



Investir dans les populations rurales

## Conseil d'administration

Cent quarante-deuxième session  
Rome, 18-19 septembre 2024

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### Rapport du Président

### Proposition de prêt

### République de l'Ouganda

### Projet de résilience de la filière du bétail (ReLIV)

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#### **POUR: APPROBATION**

**Mesures à prendre:** Le Conseil d'administration est invité à approuver la recommandation telle qu'elle figure au paragraphe 55.

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### Équipe d'exécution du projet

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## Résumé du financement

<b>Institution initiatrice:</b>	FIDA
<b>Emprunteur/bénéficiaire:</b>	République de l'Ouganda
<b>Organisme d'exécution:</b>	Ministère de l'agriculture, de l'élevage et de la pêche
<b>Coût total du projet:</b>	204,80 millions d'USD
<b>Montant du prêt du FIDA [Système d'allocation fondé sur la performance (SAFP)]:</b>	71,65 millions d'USD
<b>Conditions du prêt 1 du FIDA:</b>	Conditions extrêmement favorables, assorties d'un délai de remboursement de 50 ans, y compris un différé d'amortissement de 10 ans, avec une commission de service de 0,10% l'an (ajustements pour les prêts dans une seule monnaie)
<b>Montant du prêt 2 du FIDA (SAFP):</b>	17,91 millions d'USD
<b>Conditions du prêt 2 du FIDA:</b>	Conditions particulièrement favorables, assorties d'un délai de remboursement de 40 ans, y compris un différé d'amortissement de 10 ans, avec une commission de service de 0,75% l'an (ajustements pour les prêts dans une seule monnaie)
<b>Montant du prêt 3 du FIDA [Mécanisme d'accès aux ressources empruntées (MARE)]:</b>	10,00 millions d'USD
<b>Conditions du prêt 3 du FIDA:</b>	Conditions ordinaires, assorties d'un délai de remboursement de 29 ans, y compris un différé d'amortissement de 10 ans, à un taux d'intérêt correspondant au taux de référence du FIDA et incluant une marge variable
<b>Montant du cofinancement:</b>	Fonds vert pour le climat (FVC): 42,50 millions d'USD Fonds pour l'environnement mondial (FEM): 7,50 millions d'USD Mécanisme de financement de l'adaptation aux changements climatiques dans les zones rurales en Afrique (ARCAFIM): 15,00 millions d'USD
<b>Conditions du cofinancement:</b>	FVC: prêt FEM: don ARCAFIM: prêt
<b>Contribution de l'emprunteur/du bénéficiaire:</b>	31,97 millions d'USD
<b>Contribution des bénéficiaires:</b>	8,30 millions d'USD
<b>Montant du financement climatique apporté par le FIDA:</b>	50,66 millions d'USD

**Institution coopérante:**

Supervision directe par le FIDA

## I. Contexte

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

#### Contexte national

1. La République de l'Ouganda est un pays à faible revenu, dont le PIB s'élevait à 1 088 USD en 2022/2023 (contre 824 USD en 2016/2017). En 2022, l'Ouganda comptait 47 millions d'habitants, dont 38 millions vivaient en milieu rural. Le pays met en œuvre une série de plans nationaux de développement quinquennaux. Le troisième, qui est en cours de réalisation, doit lui permettre de se hisser dans la catégorie des pays à revenu intermédiaire en portant le PIB par habitant à 1 198 USD d'ici 2024/2025.
2. Le taux de pauvreté de l'Ouganda a fluctué au cours des 10 dernières années: s'établissant à 19,7% en 2012/2013, il a d'abord augmenté pour atteindre 21,4% en 2016/2017, avant de refluer légèrement à 20,3% en 2019/2020. S'agissant des inégalités de revenus, le coefficient de Gini est passé de 0,38 en 2012/2013 à 0,42 en 2016/2017, puis à 0,41 en 2019/2020. À l'heure actuelle, l'Ouganda déploie plusieurs interventions stratégiques afin de réaliser son objectif de faire reculer la pauvreté à 5% d'ici 2040.
3. L'Ouganda a vu son score selon l'indice de la faim dans le monde s'améliorer entre 2000 et 2023, passant de 35,0 (niveau de faim alarmant) à 25,2 (niveau grave), ce qui le classe au 95<sup>e</sup> rang sur 125 pays pour lesquels les données disponibles ont permis de calculer l'indice l'an dernier.
4. L'agriculture est le principal moyen d'existence: 68% de la population travaille dans le secteur de l'agriculture, de la foresterie et de la pêche. En 2022/2023, l'agriculture (cultures, élevage, foresterie, pêche) représentait 23,8% du PIB et le taux de croissance du PIB lié à l'agriculture s'élevait à 4,8%.

