées dans le plan de gestion des savoirs et de communication, qui jouera un rôle central tout au long de la



planification des activités en tant que partie intégrante du cadre de suivi-évaluation du programme.

### **Innovation et reproduction à plus grande échelle**

39. La plupart des innovations développées dans le cadre d'anciens projets et des projets actuels en Somalie sont des technologies numériques qui ont permis de faire face aux chocs multiples auxquels le pays a été confronté ces dernières années. Citons par exemple: i) la plateforme e-FOP du projet Sécurité alimentaire et durabilité dans les situations de fragilité (FSSFS); ii) le système d'enregistrement, d'identification et de gestion biométriques du FSSFS; iii) les outils d'évaluation visuelle du Projet de diffusion de technologies pour la gestion durable des terres de parcours et des petits ruminants (PET). Tant que le pays se trouvera en situation de fragilité, le Programme pour la résilience des moyens d'existence en milieu rural adaptera ces innovations en vue de leur reproduction à plus grande échelle, tout en étudiant les possibilités d'innovation susceptibles d'émerger pendant la mise en œuvre.

## **C. Plans d'exécution**

### **Plan de préparation à l'exécution et plan de démarrage**

40. Les activités suivantes seront menées au début du processus pour faciliter la préparation à l'exécution: i) le recrutement de personnel clé; ii) le perfectionnement des avant-projets de plan de travail et de budget annuels et de plan de passation de marchés sur 18 mois; iii) l'achat des biens et des services nécessaires au lancement du programme. Une fois le personnel de programme en place, un atelier de démarrage réunissant toutes les parties prenantes et les partenaires d'exécution à l'échelle de l'État fédéral, des États autonomes et des districts sera organisé pour: familiariser les participants aux modalités d'exécution du programme et aux directives et procédures du FIDA; peaufiner l'avant-projet de plan d'exécution du programme; former le personnel pertinent du programme aux systèmes institutionnels du FIDA, comme le système en ligne de bout en bout pour la passation de marchés au titre des projets (Système OPEN du FIDA), qui encourage la transparence, la concurrence et l'optimisation des ressources.

### **Supervision, examen à mi-parcours et plans d'achèvement**

41. Le Gouvernement et le FIDA organiseront conjointement des missions de supervision et d'appui à l'exécution pour résoudre les problèmes liés à la mise en œuvre et analyser les progrès réalisés. Une mission d'appui à l'exécution sera mise en place dès le premier trimestre suivant la date de prise d'effet du programme, afin de combler les lacunes du plan d'exécution et du rapport de conception du projet. Aux premiers stades de la mise en œuvre, le FIDA cherchera à réaliser deux missions annuelles de soutien à la supervision et à l'exécution, une à distance et une en personne.

## **V. Instruments et pouvoirs juridiques**

42. Un accord de financement entre la République fédérale de Somalie et le FIDA constituera l'instrument juridique aux termes duquel le financement proposé sera consenti à l'emprunteur/au bénéficiaire. Une copie de l'accord de financement négocié figure à l'appendice I.
43. La République fédérale de Somalie est habilitée, en vertu de ses lois, à recevoir un financement du FIDA.
44. Je certifie que le financement proposé est conforme aux dispositions de l'Accord portant création du FIDA, et aux Principes et critères applicables aux financements du FIDA.

## **VI. Recommandation**

45. Je recommande au Conseil d'administration d'approuver le financement proposé par la résolution suivante:

DÉCIDE: que le Fonds accordera à la République fédérale de Somalie un don au titre du Cadre de soutenabilité de la dette d'un montant de onze millions six cent mille dollars des États-Unis (11 600 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

Le Président  
Alvaro Lario

## **Negotiated financing agreement**

### **Rural Livelihoods Resilience Programme**

(Negotiations concluded on 07 December 2023)

Grant No:

Project name: Rural Livelihoods Resilience Programme ("RLRP"/"the Programme")

The Federal Republic of Somalia (the "Recipient")

and

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

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

**WHEREAS** the Recipient has requested a Debt Sustainability Framework (DSF) 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;

**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 2022, 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 DSF grant to the Recipient, which the Recipient shall use to implement the Programme in accordance with the terms and conditions of this Agreement.

#### **Section B**

1. The amount of the DSF grant is eleven million, six hundred thousand United States dollars (USD 11 600 000) (the "Grant/ the "Financing").
2. The first day of the applicable Fiscal Year shall be 1 January.
3. A specific Designated Account in United States Dollars for the exclusive use of the Programme will be opened in the Central Bank of Somalia in order to receive funds

pertaining to the Grant. The Recipient shall inform the Fund of the officials authorized to operate the Designated Account.

4. The Recipient, including its federal member states shall provide counterpart funding for the purpose of the Programme for an amount of USD 2 700 000 equivalent in cash and in kind to contribute to activities included in subcomponents 1.2, 2.2 and 3.1. Beneficiaries will also make in kind contributions to the Programme amounting to USD 3 000 000 for activities included in subcomponents 1.2, 2.1 and 2.2.

### **Section C**

1. The Lead Programme Agency shall be the Ministry of Agriculture and Irrigation (MoAI).

2. Additional Programme parties are described in paragraph 11, Schedule 3 of the Agreement.

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 8<sup>th</sup> anniversary of the date of entry into force of this Agreement and the Financing Closing Date shall be as specified in the General Conditions.

5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the Recipient's procurement methods and regulations to the extent such are consistent with the IFAD Procurement Guidelines.

### **Section D**

1. The Fund will administer the Grant and supervise the Programme.

### **Section E**

1. The following is designated as an additional ground 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 Recipient, has determined that it has had, or is likely to have, a material adverse effect on the Programme; and
- (b) The following key Programme personnel are terminated and/or suspended without seeking IFAD's prior no-objection: (i) National Programme Coordinator (NPC); (ii) Financial Controller (FC); (iii) Programme Accountant; (iv) Procurement Specialist; (v) Agro-pastoral Value Chains and Rural Development Specialist; (vi) Gender and Social Inclusion Specialist; (vii) Environment and Climate Specialist to be sourced from the MoECC; and (viii) M&E Specialist.

2. The following is designated as an additional ground for cancellation of this Agreement:

- (a) In the event that the Recipient did not request a disbursement of the Financing 12 months without justification.

- 3. The following are designated as additional conditions precedent to withdrawal:
  - (a) The IFAD no objection to the PIM shall have been obtained;
  - (b) The key programme staff shall have appointed and approved by the Fund as detailed under Paragraph 10 of Schedule 3; and
  - (c) The programme accounting software has been set-up to account for programme expenditures in line with IFAD requirements.

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

For the Recipient:

[-----]

For the Fund:

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

This Agreement has been prepared in the English language in two (2) original copies, one (1) for the Fund and one (1) for the Recipient.

FEDERAL GOVERNMENT OF SOMALIA

\_\_\_\_\_  
 [Authorized Representative name]  
 [Authorized Representative title]

Date: \_\_\_\_\_

INTERNATIONAL FUND FOR  
 AGRICULTURAL DEVELOPMENT

\_\_\_\_\_  
 [The President]

Date: \_\_\_\_\_

## Schedule 1

### *Programme Description and Implementation Arrangements*

#### I. Programme Description

1. *Target Population.* The Programme shall benefit 30,000 poor small-scale agro-pastoral households, corresponding to 180,000 persons, engaged in cropping, and small livestock production who have little access to assets and economic opportunities due to social exclusion, marginalisation, conflict and the negative impact of climate change.
2. *Programme area.* The Programme will be initially launched in two jointly selected Federal Member States (FMS) with five districts: South West State (Bay, Bakool and Lower Shabelle districts) and Jubaland (Gedo and Lower Juba districts) (the "Project/Programme Area"). Based on the implementation experience, funding availability and the conflict dynamics, selected programme activities will be scaled up either within the initial districts, within the initial FMS, or to other FMS, most likely during the midterm review.
3. *Goal.* The goal of the Programme is to achieve improved and resilient livelihoods of rural smallholders in Somalia.
4. *Objectives.* The development objective of the Programme is to sustainably increase productivity, incomes and nutrition security and enhance the resilience of rural smallholder families in Somalia.
5. *Components.*

The RLRP comprises three components: (1) Support to community resilience, whose outcomes are strengthened and inclusive communities with enhanced social cohesion that are able to define their livelihood development pathways and manage conflict; (2) *Support to Smallholder Livelihoods Enhancement*, whose outcomes are: increased production and productivity of priority crops and livestock for resilience, dietary diversity, food security, and improved incomes, as informed by the CDP; and (3) programme coordination and capacity building, whose outcomes are improved local governance due to a strengthened policy and institutional environment and sustainable local and national policies thanks to an efficiently and effectively managed programme

