
Informe del Presidente

Propuesta de donación con arreglo al Marco de Sostenibilidad de la Deuda

República Federal de Somalia

Programa de Resiliencia de los Medios de Vida Rurales

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Medida: Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 45.

Preguntas técnicas:

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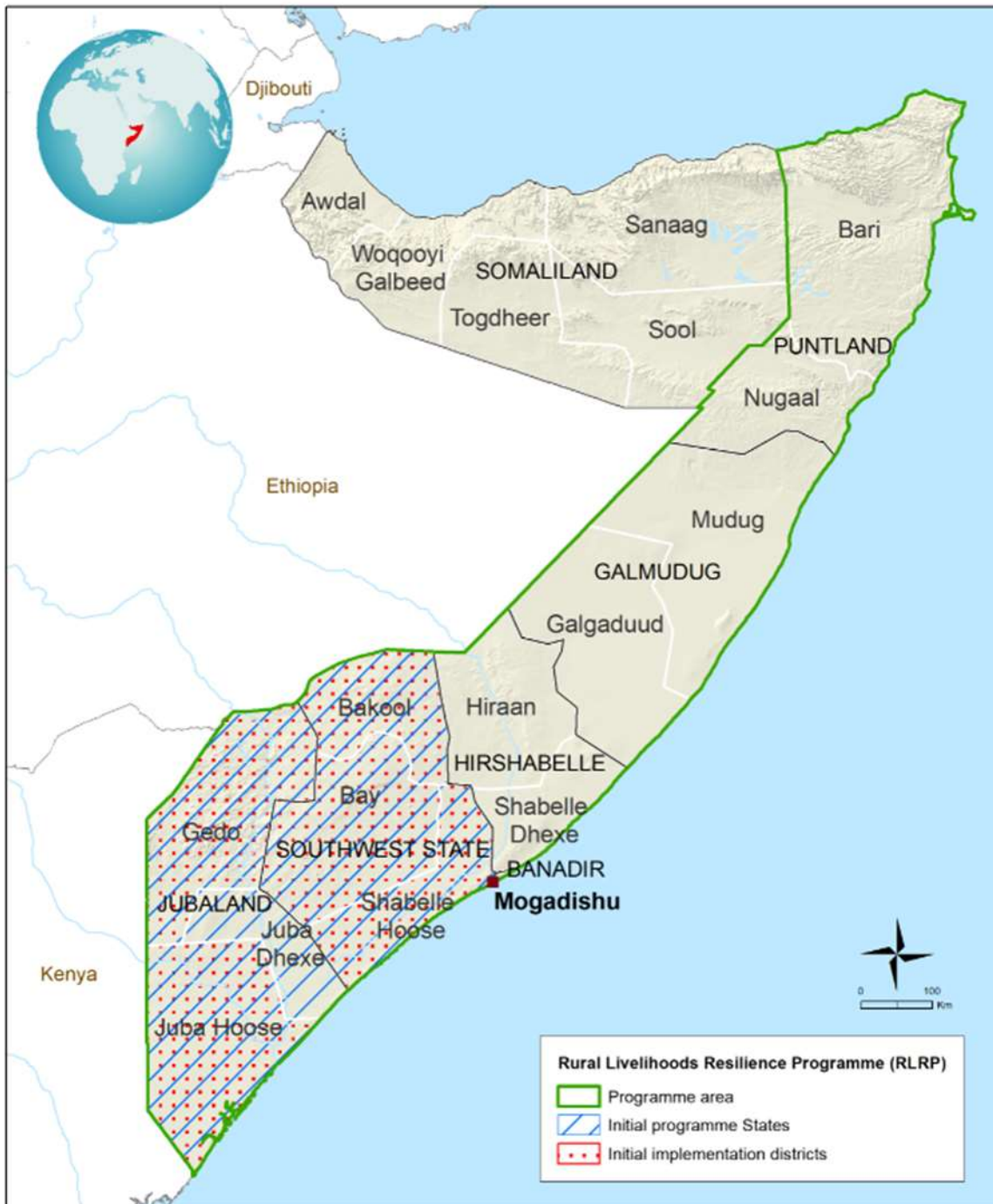
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- I. Negotiated financing agreement
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Mapa de la zona del programa



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

Fuente: FIDA | 17-08-2023

Resumen de la financiación

Institución iniciadora:	FIDA
Prestatario/receptor:	Ministerio de Finanzas
Organismo de ejecución:	Ministerio de Agricultura y Riego
Costo total del programa:	USD 31,22 millones
Monto de la donación del FIDA con arreglo al Marco de Sostenibilidad de la Deuda:	USD 11,60 millones
Contribución de la administración local:	USD 2,0 millones
Contribución del prestatario/receptor:	USD 0,7 millones
Contribución de los beneficiarios:	USD 3,0 millones
Déficit de financiación:	USD 13,92 millones
Monto de la financiación del FIDA para el clima:	USD 6,41 millones

I. Contexto

A. Contexto nacional y justificación de la actuación del FIDA

Contexto nacional

1. El contexto de la República Federal de Somalia es complejo y se percibe una situación de gran inseguridad en el país como consecuencia de su reciente superación de alrededor de 30 años de disturbios civiles. El Gobierno Federal de Somalia, establecido en 2012, consta de seis estados miembros federados. El Gobierno Federal vigente asumió sus funciones en junio de 2022. La ubicación estratégica de Somalia y su dotación de recursos naturales despiertan gran interés entre las potencias regionales e internacionales.
2. La puntuación atribuida a Somalia en el índice de fragilidad de los Estados en 2023 es de 111,9 puntos, lo que la sitúa entre los dos países más frágiles desde 2008. Entre los factores que impulsan la fragilidad en Somalia se encuentran: 30 años de violentas luchas por el poder y los recursos; infraestructuras de servicios muy deterioradas debido a los conflictos; deficiencias en la gobernanza y la capacidad institucional; pobreza y desempleo entre la gente joven, y radicalización.
3. La agricultura representaba el 56,6 % del producto interno bruto (PIB) en 2020 y empleaba al 26,3 % de la población activa en 2021; no obstante, la productividad de los cultivos es muy baja. Entre los principales riesgos a los que se enfrentan los pequeños productores se incluyen: i) los efectos del cambio climático, especialmente las sequías y las inundaciones; ii) la inseguridad; iii) la escasa capacidad institucional, y iv) la degradación de la tierra.

Aspectos específicos relativos a las esferas transversales prioritarias del FIDA

4. En consonancia con los compromisos transversales asumidos por el FIDA, el programa ha recibido las clasificaciones que se detallan a continuación:
 - Abarca la financiación para el clima
 - Es sensible a la nutrición
 - Tiene en cuenta a los jóvenes

Razones que justifican la intervención del FIDA

5. Somalia ha sufrido sequías durante cinco temporadas consecutivas, lo que ha provocado importantes pérdidas de ganado, malas cosechas, el desplazamiento de personas y la destrucción de infraestructuras de riego por inundaciones ocasionales. Estos factores, sumados a la inseguridad, los efectos de la pandemia de la enfermedad por coronavirus (COVID-19) y la guerra en Ucrania, han agravado la fragilidad de los medios de vida agrícolas y los elevados niveles de inseguridad alimentaria y nutricional.
6. Los pequeños productores de Somalia necesitan el apoyo de intervenciones como el Programa de Resiliencia de los Medios de Vida Rurales que les ayuden a restablecer sus medios de vida y hacerlos resilientes frente a múltiples perturbaciones. Durante los últimos 10 años aproximadamente, el FIDA tan solo ha prestado apoyo al desarrollo agrícola de Somalia mediante donaciones. En febrero de 2023 se liquidaron los atrasos de Somalia en el pago de su deuda con el FIDA, lo que permitió al país acceder a recursos básicos. El FIDA se comprometió a efectuar la primera asignación de fondos al Programa de Resiliencia de los Medios de Vida Rurales con arreglo al Sistema de Asignación de Recursos basado en los Resultados (PBAS), lo que marcará un retorno estratégico para Somalia después de 30 años.
7. Se tomará como base la experiencia del FIDA en materia de gestión de las situaciones de fragilidad en Somalia y otros países, mediante el fomento de una agricultura resiliente al clima e impulsada por las comunidades y el desarrollo de

infraestructuras, con el fin de aumentar la resiliencia de los medios de vida de las comunidades rurales y garantizar la inclusión social y la perspectiva de género, así como la atención a los jóvenes y a la nutrición.

B. Enseñanzas extraídas

8. Para su diseño, el programa se benefició de las enseñanzas extraídas de proyectos financiados con donaciones del FIDA y de proyectos de otros asociados para el desarrollo ejecutados en Somalia durante los últimos 30 años. Entre otros, cabe citar los ejemplos siguientes:
 - i) la primacía de la disponibilidad de agua como punto de entrada y condición previa para emprender otras actividades destinadas a aumentar la resiliencia y reducir los conflictos entre las poblaciones pobres de zonas de fragilidad en las que se repiten episodios de sequía;
 - ii) el enfoque de desarrollo impulsado por la comunidad constituye un método eficaz para suministrar bienes públicos y mejorar la focalización y el sentido de apropiación, especialmente en lugares remotos y en situaciones de fragilidad;
 - iii) gracias a la intervención de asociados en la ejecución por terceros, el FIDA pudo seguir trabajando en Somalia durante los 30 años en los que se suspendieron los préstamos concedidos a través de proyectos financiados mediante donaciones. Los asociados en la ejecución por terceros se ocuparon de cuestiones relacionadas con la fragilidad, como la limitada capacidad institucional, el acceso a zonas rurales con un elevado nivel de inseguridad y la escasez de proveedores de servicios;
 - iv) las prácticas de agricultura climáticamente inteligente encierran un gran potencial para aumentar la producción y la resiliencia de los pequeños productores, y
 - v) si en el marco del programa se prevé un subcomponente de emergencia, sin asignación, será posible reaccionar rápidamente ante situaciones de emergencia como sequías, inundaciones e incendios. Sobre la base de la experiencia con los fondos del Mecanismo de Estímulo para la Población Rural Pobre y la Iniciativa para Hacer Frente a la Crisis, las inversiones prioritarias tras una situación de emergencia incluyen: i) inversiones para la mejora de la productividad, y ii) rehabilitaciones en pequeña escala.

II. Descripción del programa

A. Objetivos, zona geográfica de intervención y grupos objetivo

9. El objetivo del Programa de Resiliencia de los Medios de Vida Rurales es lograr unos medios de vida mejorados y resilientes para los pequeños productores de las zonas rurales de Somalia. El objetivo de desarrollo del programa consiste en aumentar de forma sostenible la productividad, los ingresos y la seguridad nutricional y mejorar la resiliencia de las familias de pequeños productores rurales de Somalia. Los indicadores básicos que se utilizarán para evaluar el objetivo de desarrollo del programa son i) el aumento porcentual de la capacidad de resiliencia (meta del 15 %), y ii) el número de personas con nuevos empleos u oportunidades laborales (meta de 3 600 personas).
10. Sobre la base de criterios como la prevalencia de la pobreza, la tasa de inseguridad alimentaria y nutricional, el nivel de degradación acumulada de la base de recursos naturales productivos y el nivel aceptable de conflicto e inseguridad para permitir el acceso a la zona, el Gobierno y el FIDA seleccionaron conjuntamente cinco distritos de dos estados miembros federados en los que poner en marcha el Programa de Resiliencia de los Medios de Vida Rurales: el estado del Suroeste (distritos de Bay, Bakool y Bajo Shabelle) y Jubaland (distritos de Gedo y Bajo Juba). Se ampliará la escala de las actividades del programa seleccionadas en función de la experiencia

en materia de ejecución, la disponibilidad de fondos y la dinámica del conflicto, ya sea dentro de los distritos iniciales, dentro de los estados miembros federados iniciales o en otros estados miembros federados, muy probablemente durante el examen de mitad de período.