- 5.1. Component 1: Support to community resilience consist of two subcomponents. The core activities of the subcomponent 1.1 (Strengthening community governance and services), are to comprises a range of institution-building and skills development activities to enable the programme communities to own and be accountable for development initiatives. Key activities include: (i) development of district profiles; (ii) mobilisation of communities; (iii) development of the CDP; and (iv) capacity building of existing and newly-formed community institutions to serve their members and on disaster risk management. Subcomponent 1.2 (Community investment support) will finance investments prioritised in the CDP including: (i) community-based water sources for domestic use and crop and livestock production; (ii) rehabilitation of irrigation canals; (iii) migration to pressurised irrigation networks using solar-powered pumping systems; (iv) surface water harvesting; (iv) rehabilitation/ construction of post-harvest management(PHM) and processing facilities, community-owned grain reserves, grain drying technology, cold chain facilities in major rural markets, and livestock market sheds.
- 5.2 Component 2: Support to Smallholder livelihoods consist of two subcomponents as well. Subcomponent 2.1 (Strengthening resilience in crop and livestock value chains (VC)), will *support*: (i) pluralistic approach of crop and livestock extension services; (ii) improved animal health, through training and equipping community animal health workers; (iii) promotion of improved inputs and CSA technologies through training and demonstrations;(iv) access to productive inputs; (v) build the capacity of farmers on PHM, market linkages, and diversified production for nutrition-sensitive cooking

techniques; and (vi) targeted support to disadvantaged HHs in crop and livestock production. Subcomponent 2.2 (Entrepreneurship for VC development), will support the development of the entrepreneurial skills of youth and women in agricultural and related services, with a focus on increased incomes and job creation. The activities under this subcomponent include: (i) studies to inform agribusiness development in programme districts; (ii) support entrepreneurship development through capacity development; (iii) support access of youth and women to financial services for business development along the priority VCs. Finally, subcomponent 2.3 is an emergency subcomponent which can be activated in case of a natural disaster or social emergency. Emergency activities include (i) productivity enhancement and (ii) emergency small scale infrastructure rehabilitation.

- 5.2 Component 3: Programme Coordination and Capacity Building, will support: (i) programme coordination; (ii) capacity needs assessment and capacity building; (iii) financial management; (iv) M&E; and (v) evidence-based policy development.

## **II. Implementation Arrangements**

6. *Lead Programme Agency.* The Ministry of Agriculture and Irrigation (MoAI) is the Lead Implementation Agency for the Project.

7. *Programme Oversight Committee.* A Programme Steering Committee (PSC) under the Ministry of Agriculture and Irrigation (MoAI), the Lead Implementation Agency, will provide oversight and guidance to the implementation of the RLRP nationally. Specifically, the PSC will approve the annual work plan and budget (AWPB) and review the reports and audit of the RLRP. A State Programme Steering Committee (SPSC) will be established in each participating FMS to provide oversight and guidance to the implementation of the RLRP at the state level.

8. *Programme Management Unit.* The National Programme Coordination Unit (NPCU), reporting to the MoAI, will be responsible for: (a) managing the procurement of goods, works and services for the implementation of all programme activities; (b) developing the AWPB; (c) undertaking the M&E and KMC of programme activities; and (d) reporting on implementation progress and results to IFAD and MoAI. The NPCU shall comprise of competitively recruited staff. A lean State Programme Coordination Unit (SPCU) will be responsible for the day-to-day implementation of the programme at the FMS level. Reporting administratively to the Minister of the MoAI and technically to the NPCU.

9. *Monitoring and Evaluation and Knowledge Management.* The Monitoring and Evaluation System ("MES") will be developed on an approved and validated M&E Plan. It will focus on monitoring the indicators of the logical framework and addressing evaluation needs during programme implementation. Parallel to the construction of the MES, information will be gathered to establish the baseline situation of potential programme beneficiaries prior to implementation. The knowledge management (KM), learning, and communication activities will adhere to the guidelines outlined in the Knowledge Management and Communication (KMC) Plan. This tool will play a critical role throughout the activity planning process as an integral component of the programme monitoring and evaluation framework.

10. Most of the innovations from past and ongoing projects in Somalia are digital technologies that were a response to the multiple shocks the country went through in recent years. Candidate innovations include: (i) the e-FOP platform from FSSFS, (ii) the Biometric Registration Identification and management system from FSSFS and (iii) the use of pictorial evaluation tools from PET. The RLRP will adapt these innovations for scaling up, as the fragility situation still persists in Somalia, while exploring opportunities to identify innovations that may come up during implementation.

11. *Programme Implementation Manual (PIM).* Based on the draft PIM developed during design (Annex 8 of the Project Design Report), the NPCU shall finalize the PIM, submit it

for approval to the PSC and to the Fund for no-objection. The PIM will comprise of three parts: (i) the administrative, accounting, financial and procurement; (ii) the operations/implementation; and (iii) the monitoring and evaluation (M&E). When so approved, a copy of the PIM shall be provided by the NPCU to the Fund. The PIM may be amended when necessary to introduce clarifications in procedures, eliminating constraints for implementation and/or facilitating access of producers to the programme services subject to the Fund's no-objection.

12. *Implementation readiness and start-up plans.* In the early stages of implementation, the following activities will take place to ensure implementation readiness: (i) recruitment of the key staff; (ii) refinement of the 18-month draft AWPB and PP; and (iii) procurement of goods and services required for programme start-up. With the programme staff in place, a start-up workshop will be organised with all stakeholders and implementation partners at the federal, FMS and district levels, to: acquaint the participants with the implementation modalities of the RLRP and the IFAD guidelines and procedures; refine the draft PIM; and, enrol in and train relevant RLRP staff on IFAD corporate systems, such as the Online Project Procurement End-to End System (OPEN) which promotes transparency, competition and value for money.

13. *Supervision, midterm review and completion plans.* Supervision and implementation support missions will be organised jointly by the FGS and IFAD to address implementation related issues and review progress. An early implementation support mission will be mobilised within the first three months of the programme effectiveness to cover any gaps in the PIM and PDR. In the early stages of implementation, IFAD will aim at conducting annually two supervision and implementation support missions, one remote and one in person.

#### 14. *Financial Management*

- (a) Accounting and Financial Reporting. The accounting hub of RLRP will be the MoAI (with the NPCU as its Secretariat). RLRP will rely on the government Somalia Financial Management Information System (SFMIS) which will be configured to process payments directly from the Designated Account (DA) as well as to ensure accounting of all expenditures by sources of financing, components and categories. Therefore, on one hand the SFMIS is a payment processing platform while on the other hand it will function as the programme accounting software. In line with government regulations and practices, the RLRP will adopt the International Public Sector Accounting Standards - Cash Basis. The NPCU will be responsible for the preparation of quarterly and annual consolidated financial reports as well as monthly management accounts. The quarterly reports will be submitted to IFAD 45 days after the end of each reporting period. Unaudited financial reports will also be submitted to IFAD within 4 months from the end of the fiscal year.
- (b) Budgeting: The SFMIS also has a budgeting tool. The programme AWPB will always be part of that of the MoAI budget, but clearly coded with filter features. The annual budget will be approved within the government budget system through the budget law. The national budgeting window opens in September with another window only opening up the following June. The first budget for RLRP will therefore be captured in the June 2024 budgeting. After approval, the budget is then posted by the Budget Department of the MoF. SFMIS can automatically generate budget follow-up reports and block payments on activities that have exceeded their budget allocations.
- (c) Internal controls. RLRP will dispose of a solid internal control system, which will be ensured by a strict segregation of duties among project staff and by the additional layer of checks and controls embedded in the SFMIS system. In the transaction processing and approval cycle, passed through the SFMIS, a key role will be played by the office of the Accountant General who will perform additional checks and validate each transaction before they are sent for payment at the Central Bank. All physical supporting documents will be held at the NPCU, archived and stored appropriately as defined in the PIM. During the start-up of the programme, IFAD will also explore the possibility of including the RLRP in the work plan of the internal control unit of the MoAI.