B. Componentes, efectos directos y actividades

11. El Programa de Resiliencia de los Medios de Vida Rurales consta de tres componentes: **1) apoyo a la resiliencia de las comunidades**, cuyos resultados son unas comunidades más reforzadas e inclusivas con una mayor cohesión social que sean capaces de definir sus vías de desarrollo de los medios de vida y de gestionar los conflictos; **2) apoyo a la mejora de los medios de vida de los pequeños productores**, cuyos resultados son el aumento de la producción y la productividad de los cultivos y el ganado prioritarios en aras de la resiliencia, la diversidad de la alimentación, la seguridad alimentaria y la mejora de los ingresos, de acuerdo con el plan de desarrollo de la comunidad, y **3) coordinación y creación de capacidad en el marco del programa**, cuyos resultados son la mejora de la gobernanza local como resultado de un entorno político e institucional reforzado y unas políticas locales y nacionales sostenibles gracias a un programa gestionado de forma eficiente y eficaz.
12. **Componente 1: el apoyo a la resiliencia de las comunidades** consta de dos subcomponentes. Las actividades básicas del **subcomponente 1.1 (fortalecimiento de la gobernanza y los servicios de las comunidades)** engloban una serie de medidas de creación institucional y desarrollo de la capacidad para que las comunidades que participan en el programa puedan hacer suyas las iniciativas de desarrollo y responsabilizarse de su ejecución. Entre las principales actividades figuran las siguientes: i) la elaboración del perfil de cada distrito; ii) la movilización de las comunidades; iii) la elaboración del plan de desarrollo de la comunidad, y iv) la creación de capacidad de las instituciones comunitarias existentes y de nueva creación con el fin de que presten servicio a sus miembros y proporcionen información sobre la gestión del riesgo de desastres. En el marco del **subcomponente 1.2 (apoyo a las inversiones de las comunidades)** se financiarán las inversiones a las que se haya dado prioridad en el plan de desarrollo de la comunidad, entre ellas: i) fuentes de agua comunitarias para uso doméstico y con fines de producción agropecuaria; ii) rehabilitación de los canales de riego; iii) migración a redes de irrigación presurizadas mediante sistemas de bombeo alimentados por energía solar; iv) captación y almacenamiento de aguas superficiales, y v) rehabilitación y construcción de instalaciones de gestión poscosecha y procesamiento, reservas de cereales de propiedad comunitaria, tecnología de secado de cereales, instalaciones de refrigeración en los principales mercados rurales y recintos para la venta de ganado.
13. **Componente 2: el apoyo a los medios de vida de los pequeños productores** consta de dos subcomponentes. En el marco del **subcomponente 2.1 (fortalecimiento de la resiliencia de las cadenas de valor agrícolas y ganaderas)** se apoyará: i) un enfoque pluralista de los servicios de extensión agropecuaria; ii) la mejora de la sanidad animal mediante la capacitación y el equipamiento de auxiliares de sanidad animal primaria; iii) la promoción de insumos mejorados y tecnologías de agricultura climáticamente inteligente mediante cursos de capacitación y demostraciones; iv) el acceso a insumos productivos; v) la creación de capacidad de los agricultores en materia de gestión poscosecha, vínculos comerciales y diversificación de la producción para técnicas culinarias que tengan en cuenta la nutrición, y vi) el apoyo específico a los hogares desfavorecidos en el ámbito de la producción agropecuaria. En el marco del **subcomponente 2.2 (iniciativa empresarial para el desarrollo de la cadena de valor)** se prestará apoyo al desarrollo de las competencias empresariales de la gente joven y las mujeres en el sector de la agricultura y los servicios conexos, centrando la atención en el aumento de los ingresos y la creación de empleo. Las

actividades de este subcomponente incluyen: i) estudios que sirvan de base para el desarrollo de agronegocios en los distritos que participan en el programa; ii) apoyo al desarrollo de la iniciativa empresarial mediante la creación de capacidad, y iii) apoyo al acceso de la gente joven y las mujeres a los servicios financieros para el desarrollo empresarial a lo largo de la cadena de valor prioritaria. Por último, el **subcomponente 2.3** es un subcomponente de emergencia que puede activarse en caso de catástrofe natural o emergencia social. Las actividades de emergencia comprenden: i) mejora de la productividad, y ii) rehabilitación de emergencia de infraestructuras en pequeña escala.

14. **Componente 3: La coordinación y la creación de capacidad en el marco del programa** servirán de apoyo a: i) la coordinación del programa; ii) la evaluación de las necesidades en materia de capacidad y la creación de capacidad; iii) la gestión financiera; iv) el seguimiento y la evaluación (SyE), y v) el desarrollo de políticas basadas en datos comprobados.

C. Teoría del cambio

15. Los problemas subyacentes a la fragilidad del sector agrícola en Somalia incluyen: i) la vulnerabilidad al cambio climático que perpetúa la grave escasez de recursos hídricos; ii) los conflictos violentos que provocan el desplazamiento de los agricultores; iii) la destrucción de infraestructuras productivas; iv) el acceso insuficiente a los alimentos; v) las deficiencias en las instituciones comunitarias en materia de gobernanza y prestación de servicios a los agricultores, y vi) la escasa inclusión de la gente joven, las mujeres y las personas desplazadas dentro del país en las actividades agrícolas y las instituciones comunitarias. En términos de producción, existen limitaciones tales como: i) escaso acceso a servicios mejorados de producción climáticamente inteligente y a tecnologías de mercado; ii) grandes pérdidas posteriores a la cosecha; iii) limitaciones en lo tocante a las competencias empresariales para la mejora de los medios de vida; iv) competencias técnicas mermadas, y v) escasez de conocimientos y aplicación de prácticas en materia de nutrición. Además, existen limitaciones en cuanto a las capacidades institucionales y técnicas a diferentes niveles necesarias para articular políticas de desarrollo agrícola. Estas dificultades dan lugar a una producción y productividad agrícolas bajas y a un acceso insuficiente a los alimentos, con consecuencias en términos de malnutrición e inseguridad alimentaria.
16. En el marco del Programa de Resiliencia de los Medios de Vida Rurales se abordarán estas dificultades mediante un enfoque basado en tres ejes: i) servirse del enfoque de desarrollo impulsado por la comunidad para facilitar la utilización de inversiones inclusivas resilientes al clima y crear instituciones comunitarias cohesionadas resilientes; ii) crear la capacidad de resiliencia de los agricultores, incluidas las mujeres, la gente joven y las personas desplazadas dentro del país, mediante el acceso al agua, los insumos productivos y las variantes y razas mejoradas de cultivos y ganado, la creación de capacidad en prácticas agropecuarias climáticamente inteligentes, la impartición de capacitación en nutrición y gestión poscosecha, la mejora del acceso a los mercados y la financiación, y el desarrollo de competencias empresariales, y iii) fortalecer las instituciones gubernamentales pertinentes con el fin de crear un entorno propicio para las inversiones agrícolas resilientes de los pequeños productores. Los efectos directos previstos del Programa de Resiliencia de los Medios de Vida Rurales incluyen: i) un aumento de la cohesión social en las comunidades que las fortalezca para que sean capaces de definir sus vías de desarrollo de los medios de vida y gestionar los conflictos; ii) un aumento de la producción y la productividad entre las especies de cultivo y ganado prioritarias desde el punto de vista de la resiliencia, la diversidad de la alimentación, la seguridad alimentaria y los ingresos, y iii) una mejora de la gobernanza local gracias a un entorno político e institucional reforzado, y políticas locales y nacionales sostenibles como resultado de programas comunitarios gestionados de forma eficiente y eficaz.

D. Armonización, sentido de apropiación y asociaciones

17. El Programa de Resiliencia de los Medios de Vida Rurales contribuirá a la consecución de algunas de las prioridades en materia de inversión recogidas en el pacto de Somalia en la Cumbre del Foro de Sistemas Alimentarios de África 2023, en particular: i) el desarrollo de la infraestructura productiva de regadío y de mercado; ii) el fortalecimiento de las cadenas de valor agropecuarias y el desarrollo de la agroindustria, incluido el acceso a la financiación; iii) la creación de capacidad de las instituciones y el personal gubernamental, y iv) la comercialización de forraje y otros piensos.
18. El Programa de Resiliencia de los Medios de Vida Rurales está en consonancia con las políticas y estrategias nacionales pertinentes del Gobierno, que se ajustan plenamente a los Objetivos de Desarrollo Sostenible (ODS), en particular: i) las prioridades previstas en el noveno Plan Nacional de Desarrollo en torno a la mejora de la productividad de los sistemas de producción agropecuaria para aumentar la seguridad alimentaria, la inclusión de los grupos vulnerables en la ejecución de los programas y la incorporación de la protección medioambiental en el diseño y la ejecución de las intervenciones, y ii) las metas fijadas en el Plan Estratégico de Desarrollo Agrícola dirigidas a reducir el número de personas que viven por debajo del umbral de pobreza absoluta hasta situarse por debajo del 25 % (ODS 1), reducir la inseguridad alimentaria en más de un 12 %, lograr un promedio de crecimiento agrícola anual de entre el 3 % y el 5 % y aumentar la productividad de los principales productos alimentarios en más de un 6 % (ODS 2).
19. A la hora de armonizar su ejecución con la de las intervenciones para el desarrollo rural conexas del Gobierno y los asociados para el desarrollo, el Programa de Resiliencia de los Medios de Vida Rurales se beneficiará de la participación del FIDA en el equipo de las Naciones Unidas en el país y del Foro de Asociados para Somalia. Se colaborará estrechamente con los proyectos sectoriales en curso del Banco Mundial, esto es, el Barwaaqo (un proyecto dedicado al acceso al agua para lograr la resiliencia rural en Somalia), aprobado en diciembre de 2022, y el Programa de Resiliencia de los Sistemas Alimentarios para África Oriental y Meridional, aprobado en mayo de 2023. Se recurrirá a los asociados de la cooperación Sur-Sur y triangular para la gestión de los conocimientos y el establecimiento de asociaciones bilaterales. Durante la ejecución del programa se crearán otras asociaciones con los sectores público y privado.

E. Costos, beneficios y financiación

20. Se calcula que los costos de inversión y los gastos recurrentes del Programa de Resiliencia de los Medios de Vida Rurales, incluidos los imprevistos de orden físico y por el alza de los precios, durante un período de ejecución de ocho años, ascenderán a USD 31,2 millones. Se incluyen costos básicos por valor de USD 29 millones e imprevistos de orden físico y por el alza de los precios por valor de USD 1,8 millones.
21. El déficit de financiación de USD 13,9 millones podrá subsanarse gracias a ciclos posteriores del PBAS (con arreglo a condiciones financieras que habrán de determinarse y con sujeción a los procedimientos internos y la posterior aprobación de la Junta Ejecutiva) o mediante cofinanciación obtenida durante la ejecución.
22. Los componentes 1.1, 1.2 y 2.2 del programa se contabilizan en parte como financiación para el clima. De conformidad con las metodologías que emplean los bancos multilaterales de desarrollo en el seguimiento de la financiación para la adaptación al cambio climático y la mitigación de sus efectos, se calcula que el monto total de la financiación para el clima concedida por el FIDA a este programa asciende a USD 6,41 millones.

Costos del programa

23. Se calcula que el total de los costos de inversión asciende a USD 26,98 millones (el 86 % de los costos totales) y que los gastos recurrentes ascienden a USD 4,24 millones (el 14 % de los costos totales). La asignación de costos desglosada por componente es la siguiente: componente 1 (apoyo a la resiliencia de las comunidades), USD 11,61 millones, equivalentes al 37 % de la inversión total del programa; componente 2 (apoyo a la mejora de los medios de vida de los pequeños productores), USD 14,29 millones (el 46 %), y componente 3 (coordinación y creación de capacidad en el marco del programa), USD 5,3 millones, equivalentes al 17 % de los costos totales del programa.

Cuadro 1

Costos del programa desglosados por componente, subcomponente y entidad financiadora
 (en miles de dólares de los Estados Unidos)

	Gobierno		Donación del FIDA con arreglo al Marco de Sostenibilidad de la Deuda (MSD)		Déficit de financiación		Estados miembros federados		Beneficiarios		Total	
	Monto	%	Monto	%	Monto	%	Monto	%	Monto	%	Monto	%
1. Apoyo a la resiliencia de las comunidades												
1.1. Fortalecimiento de la gobernanza y los servicios de las comunidades	-	-	1 571	42	2 154	58	-	-	-	-	3 725	12
1.2. Apoyo a las inversiones de las comunidades	-	-	2 828	36	2 929	37	1 212	15	924	12	7 892	25
Subtotal	-	-	4 399	38	5 083	44	1 212	10	924	8	11 617	37
2. Apoyo a la mejora de los medios de vida de los pequeños productores												
2.1. Fortalecimiento de la resiliencia de las cadenas de valor agrícolas y ganaderas	-	-	2 444	31	4 378	55	-	-	1 155	15	7 977	26
2.2. Iniciativa empresarial para el desarrollo de la cadena de valor	-	-	1 815	29	2 792	44	788	13	921	15	6 316	20
2.3. Imprevistos, catástrofes y mitigación de riesgos	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	-	-	4 259	30	7 169	50	788	6	2 077	15	14 293	46
3. Coordinación y creación de capacidad en el marco del programa												
3.1. Coordinación y creación de capacidad en el marco del programa	700	13	2 942	55	1 668	31	-	-	-	-	5 310	17
Costo total del programa	700	2	11 600	37	13 920	45	2 000	6	3 000	10	31 220	100

Cuadro 2

Costos del programa desglosados por categoría de gasto y entidad financiadora
(en miles de dólares de los Estados Unidos)

	Gobierno		Donación del FIDA con arreglo al MSD		Déficit de financiación		Estados miembros federados		Beneficiarios		Total
	Monto	%	Monto	%	Monto	%	Monto	%	Monto	%	
I. Costos de inversión											
A. Obras	-	-	2 416	38	2 198	35	962	15	749	12	6 326
B. Capacitación y creación de capacidad	40	1	1 519	24	3 432	55	476	8	803	13	6 271
C. Consultorías, estudios y asistencia técnica	659	9	2 804	39	2 866	40	365	5	449	6	7 143
D. Bienes e insumos	-	-	1 332	25	3 026	58	144	3	746	14	5 248
E. Servicios	-	-	647	37	793	45	53	3	253	15	1 747
F. Equipo y materiales	-	-	247	100	-	-	-	-	-	-	247
Total de costos de inversión	700	3	8 966	33	12 316	46	2 000	7	3 000	11	26 982
II. Gastos recurrentes											
A. Sueldos y prestaciones	-	-	2 457	64	1 406	36	-	-	-	-	3 863
B. Costes de funcionamiento de la oficina	-	-	178	47	198	53	-	-	-	-	375
Total de gastos recurrentes	-	-	2 634	62	1 604	38	-	-	-	-	4 238
Costo total del programa	700	2	11 600	37	13 920	45	2 000	6	3 000	10	31 220