- (d) External Audit: The Supreme Audit Office of Somalia has the statutory responsibility to audit all Government projects such as the RLSP. At their discretion, and in consultation with IFAD, the Supreme audit office can appoint private audit firms to carry out the audit. IFAD will review the audit Terms of Reference and provide no-objection prior to commencement of the audit. The auditing standards applied will be the international standards on auditing. The audit calendar and other processes are detailed in the PIM.
- (e) Procurement. The Programme Steering Committee (PSC) will approve the AWPB and review the reports and audit of the RLRP. The NPCU under the MoAI will be responsible for: (a) managing the procurement of goods, works and services and contract implementation for all programme activities; (b) developing the AWPB, and undertaking the M&E and KMC of programme activities; and (c) reporting on implementation progress and results to IFAD and MoAI. The procurement of goods, works and services of RLRP shall be carried out in accordance with the provisions of the IFAD Procurement Guidelines. The Programme will periodically review the application of related procurement laws, regulations and procedures; and, the adequacy and performance of the procurement plan (PP) including its information disclosure. The procurement activities will be conducted in a manner ensuring consistency, fairness, value for money, competition and efficiency. Particular attention will be provided and resources directed to implementing procurement provisions and building procurement capacities during the start-up period.
- (f) An 18-month initial Procurement Plan has been developed at design, referencing the AWPB for the same period, and thereafter will be prepared and updated consistently. The PP will have information on the types and methods of procurement. As an added risk mitigation measure, procurement will be categorised as either prior or post review. In the prior review category, a no-objection from IFAD has to be obtained through the IFAD procurement system for each phase of a bid, starting from Expression of Interest to Evaluation to Contract Signing. The thresholds on procurement value will be determined according to the procurement risk assessment of the implementing agency. It will further be ensured that in all procurements, the methods proposed in the PP will be followed.
- (g) Negotiations will not be permitted for Goods and Works tenders. Negotiations will only be permitted for consulting services as per national procurement rules. Supervision of Works contracts will be done inter-departmentally. Procurement will be conducted by the implementing agencies according to the level of authority structured for the RLRP. A detailed list of common items will be prepared for procurement through the NPCU. All the implementing agencies are required to have the relevant experience and training in the procurement function. Once the new IFAD procurement system is implemented, the required training of staff will be proposed at the appropriate time.
- (h) Governance. The Public Procurement, Concessions and Disposal Act of 2015 of Somalia, has no Standard Bidding Documents (SBDs), and some key procurement information is not published on the MoF website, <https://mof.gov.so/public-procurement>. In the absence of an independent assessment, e.g. Public Expenditure and Financial Accountability, to justify the application of the procurement methods, the RLRP will use the IFAD Project Procurement Guidelines and Handbook and SBDs. Procurement opportunities will be advertised on 'somalijobs.net', in a widely circulated newspaper, and on the 'Relief Web' (reliefweb.int), and the United Nations Development Business for International Competitive Building. Procurement will be monitored through IFAD's project contracts management and monitoring systems, supported by information from TPIPs, and community-watch arrangements to increase confidence. Considering Somalia's Corruption Perception Index ranking of 180th (of 180 countries assessed) in 2022, the RLRP shall apply: the Debriefing, Protest and Appeal mechanisms of the IFAD Procurement Handbook; and integrate the Revised IFAD Policy on Combating Fraud and Corruption, the corruption reporting hotline, and IFAD's contact details for reporting corruption, in all bidding documents.

## Schedule 2

### *Allocation Table*

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

<b>Category</b>	<b>IFAD Grant (allocated in USD)</b>	<b>Percentage net of taxes, contributions from Government, FMS and beneficiaries</b>
I. Works	2 180 000	100%
II. Trainings and capacity building	1 370 000	100%
III. Consultancies	2 520 000	100%
IV. Goods services and inputs	2 000 000	100%
V. Salaries and operating costs	2 370 000	100%
Unallocated	1 160 000	
<b>Total</b>	<b>11 600 000</b>	

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

- (i) Category III. Consultancies also includes expenditures related to studies and technical assistance.
- (ii) Category IV. Goods Services and Inputs, also includes expenditures related to equipment and materials.
- (iii) Category V. Salaries and allowances, also includes expenditures related to office operating costs.

2. *Disbursement arrangements*

*Start-up Costs.* Withdrawals in respect of expenditures for start-up costs (in Trainings, Salaries and Allowances and Consultancies Categories) incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of USD 162,000. Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

### Schedule 3

#### *Special Covenants*

#### **I. General Provisions**

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 Recipient to request withdrawals from the Grant Account if the 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. Within 6 months of entry into force of the Financing Agreement, the Programme will procure and install a customize accounting software as it is the practice in IFAD on-going supported projects, to satisfy International Accounting Standards and IFAD's requirements.
2. Within six (6) months of entry into force of the Financing Agreement, the Programme will enter into Memorandum of Understandings (MoU) with implementing partners that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting.
3. *Planning, Monitoring and Evaluation.* The Recipient shall ensure that (i) 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].
4. *Gender.* The Recipient shall ensure that gender is taken into account in the implementation of the Programme as follows:
  - a. A dedicated staff will be recruited for gender and social inclusion aspects;
  - b. A strategy and programme-type action plan will be established at project start-up;
  - c. Budget has been allocated for specific gender- and youth-related activities;
  - d. Quotas have been set for women (50%) and youth (40%) as a percentage of beneficiaries, and all collected and analysed data will be disaggregated by sex and gender;
  - e. Information campaigns and outreach events targeting women and youth will be carried out during programme implementation;
  - f. Female and young trainers will be mobilized;
  - g. Gender parity in the NPCU/SPCU will be encouraged.
  - h. Responsibility for gender mainstreaming will be included in the terms of reference of all key programme staff and service providers; and
  - i. In all its activities, compliance with IFAD's policy on preventing and combating sexual harassment, exploitation and abuse will be sought. This will be reflected in the terms of reference of all programme staff and service providers.
5. *Indigenous People Concerns.* The Recipient shall ensure that the concerns of IPs are given due *consideration* in implementing the Programme and, to this end, shall ensure that:
  - (a) the Programme is carried out in accordance with the applicable provisions of the relevant IP national legislation;
  - (b) indigenous people are adequately and fairly represented in all local planning for programme activities;
  - (c) IP rights are duly respected;
  - (d) IP communities, participate in policy dialogue and local governance;
  - (e) The terms of Declarations, Covenants and/or Conventions ratified by the

Recipient on the subject are respected<sup>1</sup>; and

- (f) The Programme will not involve encroachment on traditional territories used or occupied by indigenous communities.

6. *Land tenure security.* The 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.

7. *Anticorruption Measures.* The Recipient shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.

8. *Sexual Harassment, Sexual Exploitation and Abuse.* The Recipient and the Programme Parties shall ensure that the Programme is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.

9. *Use of Programme Vehicles and Other Equipment.* The Recipient shall ensure that:

- (a) all vehicles and other equipment procured under the Programme Coordination and Capacity Building Component Programme are allocated to the National Programme Coordination Unit for programme implementation;
- (b) The types of vehicles [and other equipment] procured under the Programme are appropriate to the needs of the Programme; and
- (c) All vehicles [and other equipment] transferred to or procured under the Programme are dedicated solely to programme use.

10. *IFAD Client Portal (ICP) Contract Monitoring Tool.* The Recipient shall ensure that a request is sent to IFAD to access the project procurement Contract Monitoring Tool in the IFAD Client Portal (ICP). The Recipient shall ensure that all contracts, memoranda of understanding, purchase orders and related payments are registered in the Programme Procurement Contract Monitoring Tool in the IFAD Client Portal (ICP) in relation to the procurement of goods, works, services, consultancy, non-consulting services, community contracts, grants and financing contracts. The Recipient shall ensure that the contract data is updated on a quarterly basis during the implementation of the Programme.

11. The key personnel of the National Programme Coordination Unit (NPCU), to be competitively recruited are: (i) National Programme Coordinator (NPC), (ii) Financial Controller (FC), (iii) Programme Accountant, (iv) Procurement Specialist, (v) Agro-pastoral Value Chains and Rural Development Specialist, (vi) Gender and Social Inclusion Specialist, (vii) Environment and Climate Specialist to be sourced from the MoECC, and (viii) M&E Specialist. With the exception of the NPC, each specialist at the NPCU will have a suitably qualified seconded public servant attached to him/her, whose capacity will be built by the specialist to take up the specialist's position on the basis of a satisfactory assessment of performance from the MTR. Other specialist skills required at the NPCU will be recruited as consultants on specific terms of reference and assignment duration. All recruitment and secondment to the NPCU shall be subject to IFAD no-objection. .

12. A lean State Programme Coordination Unit (SPCU) will be responsible for the day-to-day implementation of the programme at the FMS level. Reporting administratively to the Minister of the MoAI and technically to the NPCU, the SPCU will comprise: (i) State Programme Coordinator (SPC); (ii) Account Assistant; (iii) Agro-pastoral Value Chains and Rural Development Officer; and (iv) M&E Officer.

13. In order to assist in the implementation of the Programme, the NPCU/SPCU unless otherwise agreed with IFAD, shall employ or cause to be employed, as required, key staff whose qualifications, experience and terms of reference are satisfactory to IFAD. Key Programme Personnel shall be seconded to the NPCU/SPCU in the case of government officials or recruited under a consulting contract following the individual consultant selection method in the IFAD Procurement Handbook, or any equivalent selection method in the national procurement system that is acceptable to IFAD. The

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<sup>1</sup> Refer to ILO 169, 1989 when ratified.

recruitment of Key Programme Personnel is subject to IFAD's prior review [as is the dismissal of Key Programme Personnel]. Key Programme Personnel are subject to annual evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Programme Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Programme's circumstances.

## **II. SECAP Provisions**

14. The Recipient shall carry out the preparation, design, construction, implementation, and operation of the Programme in accordance with the nine standards and other measures and requirements set forth in the Updated Social, Environmental Climate Assessment Procedures of IFAD ("SECAP 2021 Edition"), as well as with all applicable laws and regulations to the Recipient and/or the sub-national entities relating to social, environmental and climate change issues in a manner and substance satisfactory to IFAD. The Recipient shall not amend, vary or waive any provision of the SECAP 2021 Edition, unless agreed in writing by the Fund in the Financing Agreement and/or in the Management Plan(s), if any.

15. For projects/programmes presenting high or substantial social, environmental and climate risks, the Recipient shall carry out the implementation of the Programme in accordance with the measures and requirements set forth in the Environmental and Social Impact Assessments (ESIAs)/Environmental, Social and Climate Management Frameworks (ESCMFs) and/or Resettlement Action Plans/Frameworks (RAPs/Fs) and Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIs and/or Abbreviated RAP/F and ESCMPs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans] (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

16. The Recipient shall not amend, vary or waive any provision of the ESCMPs and Management Plan(s), unless agreed in writing by the Fund and if the Recipient has complied with the same requirements as applicable to the original adoption of the ESCMPs and Management Plan(s).

17. The Recipient shall not, and shall cause the Executing Agency, all its contractors, its sub-contractors and suppliers not to commence implementation of any works, unless all programme affected persons have been compensated and/or resettled in accordance with the specific RAP/Abbreviated RAP, FPIC and/ or the agreed works and compensation schedule.

18. The Recipient shall cause the Lead Programme Agency to comply at all times while carrying out the Programme with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.

19. The Recipient shall disclose the draft and final ESIA reports and all other relevant Management Plan(s) with programme stakeholders and interested parties in an accessible place in the programme-affected area, in a form and language understandable to programme-affected persons and other stakeholders. The disclosure will take into account any specific information needs of the community (e.g. culture, disability, literacy, mobility or gender).

20. The Recipient shall ensure or cause the Executing Agency and Implementing Agency to ensure that all bidding documents and contracts for goods, works and services contain provisions that require contractors, sub-contractors and suppliers to comply at all times in carrying out the Programme with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the Management Plan(s), if any.

21. The Recipient will ensure that a programme-level grievance mechanism is established that is easily accessible, culturally appropriate, available in local languages, and scaled to the nature of the Programme's activity and its potential impacts to promptly receive and resolve concerns and complaints (e.g. compensation, relocation or livelihood restoration) related to the environmental and social

performance of the Programme for people who may be unduly and adversely affected or potentially harmed if the Programme fails to meet the SECAP standards and related policies. The programme-level grievance mechanism needs to take into account indigenous peoples, customary laws and dispute resolution processes. Traditional or informal dispute mechanisms of affected indigenous peoples should be used to the greatest extent possible.

22. This section applies to any event which occurs in relation to serious environmental, social, health & safety (ESHS) incidents (as this term is defined below); labour issues or to adjacent populations during programme implementation that, with respect to the relevant IFAD Programme:

- (i) has direct or potential material adverse effect;
- (ii) has substantially attracted material adverse attention of outside parties or create material adverse national press/media reports; or
- (iii) gives rise to material potential liabilities.

23. In the occurrence of such event, the Recipient shall:

- (i) Notify IFAD promptly;
- (ii) Provide information on such risks, impacts and accidents;
- (iii) Consult with programme-affected parties on how to mitigate the risks and impacts;
- (iv) Carry out, as appropriate, additional assessments and stakeholders' engagements in accordance with the SECAP requirements; and
- (v) Adjust, as appropriate, the programme-level grievance mechanism according to the SECAP requirements; and
- (vi) Propose changes, including corrective measures to the Management Plan(s) (if any), in accordance with the findings of such assessment and consultations, for approval by IFAD.

24. **Serious ESHS incident** means serious incident, accident, complaint with respect to environmental, social (including labour and community), health and safety (ESHS) issues that occur in loan or within the Recipient's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the Recipient (e.g. any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination, accidents of members of the public/local communities, resulting in death or serious or multiple injuries, sexual harassment and -violence involving programme workforce or in relation to severe threats to public health and safety, inadequate resettlement compensation, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any allegation that require intervention by the police/other law enforcement authorities, such as loss of life, sexual violence or child abuse, which (i) have, or are likely to have a material adverse effect; or (ii) have attracted or are likely to arouse substantial adverse attention of outside parties or (iii) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

25. The Recipient shall ensure or cause the Executing Agency, Implementing Agency, contractors, sub-contractors and suppliers to ensure that the relevant processes set out in the SECAP 2021 Edition as well as in the ESCMPs and Management Plan(s) (if any) are respected.

26. Without limitation on its other reporting obligations under this Agreement, the Recipient shall provide the Fund with:

- (i) Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- (ii) Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage, the implementation of the Programme and propose remedial measures. The Recipient will disclose relevant information from such reports to affected persons promptly upon submission of the said reports ; and
- (iii) Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

27. The Recipient shall fully cooperate with the Fund concerning supervision missions, midterm reviews, field visits, audits and follow-up visits to be undertaken in accordance with the requirements of SECAP 2021 Edition and the Management Plan(s) (if any) as the Fund considers appropriate depending on the scale, nature and risks of the Programme.

28. In the event of a contradiction/conflict between the Management Plan(s), if any and the Financing Agreement, the Financing Agreement shall prevail.

## Logical framework

Results Hierarchy	Indicators				Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsible	
<b>Outreach</b>	1. Number of persons receiving services promoted or supported by the project				MIS/MES	semester/annual	NPCU	No major conflict or climate related incidents causing mass displacement
Project outreach in terms of beneficiaries receiving project services and corresponding households and HHs members	Males	0	27000	90000				
	Females (50%)	0	27000	90000				
	Young (40%)	0	21600	72000				
	Not Young							
	Non-Indigenous people							
	Total number of persons receiving services	0	54000	180000				
	Internally Displace People - IDPs (15%)	0	8100	27000				
	1.a Corresponding number of households reached				MIS/MES	semester/annual	NPCU	
	Women-headed households (50%)		4500	15000				
	Non-women headed households (50%)		4500	15000				
	Young headed households (40%)		3600	12000				
	IDPs headed households (15%)		1350	4500				
	Households	0	9000	30000				
1.b Estimated corresponding total number of households members				MIS/MES	semester/annual	NPCU		
Household members	0	54000	180000					
<b>Project Goal</b>	HHs reporting increase in income (disaggregated for women and IDPs)				COI HH survey	BL, MT, End	NPCU	Political stability maintained. Improved macroeconomic conditions. Change in weather patterns not as drastic as predicted.
Improved and resilient livelihoods of rural smallholders in Somalia	HHs	0	6%	20%				
	Women	0	6%	20%				
	IDPs	0	3%	10%				
	Percentage increase in the Ability to Recover from Shocks (ATR) - Resilience Capacity				COI HH survey	BL, MT, End	NPCU	
	Increase ATR	0	5%	15%				
	HHs with reduction in Food Insecurity Experience Scale (FIES)				HH survey - FAO FIES methodology (to be added to COI)	BL, MTR/PCR	NPCU	
	Households	0	3%	10%				
	<b>Development Objective</b>	CI 1.2.8 Women reporting minimum dietary diversity (MDDW)				COI HH survey	BL, MT, PCR	
Women (%)		21%	70%					



Results Hierarchy	Indicators				Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsible	
Sustainably increase productivity, incomes, and nutrition security of smallholders' families in Somalia	Women (number)		18900	63 000				macroeconomic conditions. Change in weather patterns not as drastic as predicted.
	Households (%)		21%	70%				
	Households (number)		3150	10 500				
	Household members		37800	126 000				
	CI 2.2.1 Persons with new jobs/employment opportunities							
	Males	0	2700	9000	COI HH survey	BL, MT, PCR	NPCU	
	Females	0	2700	9000				
	Young	0	2160	7200				
	Total number of persons with new jobs/employment opportunities (10%)	0	5400	18000				
	<b>Outcome</b>	SF.2.1 Households satisfied with project-supported services						
Outcome 1: Strengthened and inclusive communities with enhanced social cohesion that are able to define their livelihood development pathways and manage conflict.	Household members	0	40500	135000	COI HH outcome survey	BL, MT, End	NPCU	
	Non-Indigenous households							
	Non-women-headed households							
	Households (%)	0	23%	75%				
	Households (number)	0	6750	22500				
SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers								
Household members	0	40500	135000	COI HH survey	BL, MTR, End	NPCU		
Non-Indigenous households								
Non-women-headed households								
Households (%)	0	23%	75%					
Households (number)	0	6750	22500					
CI 2.2.6 Households reporting improved physical access to markets, processing and storage facilities								
Household members	0	40500	135000	COI HH survey	BL, MTR, End	NPCU		
Non-Indigenous households								
Non-women-headed households								
Households (%)	0	23%	75%					
Households (number)	0	6750	22500					