Cuadro 3

Costos del programa desglosados por componente, subcomponente y año
(en miles de dólares de los Estados Unidos)

	2024	2025	2026	2027	2028	2029	2030	2031	Total			
1. Apoyo a la resiliencia de las comunidades												
1.1. Fortalecimiento de la gobernanza y los servicios de las comunidades				935	1 411	294	302	311	320	76	78	3 725
1.2. Apoyo a las inversiones de las comunidades				697	2 259	1 618	1 853	1 028	296	66	76	7 892
Subtotal				1 632	3 670	1 912	2 155	1 338	615	142	154	11 617
2. Apoyo a la mejora de los medios de vida de los pequeños productores												
2.1. Resiliencia de las cadenas de valor agrícolas y ganaderas				1 166	1 692	1 482	867	754	818	639	558	7 977
2.2. Iniciativa empresarial para el desarrollo de la cadena de valor				930	770	788	811	852	701	721	742	6 316
2.3. Imprevistos, catástrofes y mitigación de riesgos				-	-	-	-	-	-	-	-	-
Subtotal				2 096	2 462	2 271	1 678	1 606	1 520	1 361	1 300	14 293
3. Coordinación y creación de capacidad en el marco del programa												
3.1. Coordinación y creación de capacidad en el marco del programa				946	709	726	747	652	463	476	591	5 310
Subtotal				946	709	726	747	652	463	476	591	5 310
Costo total del programa				4 673	6 841	4 909	4 580	3 596	2 598	1 978	2 045	31 220

Estrategia y plan de financiación y cofinanciación

24. La financiación del FIDA se estima en USD 11,6 millones. La cofinanciación nacional del Gobierno y de los estados miembros federados participantes se estima en USD 2,7 millones (USD 0,7 millones y USD 2 millones, respectivamente) en forma de contribuciones en especie. Por su parte, se calcula que las contribuciones de los beneficiarios ascenderán a USD 3 millones, también en forma de contribuciones en especie. El déficit de financiación de USD 13,9 millones podrá subsanarse gracias a ciclos posteriores del PBAS (con arreglo a condiciones financieras que habrán de determinarse y con sujeción a los procedimientos internos y la posterior aprobación de la Junta Ejecutiva) o mediante cofinanciación obtenida durante la ejecución.

Desembolsos

25. Una vez firmado el convenio de financiación del Programa de Resiliencia de los Medios de Vida Rurales con el FIDA, se abrirá una cuenta designada en dólares de los Estados Unidos en el Banco Central de Somalia en la que se recibirán los fondos de la donación del FIDA. Se abrirá una cuenta designada por separado para los fondos de los cofinanciadores adicionales que puedan surgir durante la ejecución. El desembolso de los fondos del FIDA se realizará de conformidad con el procedimiento de desembolso basado en los informes financieros provisionales. De acuerdo con este procedimiento, el desembolso de los fondos del FIDA estará sujeto a la presentación de los informes financieros provisionales trimestrales en un plazo de 45 días a partir del final de cada trimestre. La unidad nacional de coordinación del programa (en adelante, la "UCP nacional") tramitará todos los pagos relacionados con el programa a través del sistema de información sobre gestión financiera de Somalia. Para los pagos menores de los dos estados federados, se abrirá una cuenta que también se gestionará a través ese sistema. Antes de haberse cumplido las condiciones del primer desembolso, a fin de garantizar la rápida puesta en marcha del programa, este dispondrá de un anticipo inicial por un monto máximo de USD 162 000.

Resumen de los beneficios y análisis económico

26. Gracias al Programa de Resiliencia de los Medios de Vida Rurales, los pequeños productores beneficiarios directos aumentarán su resiliencia frente a las perturbaciones económicas, medioambientales y climáticas mediante: i) la creación de capacidad en relación con los aspectos técnicos y de gestión de sus medios de vida; ii) el aumento del acceso a los insumos y servicios de producción; iii) el aumento de la productividad agropecuaria como resultado de la adopción de insumos y servicios mejorados y tecnologías de producción; iv) la inversión en activos; v) la mejora de la gestión de los recursos naturales, y vi) la mejora de la adaptación al cambio climático y la mitigación de sus efectos.
27. Se calcula una tasa de rendimiento económico y un valor actual neto de referencia del 24 % y USD 63,2, respectivamente. El descuento de todos los beneficios cuantificables se realizó sobre un período de 20 años, incluidos los ocho años del período de ejecución del programa, empleando una tasa del 8 %. La tasa de rendimiento económico del 24 % es superior a la tasa de descuento empleada en el análisis económico, lo que confirma la justificación de la inversión propuesta. La relación costo-beneficio de toda la inversión se estima en 7,74.

Estrategia de salida y sostenibilidad

28. Con el fin de mejorar la sostenibilidad, la ejecución de las actividades del Programa de Resiliencia de los Medios de Vida Rurales tendrá como objetivo dejar como legado: i) instituciones eficaces a nivel comunitario, de distrito, de estados miembros federado y nacional, y actores de la cadena de valor empoderados; ii) intervenciones del programa integradas en los sistemas de gobierno a todos los niveles, y iii) un entorno normativo más favorable para los pequeños productores que intervienen en las cadenas de valor.

III. Gestión de riesgos

A. Riesgos y medidas de mitigación

29. En vista de que se prevé que la situación de fragilidad y de riesgo elevado continúe durante la ejecución del Programa de Resiliencia de los Medios de Vida Rurales, el riesgo inherente general se califica como considerable. Muchas de las subcategorías registran un nivel de riesgo elevado o considerable: i) elevado en el caso de los riesgos en materia de gobernanza, macroeconomía, fragilidad y seguridad, disposiciones relativas a la ejecución y gestión financiera del programa, y ii) considerable en el caso de los riesgos en materia de formulación y aplicación de políticas, vulnerabilidad del programa a las condiciones

medioambientales y a los efectos del cambio climático, solidez técnica, disposiciones de SyE, adquisiciones y contrataciones efectuadas en el marco del programa, rendición de cuentas y transparencia, capacidad en materia de contratación pública, eficiencia de los recursos ambientales y prevención de la contaminación, Pueblos Indígenas, vulnerabilidad de la población objetivo y de los ecosistemas frente a la variabilidad del clima y los peligros conexos, y quejas de las partes interesadas.