Results Hierarchy	Indicators				Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsible	
	CI 3.2.2 Households reporting adoption of environmentally sustainable and climate-resilience technologies and practices				COI HH survey	BL, MTR, End	NPCU	
	Total number of household members	0	48600	162000				
	Households (%)	0	27%	90%				
	Households (number)	0	8100	27000				
<b>Output</b>	CI 3.1.1 Groups supported to sustainably manage natural resources and climate-related risks				MIS/MES	semester/annual	NPCU	Political and social stability in community
1.1 Strengthening community governance and services	Total size of groups	0	3600	12000				
	Groups supported	0	5	15				
	Males	0	1800	6000				
	Females	0	1800	6000				
	Young	0	1440	4800				
	Number of district profiles developed							
District Profiles	0	2	5					
	Number of communities with CDPs developed				MIS/MES	semester/annual	NPCU	
	Communities	0	5	15				
<b>Output</b>	CI 2.1.6 Number of market, processing or storage facilities constructed or rehabilitated				MES - GIS	semester/annual	NPCU	Political and social stability in community
1.2. Community investment support	Total number of facilities	0	11	36				
	Market facilities constructed/rehabilitated (livestock market sheds)	0	2	6				
	Processing facilities constructed/rehabilitated (cold chain)	0	1	4				
	Storage facilities constructed/rehabilitated (Grain reserves)	0	7	24				
	Number of institutions formed							
	Institutions	0	11	36				
	Number of people trained for O&M							
Individuals trained	0	1800	6000					
<b>Outcome</b>	CI 1.2.1 Households reporting improved access to land, forests, water or water bodies for production purposes				COI HH survey	BL, MT, End	NPCU	Improved macroeconomic conditions. Change in weather patterns not as drastic as predicted.
Outcome 2: increased production and productivity of priority crops and animals for resilience, dietary diversity and food security	Households reporting improved access to water (%)	0	9%	30%				
	Size of households reporting improved access to water	0	16200	54000				

Results Hierarchy	Indicators				Means of verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsible		
	Total no. of households reporting improved access to water	0	2700	9000					
	CI 1.2.4 Households reporting an increase in production								
	Total number of household members	0	27000	90000	COI Outcome survey	BL, MTR, PCR	NPCU		
	Households (%)	0	15%	50%					
	Households	0	4500	15000					
	CI 1.1.3 Rural producers accessing production inputs and/or technological packages								
<b>Output</b> 2.1: Resilient crop and livestock value chains	Males	0	1620	5400	MES	semester/annual	NPCU	No significant changes affecting the agriculture and livestock sectors. Change in weather patterns not as drastic as predicted.	
	Females	0	1080	3600					
	Young	0	810	2700					
	Total rural producers	0	2700	9000					
	CI 1.1.4 Persons trained in production practices and/or technologies								
	Men trained in livestock	0	2700	9000	MES	semester/annual	NPCU		
	Women trained in livestock	0	2700	9000					
	Young people trained in livestock	0	1350	4500					
	Total persons trained in livestock	0	4500	15000					
	CI 1.1.8 Households provided with targeted support to improve their nutrition								
	Total persons participating	0	8100	27000	MES	semester/annual	NPCU		
	Males	0	4050	13500					
	Females	0	4050	13500					
	Households	0	8100	27000					
	Household members benefitted	0	48600	162000					
	Non-Indigenous people								
	Young	0	3240	10800					
Not Young									
Non-women-headed households									
CI 2.1.2 Persons trained in income-generating activities or business management									
<b>Output</b> 2.2 Entrepreneurship for value chain development	Males	0	3375	11250	MES	semester/annual	NPCU	No significant changes affecting the agriculture and livestock sectors. Change in weather	
	Females	0	3375	11250					
	Young	0	2160	7200					

Results Hierarchy	Indicators				Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsible	
	Persons trained in IGAs or BM (Total)		6750	22500				patterns not as drastic as predicted.
	CI Number of feed and fodder production system implemented				M&E system	semester/annual	NPCU	
	Hectares of land		120	400				
	CI 2.1.1 Rural enterprises accessing business development services				M&E system	semester/annual	NPCU	
	Size of enterprises	0	5400	18000				
	Rural enterprises	0	900	3000				
	Women in leadership position	0	1620	5400				
	CI 1.1.5 Persons in rural areas accessing financial services				MES - financial institution records	semester/annual	NPCU	
	Men in rural areas accessing financial services - credit		11	38				
	Women in rural areas accessing financial services - credit		11	38				
	Young people in rural areas accessing financial services - credit		9	30				
	Total persons accessing financial services - credit		23	75				
	Men in rural areas accessing financial services - insurance		11	38				
	Women in rural areas accessing financial services - insurance		11	38				
	Young people in rural areas accessing financial services - insurance		9	30				
	Total persons accessing financial services - insurance		23	75				
<b>Outcome</b>	Policy 3: Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment							Qualitative assessment
Outcome 3: Strengthened policy and institutional environment for sustainable development of the Somali agricultural and livestock sector	Number	0	1	2				
<b>Output</b>	Number of government members trained				MES	semester/annual	NPCU	Government leadership and effective policy
	Males	0	20	100				

Results Hierarchy	Indicators				Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsible	
Strengthened institutional capacity - Local policies are developed through support by KMC programme activities	Females	0	5	40				support provided - Consultation platform set-up
	Policy 1 Policy-relevant knowledge products completed				KMC reporting and MES	annual	NPCU	
	Number	0	1	2				

# Integrated programme risk matrix

## I. Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
<b>Country Context</b>	<b>High</b>	<b>Substantial</b>
Political Commitment	Moderate	Low
Governance	High	Substantial
Macroeconomic	High	Substantial
Fragility and Security	High	High
<b>Sector Strategies and Policies</b>	<b>Moderate</b>	<b>Moderate</b>
Policy alignment	Low	Low
Policy Development and Implementation	Substantial	Moderate
<b>Environment and Climate Context</b>	<b>Substantial</b>	<b>Moderate</b>
Project vulnerability to environmental conditions	Substantial	Moderate
Project vulnerability to climate change impacts	Substantial	Moderate
<b>Project Scope</b>	<b>Substantial</b>	<b>Moderate</b>
Project Relevance	Moderate	Low
Technical Soundness	Substantial	Moderate
<b>Institutional Capacity for Implementation and Sustainability</b>	<b>High</b>	<b>Substantial</b>
Implementation Arrangements	High	Substantial
Monitoring and Evaluation Arrangements	Substantial	Moderate
<b>Project Financial Management</b>	<b>High</b>	<b>High</b>
Project Organization and Staffing	High	Substantial
Project Budgeting	High	Substantial
Project Funds Flow/Disbursement Arrangements	High	Substantial
Project Internal Controls	High	High
Project Accounting and Financial Reporting	High	Substantial
Project External Audit	High	High
<b>Project Procurement</b>	<b>Substantial</b>	<b>Substantial</b>
Legal and Regulatory Framework	Substantial	Moderate
Accountability and Transparency	Substantial	Moderate
Capability in Public Procurement	Substantial	Moderate
Public Procurement Processes	High	High
<b>Environment, Social and Climate Impact</b>	<b>Moderate</b>	<b>Low</b>
Biodiversity Conservation	Moderate	Low
Resource Efficiency and Pollution Prevention	Substantial	Moderate
Cultural Heritage	Low	Low
Indigenous People	Low	Low
Labour and Working Conditions	Moderate	Low
Community Health and Safety	Substantial	Low
Physical and Economic Resettlement	Low	Low
Greenhouse Gas Emissions	Moderate	Moderate
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Moderate
<b>Stakeholders</b>	<b>Substantial</b>	<b>Moderate</b>
Stakeholder Engagement/Coordination	Substantial	Moderate
Stakeholder Grievances	Substantial	Moderate
<b>Overall</b>	<b>Substantial</b>	<b>Moderate</b>

<b>Risk Category / Subcategory</b>	<b>Inherent risk</b>	<b>Residual risk</b>
<b>Country Context</b>	<b>High</b>	<b>Substantial</b>
<b>Political Commitment</b>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b> At the IFAD Governing Council in February 2023, the President reaffirmed the commitment of the FGS to support an enlarged IFAD programme in Somalia with PBAS resources and supplementary funding. However, the commitment of the FMS to such an expanded IFAD programme has not been ascertained as security restrictions have prevented direct interactions between IFAD and the FMS. Moreover, some FMS are still seeking to be politically independent of the FGS.</p> <p><b>Mitigations:</b> Tripartite agreements and memorandum of understandings between IFAD, FGS and FMS are to be established to facilitate and ownership to the appropriate implementation of project activities. Further consultations with FGS, and if possible the FMS, to clarify IFAD development focus in Somalia, will reduce the residual risk to low.</p>	<b>Moderate</b>	<b>Low</b>
<b>Governance</b>	<b>High</b>	<b>Substantial</b>
<p><b>Risk:</b> The governance structures, law and order were weakened by 30 years of conflict, and there are recurring violent conflicts between the clans and with Al Shabaab. Corruption is perceived to be high in this fragile situation. The new government that took office in 2022 is working towards state building and rebuilding economic governance institutions. The clearance of the debt arrears to IFAD, AfDB, IMF and IDA have restored Somalia's access to regular concessional financing and the prospects of support to governance capacity building.</p> <p><b>Mitigations:</b> The residual risk is expected to reduce with the envisaged capacity building interventions to raise the country's current governance index above 2.41, and its ranking of 129 out of 137 countries. The country is now nearly at the end of the HIPC interim period, and Completion Point is anticipated in the last quarter of 2023. Initiatives by the government to fast-track all legislative milestones as required by the international financial institutions and strengthen relevant institutions' capacities have been met. In the 2nd quarter of 2023, the IMF concluded its 5th review and announced that Somalia had reached its staff-level agreement on the Extended Credit Facility (ECF). Somalia is planning to implement a Post-HIPC and Post-ATMIS strategy that is expected to enhance the country's governance structure</p>	<b>High</b>	<b>Substantial</b>
<b>Macroeconomic</b>	<b>High</b>	<b>Substantial</b>
<p><b>Risk:</b> The COVID-19 of 2020-2021 and the ongoing Russia-Ukraine conflict that started in 2022 adversely affected macroeconomic stability and growth in Somalia due to: (i) the country's weak baseline economic context, (ii) the reliance on external markets for food and agricultural and industrial inputs, (iii) reduced volume of remittances which had served as a social safety net, (iv) the spike in cost of electricity and transport due to increased fuel price, arising from the Russia-Ukraine conflict; and (v) high internal insecurity.</p>	<b>High</b>	<b>Substantial</b>