Cuadro 4

Calificación general de los riesgos

<i>Tipo de riesgo</i>	<i>Calificación del riesgo inherente</i>	<i>Calificación del riesgo residual</i>
Contexto nacional	Alto	Alto
Estrategias y políticas sectoriales	Moderado	Moderado
Medio ambiente y clima	Considerable	Moderado
Alcance del programa	Considerable	Moderado
Capacidad institucional de ejecución y sostenibilidad	Alto	Considerable
Gestión financiera	Alto	Considerable
Adquisiciones y contrataciones en el marco del programa	Considerable	Considerable
Impacto ambiental, social y climático	Moderado	Bajo
Partes interesadas	Considerable	Moderado
General	Considerable	Moderado

B. Categoría ambiental y social

30. El riesgo medioambiental asignado al Programa de Resiliencia de los Medios de Vida Rurales es considerable, ya que se espera que las repercusiones medioambientales y sociales de las actividades del programa sean considerables en sí mismas, pero dispersas, en gran parte específicas de cada lugar y reversibles. Para mitigar los posibles efectos negativos, las medidas de sostenibilidad medioambiental integradas en el diseño del Programa de Resiliencia de los Medios de Vida Rurales incluyen la aplicación de estrategias de mitigación descritas en el marco de gestión ambiental, social y climática, junto con la participación estructurada de la comunidad, la creación de capacidad en materia de prácticas sostenibles y las actividades de SyE periódicas de los elementos clave para garantizar que el programa no perjudique al medio ambiente de forma accidental mientras se esfuerza por mejorar los medios de vida.

C. Sostenibilidad de la deuda

31. Según el último análisis de sostenibilidad de la deuda realizado por el Fondo Monetario Internacional en mayo de 2023, la deuda pública de Somalia asciende a un total de USD 3 300 millones, es decir, el 40,8 % del PIB registrado a finales de 2022; casi toda la deuda es externa y está muy por encima del umbral del 30 % fijado para países como Somalia con escasa capacidad de endeudamiento. Somalia está en mora con acreedores externos y se están llevando a cabo negociaciones en torno a la reestructuración de la deuda. No obstante, la deuda de Somalia se considera sostenible de cara al futuro, siempre y cuando se cumplan plenamente las iniciativas de alivio de carga de la deuda. Actualmente se considera que Somalia se encuentra en una situación de endeudamiento difícil, tanto por lo que respecta a la deuda externa como a la deuda pública general, por lo que puede optar a las donaciones concedidas por el FIDA con arreglo al Marco de Sostenibilidad de la Deuda (MSD).

IV. Ejecución

A. Marco organizativo

Gestión y coordinación del programa

32. Un comité directivo del programa adscrito al Ministerio de Agricultura y Riego, que es el principal organismo de ejecución, se encargará de supervisar y orientar la ejecución del Programa de Resiliencia de los Medios de Vida Rurales a nivel nacional. En concreto, el comité directivo aprobará el plan de trabajo y presupuesto anuales correspondientes y examinará los informes y la auditoría del programa. Se establecerá un comité directivo estatal del programa en cada uno de los estados miembros federados participantes cuyo objetivo consistirá en supervisar y orientar la ejecución del programa a nivel estatal.
33. La UCP nacional, que rinde cuentas ante el Ministerio de Agricultura y Riego, se encargará de: i) gestionar la adquisición de bienes y contratación de obras y servicios necesarias para la ejecución de todas las actividades del programa; ii) elaborar el plan de trabajo y presupuesto anuales correspondientes; iii) llevar a cabo las actividades de SyE y de gestión de los conocimientos y la comunicación, y iv) presentar informes sobre progresos realizados en la ejecución y los resultados al FIDA y al Ministerio de Agricultura y Riego. La UCP nacional estará integrada por personal contratado mediante un proceso competitivo. Una unidad estatal de coordinación del programa será responsable de las tareas diarias de ejecución del programa a nivel de cada estado miembro federado; estará subordinada desde el punto de vista administrativo a las autoridades del Ministerio de Agricultura y Riego y desde el punto de vista técnico a la UCP nacional.
34. El FIDA supervisará directamente el Programa de Resiliencia de los Medios de Vida Rurales, para lo cual llevará a cabo las misiones sobre el terreno directamente cuando sea factible o a través de los asociados en la ejecución por terceros contratados para aumentar las actividades de supervisión del FIDA mediante el seguimiento y la presentación de informes de forma periódica sobre la ejecución del proyecto, especialmente en las zonas de difícil acceso debido a la inseguridad y a la escasa accesibilidad. El equipo del FIDA en el país y el personal de la oficina de enlace en Nairobi supervisarán y harán un seguimiento de la ejecución del programa, y apoyarán la colaboración en el ámbito de las políticas, la gestión de los conocimientos y la comunicación y la creación de asociaciones.

Gestión financiera, adquisiciones y contrataciones, y gobernanza

35. El Ministerio de Finanzas será el receptor oficial de la donación y el Ministerio de Agricultura y Riego será el principal organismo de ejecución del Programa de Resiliencia de los Medios de Vida Rurales. Dentro del Ministerio de Agricultura y Riego, la UCP nacional incluirá un equipo de finanzas constituido por personal contratado mediante un proceso competitivo que estará acompañado de personal cedido por el Gobierno. Cada estado miembro federado participante contará también con un auxiliar de contabilidad. El Programa de Resiliencia de los Medios de Vida Rurales utilizará el sistema de información sobre gestión financiera de Somalia, que se configurará para poder procesar los pagos directamente desde la cuenta designada y garantizar que se contabilizan todos los gastos desglosados por fuentes de financiación, componentes y categorías, y que los informes se elaboran con arreglo al principio de contabilidad en valores de caja, conforme a lo dispuesto en las Normas Internacionales de Contabilidad del Sector Público. El presupuesto anual se aprobará conforme al sistema presupuestario del Gobierno a través de la ley presupuestaria antes de registrarse en el sistema de contabilidad del programa. La Entidad Fiscalizadora Superior de Somalia es la responsable de realizar la comprobación reglamentaria de cuentas de todos los proyectos del Gobierno, como el Programa de Resiliencia de los Medios de Vida Rurales. A su discreción, y en consulta con el FIDA, la Entidad Fiscalizadora Superior puede

delegar la realización de la auditoría en empresas de auditoría privadas. El FIDA examinará el pliego de condiciones de la auditoría y no pondrá objeciones antes de que comience. Se aplicarán las normas internacionales de auditoría. Dada la falta de experiencia del FIDA, las disposiciones propuestas en materia de gestión financiera se basan en las enseñanzas extraídas del Banco Mundial en lo que respecta a la utilización de los sistemas nacionales y se validarán en mayor medida durante la fase de puesta en marcha.