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b> RLRP will build resilience capacity in small-scale agro-pastoralists to improve food production, incomes, and food and nutrition security in an inclusive context of youth and women. Focus is on: (i) the capacity building of the community institutions for governance, the extensive capacity building of the target group, especially women and youth, and relevant government staff; (ii) support to Government for development of conducive policies for resilient agricultural development; (iii) mainstreaming new technologies to increase productivity; and (iv) improving access to local markets and financial services. import substitution.</p>		
<b>Fragility and Security</b>	High	High
<p><b>Risk:</b> With a Fragile States Index of 110.9 in 2021 and 110.5 in 2022, Somalia has been considered one of the three most fragile countries since 2007. The drivers of fragility still prevail: ethnic divisions and violent struggles for power and resources that have lasted for 30 years; some FMS seeking to be independent of FGS; weak governance and institutional capacity; poverty; youth unemployment; youth radicalization; the Al-Shabaab and Islamic State insurgencies; weakened community institutions that support rural livelihoods; drought and flood; and large displacement of people within Somalia and to neighbouring countries, because of conflict or drought.</p>	High	High
<p><b>Mitigations:</b> The RLRP will take off from states and districts that are considered less violence-prone based on a rapid analysis of incidences of violence. Other areas will be sequenced into the target areas based on the regular review of the situation and further developments.</p>		
<b>Sector Strategies and Policies</b>	Moderate	Moderate
<b>Policy alignment</b>	Low	Low
<p><b>Risk:</b> The Somalia National Development Plan (NDC-9) envisages economic growth and greater employment opportunities by transforming traditional industries, such as livestock and crop production, and adapting them to climate change, while inducing growth in the private sector and social inclusiveness. The policies are developed with participation of stakeholders. The draft Agriculture Development Strategic Plan (2022-2026) also aligns with IFAD priorities of improving productivity of smallholder farmers through introduction of improved crop varieties adapted to the local environment, development of value chains and ensuring adequate infrastructure for production including irrigation support.</p>	Low	Low
<p><b>Mitigations:</b> There are no risks that national policies may not be relevant to IFAD and beneficiary needs.</p>		
<b>Policy Development and Implementation</b>	Substantial	Moderate
<p><b>Risk:</b> Somalia is currently developing most of its policies as a new administration has recently been in office. The NDC-9 identifies critical areas to address to include climate change and agriculture as an important entry to improving food security. The draft Agriculture Development Strategic Plan outlines the importance of reviving the agriculture sector. The major risks are inadequate capacity to implement policies, especially the regulatory aspects on seed, phytosanitary checks , Agriculture policies may not be relevant for IDPs where there is conflict between development and emergency support. The process of adoption of policies may take a long time.</p>	Substantial	Moderate



Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b> RLRP will support policy engagement in the areas of agriculture development and may support evidence-based refinement and implementation of some policies. RLRP will also: build the capacity of public institutions to effectively implement the policies; support relevant interventions on entrepreneurship for IDPs; and involve communities in development planning and implementation. Somalia is equally developing a centennial vision (2060) and agriculture and food security form a big component. RLRP focus interventions are aligned with the government priorities in the sector. IFAD will actively participate in UNCT coordination activities and support the policy agenda with other stakeholders</p>		
<b>Environment and Climate Context</b>	<b>Substantial</b>	<b>Moderate</b>
<b>Project vulnerability to environmental conditions</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b> RLRP is very vulnerable to the escalating environmental challenges that characterize the Somali landscape. Somalia's semi-arid climate, characterized by recurrent droughts, erratic rainfall, and prolonged dry spells, directly impacts the agriculture and livestock sectors upon which the project is focused. Moreover, these challenges are exacerbated by environmental degradation resulting from deforestation, overgrazing, and soil erosion coupled with weak environmental governance in the country, which undermine the long-term sustainability of the RLRP. However, the project is not expected to cause any irreversible or unprecedented social or environmental adverse impacts.</p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Mitigations:</b> RLRP will promote environmentally responsible agricultural techniques, natural resource management, community governance, and the incorporation of climate adaptation measures. To address the possible environmental risks, the project will develop an Environmental and Social Management Plan that will comprise adequate mitigation measures; climate-smart agriculture practices and adaptation to climate change activities; and the necessary compliance with IFAD environmental, social and climate change safeguard procedures whilst seeking sustainable management of natural resources in the targeted regions.</p>		
<b>Project vulnerability to climate change impacts</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b> Somalia is extremely vulnerable to the effects of climate change and extreme weather events. RLRP's effectiveness is inherently vulnerable to the impacts of climate change, which pose significant threats to the livelihoods of these communities. Rising temperatures, erratic rainfall patterns, prolonged droughts, and frequent extreme weather events exacerbate existing vulnerabilities in agriculture, water availability, and food security, potentially undermining the RLRP's objectives. These climate change impacts also heighten the risk of land degradation, desertification, and loss of biodiversity, further threatening the natural resource base upon which the project's interventions are built.</p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Mitigations:</b> To mitigate such risks, the project's investments will be fully climate proofed during the design and implementation stages and climate adaptation measures will be mainstreamed across the project activities to enhance the resilience and improve the adaptation of target communities and investments. The project's interventions would not be expected to increase the vulnerability of target populations and resources to climate hazards. As the risk classification is Substantial, SECAP requires Climate Risk Analysis and Targeted Adaptation Assessment to be conducted for this project.</p>		
<b>Project Scope</b>	<b>Substantial</b>	<b>Moderate</b>
<b>Project Relevance</b>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b> The RLRP is being implemented in an unpredictable context which is often associated with conflict, and vulnerability to climate change may hamper the abilities of farmers to sustainably produce. These changes may also consider moving towards emergency operations.</p>	<b>Moderate</b>	<b>Low</b>

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b> The design provides for communities to identify their challenges and pathways for improving their livelihoods, thereby ensuring that interventions are relevant. RLRP will partner with FAO SWALIM to provide early warning for disaster preparedness and will promote climate resilient enterprises. The design has a contingency measure to adjust the AWPB to deal with any disasters declared by the government to reduce complete loss in livelihood sources.</p>		
<b>Technical Soundness</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b> There is limited technical capacity of the government due to insufficient know-how and availability of technical expertise. There is limited in-country assessment due to the insecurity, which may underestimate the major technical opportunities and challenges at hand.</p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Mitigations:</b> Consultations have been made with relevant ministries to understand the needs, gaps and opportunities for livelihood improvement in the country. The team held meetings with implementing partners of supplementary funded projects, WB and FAO who also provided some lessons and areas of focus. At design, a design team comprised of technical specialists that have strong knowledge of the country context as relates to agro-pastoralism, IDPs and infrastructure development. The technical design: (i) drew on lessons learnt from current IFAD interventions and other development agents, (ii) simple, focusing on key issues of building capacity to address fragility to rural livelihoods, and (iii) ensures active participation and contribution of national, state and community partners. At the start-up phase and during the implementation period, the Programme will initiate capacity strengthening, in addition to those of the seconded MoAI and MoECC personnel to the NPCU, that will enable and enhance the effective delivery of the Programme activities.</p>		
<b>Institutional Capacity for Implementation and Sustainability</b>	<b>High</b>	<b>Substantial</b>
<b>Implementation Arrangements</b>	<b>High</b>	<b>Substantial</b>
<p><b>Risk:</b> There is a potential substantial erosion of implementation capacity, due to the long period of crisis in Somalia, at the national level of the key ministries that are expected to be key implementers of the RLRP. At this PCN stage, it was not possible to undertake an assessment of the available human and material capacity on the ground because of security considerations. Another risk is that the RLRP will need to coordinate sector ministries that are used to operating independently of one another.</p>	<b>High</b>	<b>Substantial</b>
<p><b>Mitigations:</b> The decentralisation of implementation to the state, district and community levels will help mitigate the low capacity at the national level. A third-party implementation arrangement is also foreseen to help build capacity. A detailed assessment of capacity building needs at design will guide the refinement of the capacity building needs of the government agencies. The design will further explore the actual capacity of the private sector which is said to be buoyant, to devise how private-public partnership and service provision would improve the implementation arrangements. Implementation capacity building of community institutions is a major focus under RLRP.</p>		
<b>Monitoring and Evaluation Arrangements</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b> The primary risks and challenges identified while preparing the concept note for M&amp;E activities include: (i) insufficient data in the sector to provide an updated and comprehensive diagnosis, (ii) insufficient capacity in data management, and (iii) scattered data across different sources and institutions, making it difficult to access and generate official, aggregated data for the country</p>	<b>Substantial</b>	<b>Moderate</b>

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b> (i) collect secondary data from government statistics available, engage with key stakeholders in the sector and gather information for a design process; (ii) insufficient data management capacity: not applicable at this point; (iii) engage key stakeholders to establish a centralised data repository during the RLRP design process, committing each institution to contribute and share existing information among all stakeholders.</p>		
<b>Project Financial Management</b>	<b>High</b>	<b>Substantial</b>
<b>Project Organization and Staffing</b>	<b>High</b>	<b>Substantial</b>
<p><b>Risk:</b> MoAI does not have experience in managing donor supported projects and IFAD mission could not fully assess MoAI capacities and human resources that would be fully dedicated to the project financial management.</p>		
<p><b>Mitigations:</b> Key FM staff will be competitively recruited. IFAD No Objection will be required before staff is appointed. Recruitment of competitively selected staff will be one of the first disbursement conditions.</p>		
<b>Project Budgeting</b>	<b>High</b>	<b>High</b>
<p><b>Risk:</b> The project may experience delays in implantation due to a lengthy the approval process of the AWPB from parliament. Budget follow-up in SFMIS may lead to errors in the budget is not set-up in the system to the detailed level of the project.</p>		
<p><b>Mitigations:</b> •To corroborate and reconcile yearly the project AWPB and the and the budget finally approved by parliament. •To ensure that SFMIS is configured to a level to be able to ensure effective budget control at project level and report to IFAD accordingly. To always undertake budget vs actual analysis and especially pay particular attention to adverse variances.</p>		
<b>Project Funds Flow/Disbursement Arrangements</b>	<b>High</b>	<b>High</b>
<p><b>Risk:</b> Disbursements from IFAD will be linked to the submission of IFRs, the reliability of which is linked to the performance of the accounting software (SFMIS), as well as capacity of the project to perform timely payments from its Designated Account. Also, the project may not be able to follow up on justifications and ensure eligibility of expenditures incurred at state level.</p>		
<p><b>Mitigations:</b> •Ensure proper coding and customisation of SFMIS to meet the requirements and level of detail of RLRP. •IFAD will review the proforma reports produced by SFMIS before going live using RLRP transactions. •Imprest advances to the SPCUs will be retired after reviewing the related expenditure justifications. • The initial imprest advance will be small amount not exceeding USD 5,000 to be reviewed as the project gains experience.</p>		
<b>Project Internal Controls</b>	<b>High</b>	<b>High</b>

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Risk:</b>            With a score of 12/100 Somalia is ranked as the last country in the world according to the corruption perception index. In this context, the risk of misuse of funds and corruption will remain high.            In Somalia, Internal audit is still weak as per the latest PEFA report and IFAD mission was not able to directly assess MoAI capacities in terms of internal audit.            Also, IFAD supervision and implementation support capacities as well as auditors' capacities may be limited by the security situation in country and therefore limit IFAD capacities to ensure that funds are spent for the project intended purposes</p> <p>Mitigations:            •Given the importance that internal audit in RLRP will be operating, provisions made to recruit an accounting firm to provide internal audit services for at least 10 days per quarter.            •IFAD will rely if needed on third party supervisory body having access to project areas and ensuring that funds have effectively reached final beneficiaries.</p>	High	Substantial
<p><b>Project Accounting and Financial Reporting</b></p> <p><b>Risk:</b>            In case SFMIS system is duly and timely set up and project staff not duly trained, the project capacity in terms of accounting and financial reporting will be seriously jeopardized.</p> <p>Mitigations:            •Start-up events to include a proper configuration/ customisation of SFMIS well noting the country level challenges documented in Somalia Public Financial Management Road Map Action Plan 2021-2024. The proper set of IFMIS to IFAD satisfaction will be one of the first disbursement conditions for the project.</p>	High	High
<p><b>Project External Audit</b></p> <p><b>Risk:</b>            Lack of capacities and inadequate staffing and resources at the level of the OAG can lead to delays in the submission of the project external audits and low quality of the reports.</p> <p><b>Mitigations:</b>            As per country procedures, the OAG will recruit an accredited external audit firm to carry out RLRP audit reports. The audit missions will be carried out on the basis of IFAD non-objected TORs. These arrangements will be described in the project FMFCL. In addition, in order to build up the capacities of the OAG, IFAD will endeavour to include the OAG teams selected to audit RLRP either during missions, or in FM forums.</p>	Substantial	Substantial
<p><b>Project Procurement</b></p> <p><b>Legal and Regulatory Framework</b></p> <p><b>Risk:</b>            Public procurement in Somalia is governed by the 'Public Procurement, Concessions and Disposal Act' (PPCDA), of 23rd November 2015, but (i) Standard bidding documents do not exist; (ii) in the absence of an independent assessment (e.g. PEFA), it is difficult to justify if procurement methods are applied appropriately; (iii) the procurement Law requires that bidding opportunities are published in a widely circulated national newspaper. Some bidding opportunities are published on the Ministry of Finance website (<a href="https://mof.gov.so/public-procurement">https://mof.gov.so/public-procurement</a>), but some key procurement information e.g. publication of PP, complaints, blacklisted companies, Contract awards etc. is not published.</p>	Substantial	Moderate
<p><b>Risk:</b>            Public procurement in Somalia is governed by the 'Public Procurement, Concessions and Disposal Act' (PPCDA), of 23rd November 2015, but (i) Standard bidding documents do not exist; (ii) in the absence of an independent assessment (e.g. PEFA), it is difficult to justify if procurement methods are applied appropriately; (iii) the procurement Law requires that bidding opportunities are published in a widely circulated national newspaper. Some bidding opportunities are published on the Ministry of Finance website (<a href="https://mof.gov.so/public-procurement">https://mof.gov.so/public-procurement</a>), but some key procurement information e.g. publication of PP, complaints, blacklisted companies, Contract awards etc. is not published.</p>	Substantial	Moderate

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b>            (i) apply IFAD Project Procurement Guidelines and Handbook, as well as IFAD standard bidding documents which mainly cover the gaps identified in the country procurement Law; (ii) ensure wider coverage by advertising procurement opportunities on both 'somalijobs.net' and in a widely circulated newspaper, also on widely known platforms like 'Relief Web' (reliefweb.int). International Competitive Bidding will be published in UNDB through IFAD; (iii) ensure the efficient procurement monitoring by submitting the annual Procurement Plan (PP) and any subsequent PP revisions/upgrades to IFAD for No Objection. Procurement monitoring shall be done by IFAD using existing project procurement systems (such as OPEN); (iv) a quarterly report shall be submitted to the implementing agency on a regular basis.</p>		
<b>Accountability and Transparency</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b>            The Somalia CPI score for 2022 by Transparency International was 12/100 and ranked 180th (of 180 countries assessed) in the world, and the last in Sub-Saharan Africa. (i) There is no system to manage complaints; (ii) Procedures for debarment are mentioned in Article 33 of the PPCDA. The Ministry of Finance should publish the list of debarred firms on own website. In addition, RLRP shall make Reference to World Bank Debarment System (<a href="https://www.undp.org/content/undp/en/home/operations/procurement/business/protest-and-sanctions/ineligibility-list/">https://www.undp.org/content/undp/en/home/operations/procurement/business/protest-and-sanctions/ineligibility-list/</a>); (iii) According to Transparency International, there is no publicly available information on corruption and anti-corruption in Somalia. Most of the information provided on the state of corruption in the country is primarily based on reports by the International Crisis Group.</p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Mitigations:</b>            (i) the project shall apply the Debriefing, Protest and Appeal mechanisms of IFAD Procurement Handbook with mandatory use of the standstill period and the prompt resolution of complaints before award; (ii) ensure integration of the Revised IFAD's Policy on combating fraud and corruption and the inclusion of the corruption reporting hotline in all bidding documents. IFAD's contact details for reporting corruption, harassment, fraud, etc. shall be included in all bidding documents; (iii) allegations of corruption under the RLRP shall be investigated as per the requirements of the IFAD anti-corruption policy.</p>		
<b>Capability in Public Procurement</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b>            (i) a procurement unit exists, but it has one employee with over 4 years of experience. The Finance Unit works with the procurement unit for preparing the annual budgets; (ii) there is no official capacity building strategy, nor one for providing guidance in response to queries, and there are no obligations to use the public procurement training currently available; (iii) public procurement is not professionalized, i.e. it does not provide a career path to public procurement officials involved in conducting and managing procurement, nor does it provide adequate opportunities for skills building, there is no official job description or qualification requirements specific to public procurement.</p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Mitigations:</b>            (i) quality of procurement related work, i.e. preparation of procurement plan revisions/upgrades, bidding documents for works and services, and evaluation reports shall be improved; (ii) institutional and management capacity needs improvement and procurement staff needs adequate training; (iii) a hands-on approach, including the introduction to IFAD's project procurement systems (such as OPEN) will allow the systematic tracking of procurement activities throughout the project cycle; (iv) for procurement packages that are deemed to pose challenges to the project, IFAD can provide additional procurement support through a short-term consultant to work on procurement processing, including assistance in drafting bidding documents, providing guidance on evaluation of bids and drafting of Bid Evaluation Reports.</p>		
<b>Public Procurement Processes</b>	<b>High</b>	<b>High</b>