Participación y observaciones del grupo objetivo y resolución de reclamaciones

36. Los métodos que se emplearán para movilizar la participación, entablar relaciones con las partes interesadas y recabar comentarios incluyen: i) organizar sesiones informativas con las partes interesadas que puedan verse afectadas sobre las actividades del programa; ii) programar reuniones periódicas de actualización con las principales partes interesadas; iii) colocar buzones de sugerencias en las oficinas de la UCP nacional; iv) hacer partícipes a los interesados en la planificación participativa, por ejemplo mediante consultas públicas durante la preparación del mandato para la evaluación medioambiental y su realización; v) hacer partícipes a los interesados en el SyE participativos; vi) realizar encuestas entre los beneficiarios para valorar los progresos, medir su nivel de satisfacción con los servicios prestados y evaluar los resultados del programa a medio plazo y al final del proceso, o a intervalos más cortos según sea necesario, e vii) incluir a representantes de los beneficiarios como miembros del comité directivo del programa estatal para inducir un mayor grado de influencia de los beneficiarios en la toma de decisiones.

Resolución de reclamaciones

37. El mecanismo de resolución de reclamaciones proporciona una vía formal para que los grupos afectados o las partes interesadas se pongan en contacto con los responsables o los encargados de la ejecución del programa en relación con las cuestiones que les preocupan o las repercusiones no atendidas. Algunas comunidades de Somalia mantienen un sistema comunitario de resolución de reclamaciones a través de los dirigentes de la aldea y del consejo de ancianos del clan. La participación de los dirigentes de la aldea en la resolución de reclamaciones hace posible resolver los casos con rapidez, dado su conocimiento de la comunidad y su proximidad a los miembros. En el marco del Programa de Resiliencia de los Medios de Vida Rurales se procurará que las reclamaciones se resuelvan a nivel comunitario. Las reclamaciones pendientes que no se resuelvan mediante el sistema tradicional se resolverán a través de un mecanismo formal de resolución de reclamaciones. El mecanismo de resolución de reclamaciones del FIDA proporciona un procedimiento de quejas por presunto incumplimiento de los Procedimientos del FIDA para la Evaluación Social, Ambiental y Climática (PESAC).

B. Planificación, seguimiento y evaluación, aprendizaje, gestión de los conocimientos y comunicación

38. El sistema de SyE se desarrollará de acuerdo con un plan de SyE aprobado y validado. Se centrará en el seguimiento de los indicadores del marco lógico y en abordar las necesidades de evaluación durante la ejecución del programa. Paralelamente a la estructuración del sistema, se recopilará información para establecer la situación de referencia de los posibles beneficiarios del programa antes de su ejecución. Las actividades de gestión de los conocimientos, aprendizaje y comunicación se ceñirán a las directrices expuestas en el plan de gestión de los conocimientos. Esta herramienta desempeñará un papel fundamental en todo el proceso de planificación de actividades como componente integral del marco de SyE del programa.

Innovación y ampliación de la escala

39. La mayor parte de las innovaciones de los proyectos pasados y en curso ejecutados en Somalia consiste en tecnologías digitales que sirvieron de respuesta a las múltiples perturbaciones por las que atravesó el país en los últimos años. Entre las innovaciones candidatas se incluyen: i) la plataforma e-FOP del Proyecto de Seguridad Alimentaria y Sostenibilidad en Situaciones de Fragilidad; ii) el sistema biométrico de identificación y gestión de registros de ese mismo proyecto, y iii) el uso de herramientas de evaluación ilustrada del Proyecto de Difusión de Tecnologías para la Gestión Sostenible de Pastizales y Pequeños Rumiantes. Habida cuenta de la situación de fragilidad que aún persiste en Somalia, en el marco del Programa de Resiliencia de los Medios de Vida Rurales se adaptarán estas innovaciones para ampliar su escala, al tiempo que se estudiarán las oportunidades de identificar las innovaciones que puedan surgir durante la ejecución.

C. Planes para la ejecución

Preparación para la ejecución y planes para la puesta en marcha

40. En las primeras fases de la ejecución, se llevarán a cabo las siguientes actividades para garantizar la preparación para la ejecución: i) contratación de personal fundamental; ii) perfeccionamiento del proyecto de plan de trabajo y presupuesto anuales correspondientes de 18 meses y del plan de adquisiciones y contrataciones, y iii) adquisición de los bienes y contratación de los servicios necesarios para la puesta en marcha del programa. Una vez contratado el personal del programa, se organizará un taller de puesta en marcha con todas las partes interesadas y los asociados en la ejecución a nivel del Estado federal, de los estados miembros federados y de los distritos, con el objetivo de familiarizar a los participantes con las modalidades de ejecución del Programa de Resiliencia de los Medios de Vida Rurales y las directrices y procedimientos del FIDA; ultimar el proyecto de plan de ejecución del proyecto, e inscribir y formar al personal pertinente del programa en los sistemas institucionales del FIDA, como el sistema integral de adquisiciones y contrataciones en línea (OPEN) del FIDA, que promueve la transparencia, la competencia y el uso óptimo de los recursos.

Supervisión, examen de mitad de período y planes de finalización

41. Las misiones de supervisión y apoyo a la ejecución se organizarán de forma conjunta entre el Gobierno y el FIDA con el objetivo de abordar las cuestiones relacionadas con la ejecución y examinar los progresos realizados. En los tres primeros meses de funcionamiento del programa se organizará una misión de apoyo a la ejecución para subsanar las posibles deficiencias del plan de ejecución del proyecto y del informe de diseño del proyecto. El FIDA tratará de realizar dos misiones anuales de supervisión y apoyo a la ejecución, una a distancia y otra presencial, en las primeras fases de ejecución.

V. Instrumentos jurídicos y facultades

42. Un convenio de financiación entre la República Federal de Somalia y el FIDA constituye el instrumento jurídico para la concesión de la financiación propuesta al prestatario/receptor. Se adjunta como apéndice I una copia del convenio de financiación negociado.
43. La República Federal de Somalia está facultada por su legislación para recibir financiación del FIDA.

44. Me consta que la financiación propuesta se ajusta a lo dispuesto en el Convenio Constitutivo del FIDA y en sus Políticas y Criterios en materia de Financiación.