<b>Risk Category / Subcategory</b>	<b>Inherent risk</b>	<b>Residual risk</b>
<p><b>Risk:</b> The procuring entity (PE) is required to undertake annual procurement planning with a view to achieving maximum value for public expenditure. A procurement plan is based on the PE's approved program and budget. Procurement plans (PP) are published on the PPA and PEs' websites. The PE's Procurement Committee approves the procurement and periodically monitors its implementation. The procurement plan is prepared annually based on Government's fiscal year and takes into account the Government's annual budget. (i) there are no means in place for monitoring and managing public procurement performance.</p>	<b>High</b>	<b>High</b>
<p><b>Mitigations:</b> (i) given that Somalia is rated high risk in procurement, IFAD's procurement methods, thresholds and time-limits defined for the Project shall apply; (ii) the Project shall strictly adhere to AWPB and PP preparation according to IFAD templates and requirements; (iii) CM systems and framework shall be put in place and elaborated in PIM; (iv) Training on CM is required.</p>		
<b>Environment, Social and Climate Impact</b>	<b>Moderate</b>	<b>Low</b>
<b>Biodiversity Conservation</b>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b> For Somalia's biodiversity and ecosystem services the key issues remain overgrazing, charcoal production, habitat losses and degradation, climate change effects, overexploitation, pollution, invasive alien species, civil war, and tsunamis.</p>	<b>Moderate</b>	<b>Low</b>
<p><b>Mitigations:</b> RLRP will promote environmentally responsible agricultural techniques, natural resource management, community governance, and the incorporation of climate adaptation measures. To address the possible environmental risks, the project will develop an Environmental and Social Management Plan that will comprise adequate mitigation measures; climate-smart agriculture practices and adaptation to climate change activities; and the necessary compliance with IFAD environmental, social and climate change safeguard procedures whilst seeking sustainable management of natural resources in the targeted regions</p>		
<b>Resource Efficiency and Pollution Prevention</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b> Resource efficiency and pollution prevention is highly interlinked with vulnerability of communities to climate change.</p>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Mitigations:</b> The project will promote best agricultural and agro-pastoral practices which will contribute to reduction of quantity of inputs needed to produce a given output as well as reduced production of by-products.</p>		
<b>Cultural Heritage</b>	<b>Low</b>	<b>Low</b>
<p><b>Risk:</b> Construction of infrastructure in the RLRP will take place in close consultation with communities who during community consultation meetings will indicate the locations of the infrastructure to be constructed. Locally available and culturally acceptable materials shall be used to the extent possible.</p>	<b>Low</b>	<b>Low</b>
<p><b>Mitigations:</b> Not applicable to this point.</p>		
<b>Indigenous People</b>	<b>Low</b>	<b>Low</b>
<p><b>Risk:</b> Minority clans, vulnerable groups are part of RLRP's main target group. Their active involvement is needed for the project to reach its development objective. There is a risk of these groups not being adequately included in project activities given their social status under normal circumstances.</p>	<b>Low</b>	<b>Low</b>

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b> CBO formation is usually undertaken when 80% of the community is present to ensure that all parts of society are included. Third party implementation will be present during CBO formation and first community meetings to ensure equitable participation and voice. A grievance redress mechanism will be established which allows minority clans and vulnerable groups to inform IFAD when their views were not taken into account.</p>		
<b>Labour and Working Conditions</b>	<b>Moderate</b>	<b>Low</b>
<p><b>Risk:</b> The additional interventions for increased production under RLRP may potentially increase the workload of women and youth.</p>	<b>Moderate</b>	<b>Low</b>
<p><b>Mitigations:</b> The labour-saving technologies (e.g. irrigation and simple post-harvest equipment) introduced by RLRP are likely to outweigh the workload factor. The risk dimension shall be further scrutinised during design.</p>		
<b>Community Health and Safety</b>	<b>Substantial</b>	<b>Low</b>
<p><b>Risk:</b> The risk is that nutritional outcomes will not be achieved if participating beneficiaries do not use surplus production (e.g. crop production or milk production) for home consumption or sold in the market to purchase nutritional food.</p>	<b>Substantial</b>	<b>Low</b>
<p><b>Mitigations:</b> Nutritional awareness sessions and education will be integrated in the nutrition sensitive value chain approach.</p>		
<b>Physical and Economic Resettlement</b>	<b>Low</b>	<b>Low</b>
<p><b>Risk:</b> The RLRP shall not promote activities that lead to the resettlement of smallholder farmers. Small infrastructure to be constructed shall be done on sites identified by and accepted by the communities.</p>	<b>Low</b>	<b>Low</b>
<p><b>Mitigations:</b> In case physical or economic resettlement needs to take place, the implementation of activities will be halted and a comprehensive resettlement plan shall be developed in line with IFAD guidelines.</p>		
<b>Greenhouse Gas Emissions</b>	<b>Moderate</b>	<b>Moderate</b>
<p><b>Risk:</b> The project is not expected to contribute to an increase in GHG emissions, however some inefficient agricultural practices can undermine the overall project results.</p>	<b>Moderate</b>	<b>Moderate</b>
<p><b>Mitigations:</b> The project will promote best production and/or agro-processing practices and relevant mitigation measures. Specifically, improved fodder and livestock production can help reduce the cost of negative externalities, such as desertification of arid areas, GHG emissions, and the incidence of zoonotic diseases.</p>		
<b>Vulnerability of target populations and ecosystems to climate variability and hazards</b>	<b>Substantial</b>	<b>Moderate</b>
<p><b>Risk:</b> The country is extremely vulnerable to the effects of climate change and extreme weather events. Climate change poses significant threats to the livelihoods of these communities. Rising temperatures, erratic rainfall patterns, prolonged droughts, and frequent extreme weather events exacerbate existing vulnerabilities in agriculture, water availability, and food security, potentially undermining the objectives of the project. These climate change impacts also heighten the risk of land degradation, desertification, and loss of biodiversity, further threatening the natural resource base upon which the project's interventions are built.</p>	<b>Substantial</b>	<b>Moderate</b>

Risk Category / Subcategory	Inherent risk	Residual risk
<p><b>Mitigations:</b> To mitigate such risks, the project’s investments will be fully climate proofed during the design and implementation stages and climate adaptation measures will be mainstreamed across the project activities to enhance the resilience and improve the adaptation of target communities and investments. The project's interventions would not be expected to increase the vulnerability of target populations and resources to climate hazards. As the risk classification is Substantial, SECAP requires Climate Risk Analysis and Targeted Adaptation Assessment to be conducted for this project.</p>		
<p><b>Stakeholders</b> <b>Stakeholder Engagement/Coordination</b></p>	<p><b>Substantial</b> <b>Substantial</b></p>	<p><b>Moderate</b> <b>Moderate</b></p>
<p><b>Risk:</b> The risks here are related to eroded government capacities due to decades of conflict. Many government entities have low technical capabilities, limited financial resources and few human resources to support stakeholder engagement and coordination. At the local level, some CBOs have filled the gap for a coordinating agency at the community level. However, there are no networks of these CBOs for knowledge sharing. Also, the CBOs usually do not have experience in coordinating value chain activities.</p>		
<p><b>Mitigations:</b> Multilateral agencies and the UNCT are stepping up efforts in stakeholder coordination. RLDP’s capacity building activities with the government will ensure strengthening of capacities, allowing for better coordination of activities in the long run. Third party implementation will assist CBOs with coordination activities as well as supporting value chain interventions. IFAD’s country team will support coordination of RLDP through the wider UNCT.</p>		
<p><b>Stakeholder Grievances</b></p>	<p><b>Substantial</b></p>	<p><b>Moderate</b></p>
<p><b>Risk:</b> Conflicts could arise during programme implementation due to diverging views on the type of infrastructure to be selected in the community, CBO leadership and targeting of beneficiaries. Inadequate community buy-in can, in turn, affect the long-term usage and maintenance of infrastructure as well as the institutional sustainability of interventions.</p>	<p><b>Substantial</b></p>	<p><b>Moderate</b></p>
<p><b>Mitigations:</b> Third-party implementation will apply best practices in community sensitization in order to ensure adequate selection of community infrastructure, leadership and targeting. Third-party implementation will be considered a “neutral” broker and hence allow stakeholders to give frank feedback on the interventions to be undertaken. A detailed targeting strategy will be developed at design in order to provide clarity on final beneficiaries. Under the auspices of the third-party implementer, a GRM will be established in line with IFAD guidelines.</p>		