VI. Recomendación

45. Recomiendo a la Junta Ejecutiva que apruebe la financiación propuesta con arreglo a lo dispuesto en la siguiente resolución:

RESUELVE: que el Fondo conceda una donación con arreglo al Marco de Sostenibilidad de la Deuda a la República Federal de Somalia, por un monto de once millones seiscientos mil dólares de los Estados Unidos (USD 11 600 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario
Presidente

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 8th 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 (SFMS) 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 SFMS 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 SFMS 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. SFMS 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 SFMS system. In the transaction processing and approval cycle, passed through the SFMS, 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 Bidding. 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:

Category	IFAD Grant (allocated in USD)	Percentage net of taxes, contributions from Government, FMS and beneficiaries
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	
Total	11 600 000	

(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 respected¹; 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

¹ 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 ESIAs 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	
Outreach	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					
Project Goal	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%				
	Development Objective	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				
	Outcome	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				
Output	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				
Output	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	MES system	semester/annual	NPCU		
				MES system	semester/annual	NPCU		
Outcome	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								
Output 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									
Output 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				
Outcome	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				
Output	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
Country Context	High	Substantial
Political Commitment	Moderate	Low
Governance	High	Substantial
Macroeconomic	High	Substantial
Fragility and Security	High	High
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Low	Low
Policy Development and Implementation	Substantial	Moderate
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
Project vulnerability to climate change impacts	Substantial	Moderate
Project Scope	Substantial	Moderate
Project Relevance	Moderate	Low
Technical Soundness	Substantial	Moderate
Institutional Capacity for Implementation and Sustainability	High	Substantial
Implementation Arrangements	High	Substantial
Monitoring and Evaluation Arrangements	Substantial	Moderate
Project Financial Management	High	High
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
Project Procurement	Substantial	Substantial
Legal and Regulatory Framework	Substantial	Moderate
Accountability and Transparency	Substantial	Moderate
Capability in Public Procurement	Substantial	Moderate
Public Procurement Processes	High	High
Environment, Social and Climate Impact	Moderate	Low
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
Stakeholders	Substantial	Moderate
Stakeholder Engagement/Coordination	Substantial	Moderate
Stakeholder Grievances	Substantial	Moderate
Overall	Substantial	Moderate

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	High	Substantial
Political Commitment	Moderate	Low
<p>Risk: 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>Mitigations: 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>	Moderate	Low
Governance	High	Substantial
<p>Risk: 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>Mitigations: 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>	High	Substantial
Macroeconomic	High	Substantial
<p>Risk: 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>	High	Substantial

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Mitigations: 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>		
Fragility and Security	High	High
<p>Risk: 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>Mitigations: 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>		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Low	Low
<p>Risk: 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>Mitigations: There are no risks that national policies may not be relevant to IFAD and beneficiary needs.</p>		
Policy Development and Implementation	Substantial	Moderate
<p>Risk: 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>Mitigations: 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>		
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
<p>Risk: 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>	Substantial	Moderate
<p>Mitigations: 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>		
Project vulnerability to climate change impacts	Substantial	Moderate
<p>Risk: 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>	Substantial	Moderate
<p>Mitigations: 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>		
Project Scope	Substantial	Moderate
Project Relevance	Moderate	Low
<p>Risk: 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>	Moderate	Low

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Mitigations: 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>		
Technical Soundness	Substantial	Moderate
<p>Risk: 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>	Substantial	Moderate
<p>Mitigations: 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>		
Institutional Capacity for Implementation and Sustainability	High	Substantial
Implementation Arrangements	High	Substantial
<p>Risk: 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>	High	Substantial
<p>Mitigations: 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>		
Monitoring and Evaluation Arrangements	Substantial	Moderate
<p>Risk: The primary risks and challenges identified while preparing the concept note for M&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>	Substantial	Moderate

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Mitigations: (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>		
Project Financial Management	High	Substantial
Project Organization and Staffing	High	Substantial
<p>Risk: 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>Mitigations: 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>		
Project Budgeting	High	High
<p>Risk: 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>Mitigations: •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>		
Project Funds Flow/Disbursement Arrangements	High	High
<p>Risk: 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>Mitigations: •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>		
Project Internal Controls	High	High

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Risk: 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>Project Accounting and Financial Reporting</p> <p>Risk: 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>Project External Audit</p> <p>Risk: 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>Mitigations: 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>Project Procurement</p> <p>Legal and Regulatory Framework</p> <p>Risk: 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 (https://mof.gov.so/public-procurement), but some key procurement information e.g. publication of PP, complaints, blacklisted companies, Contract awards etc. is not published.</p>	Substantial	Moderate
	Substantial	Moderate

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Mitigations: (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>		
Accountability and Transparency	Substantial	Moderate
<p>Risk: 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 (https://www.undp.org/content/undp/en/home/operations/procurement/business/protest-and-sanctions/ineligibility-list/); (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>	Substantial	Moderate
<p>Mitigations: (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>		
Capability in Public Procurement	Substantial	Moderate
<p>Risk: (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>	Substantial	Moderate
<p>Mitigations: (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>		
Public Procurement Processes	High	High

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Risk: 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>	High	High
<p>Mitigations: (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>		
Environment, Social and Climate Impact	Moderate	Low
Biodiversity Conservation	Moderate	Low
<p>Risk: 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>	Moderate	Low
<p>Mitigations: 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>		
Resource Efficiency and Pollution Prevention	Substantial	Moderate
<p>Risk: Resource efficiency and pollution prevention is highly interlinked with vulnerability of communities to climate change.</p>	Substantial	Moderate
<p>Mitigations: 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>		
Cultural Heritage	Low	Low
<p>Risk: 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>	Low	Low
<p>Mitigations: Not applicable to this point.</p>		
Indigenous People	Low	Low
<p>Risk: 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>	Low	Low

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Mitigations: 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>	Moderate	Low
<p>Labour and Working Conditions</p> <p>Risk: The additional interventions for increased production under RLRP may potentially increase the workload of women and youth.</p>	Moderate	Low
<p>Mitigations: 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>	Substantial	Low
<p>Community Health and Safety</p> <p>Risk: 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>	Substantial	Low
<p>Mitigations: Nutritional awareness sessions and education will be integrated in the nutrition sensitive value chain approach.</p>	Low	Low
<p>Physical and Economic Resettlement</p> <p>Risk: 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>	Low	Low
<p>Mitigations: 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>	Moderate	Moderate
<p>Greenhouse Gas Emissions</p> <p>Risk: 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>	Moderate	Moderate
<p>Mitigations: 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>	Substantial	Moderate
<p>Vulnerability of target populations and ecosystems to climate variability and hazards</p> <p>Risk: 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>	Substantial	Moderate

Risk Category / Subcategory	Inherent risk	Residual risk
<p>Mitigations: 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>Stakeholders Stakeholder Engagement/Coordination</p>	<p>Substantial Substantial</p>	<p>Moderate Moderate</p>
<p>Risk: 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>Mitigations: 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>Stakeholder Grievances</p>	<p>Substantial</p>	<p>Moderate</p>
<p>Risk: 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>Substantial</p>	<p>Moderate</p>
<p>Mitigations: 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>		