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

5. Conformément aux engagements en matière de transversalisation, le projet a été validé comme:
  - incluant un financement climatique;
  - tenant compte des enjeux nutritionnels;
  - axé sur les jeunes;
  - incluant des activités relatives à la capacité d'adaptation.
6. **Enjeux nutritionnels.** La prise en compte de l'enjeu nutritionnel dans les chaînes de valeur tenant compte des enjeux nutritionnels apparaît comme une stratégie prometteuse pour améliorer la diversité alimentaire des ménages et la production locale de produits agricoles nutritifs et de meilleure qualité. L'accès aux denrées alimentaires, leur disponibilité, leur accessibilité économique, leur sécurité et leur qualité sont autant de facteurs déterminants de la nutrition. Une chaîne de valeur tenant compte des enjeux nutritionnels peut avoir un impact positif sur la productivité agricole, que la production soit destinée à la consommation du ménage ou à la vente, sans compter que l'éducation nutritionnelle, l'évolution de la société et des mœurs et les activités de communication favorisent les progrès sur le plan de la diversité et de l'équilibre alimentaires.
7. **Questions de genre.** Les filières lait et produits du bœuf sont fortement marquées par la répartition des rôles entre les femmes et les hommes. En règle générale, le bétail revient aux hommes, qui en sont propriétaires, et le lait aux femmes, qui prennent généralement une part plus importante au traitement des produits laitiers. Les femmes peinent à développer la filière lait parce qu'elles n'ont pas de droits de propriété et n'ont pas accès aux ressources et aux actifs et, partant, ne peuvent

habituellement pas mobiliser de garanties pour obtenir des instruments financiers. On gagnerait donc beaucoup à renforcer le rôle des femmes dans les filières lait et produits du bœuf pour développer l'élevage. L'adoption d'une perspective de genre et la prise en compte des questions y relatives seraient autant de moyens pour y parvenir.

8. **Jeunesse.** La population ougandaise, dont plus de 78% a moins de 30 ans, est la deuxième plus jeune du monde. Certains jeunes sont instruits et qualifiés, mais la majorité est peu qualifiée et vit en milieu rural. Pour les jeunes, il est important d'avoir accès à des actifs productifs, d'être relié à un marché, d'avoir la possibilité d'accéder au crédit et aux financements et de travailler avec des technologies modernes et numériques. Créer des emplois et des conditions de travail décentes pour les jeunes dans les filières de production animale peut réduire la pauvreté rurale et améliorer la sécurité alimentaire et la nutrition dans le pays.
9. **Personnes handicapées.** Le Projet de résilience de la filière du bétail (ReLIV) ciblera les ménages comprenant des personnes handicapées et prévoit le nécessaire pour que ceux-ci profitent des services relevant du projet et, dans la mesure du possible, qu'ils participent aux filières lait et produits du bœuf et aux entreprises agricoles. En outre, ReLIV aidera les personnes handicapées à s'investir dans différents groupes et coopératives et à recevoir un appui à la formation et à l'accès au crédit, aux services financiers et aux ressources productives. Le FIDA a déjà favorisé l'inclusion des personnes handicapées en Ouganda dans le cadre du Projet de rétablissement des moyens de subsistance dans la région du Nord.
10. **Changements climatiques et capacité d'adaptation.** Le secteur de l'élevage en Ouganda pâtit de facteurs défavorables tels que de mauvaises races de bêtes d'élevage, du fourrage et des pâturages de piètre qualité et en quantité insuffisante, une hydraulité modeste, une surveillance et une gestion inefficaces des maladies, des déficiences en matière de gestion du fumier et des troupeaux, des services d'élevage rudimentaires et des capacités limitées dans ce domaine, une gestion et une gouvernance des pâturages laissant à désirer et une productivité généralement faible. Ce secteur est l'une des principales sources d'émissions de gaz à effet de serre du pays: le secteur laitier représente 21% des émissions anthropiques de gaz à effet de serre, ce qui correspond à 19,1 millions de tonnes d'équivalent dioxyde de carbone, dont 98,6% proviennent du méthane.

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

11. Au fil des ans, le FIDA est parvenu à favoriser le développement du secteur de l'élevage dans de nombreux pays. L'expérience, les enseignements et les approches méthodologiques tirés du Programme de partenariat en faveur de marchés du petit élevage résilients et inclusifs et du Projet de développement de la production laitière au Rwanda, ainsi que du Programme de commercialisation en faveur des petits producteurs laitiers et du Projet relatif à la commercialisation des produits de l'élevage au Kenya confèrent au FIDA un avantage comparatif dans l'appui à la mise en œuvre de projets de développement de l'élevage.
12. Le FIDA est bien placé pour répondre aux grands enjeux climatiques, environnementaux et sociaux mis en évidence dans les filières lait et produits du bœuf en Ouganda et pour concrétiser les objectifs énoncés dans le plan national d'adaptation et dans les contributions déterminées au niveau national. Dans ce contexte, ReLIV permettra de mobiliser des financements climatiques supplémentaires à partir du Fonds vert pour le climat (FVC) et du Fonds pour l'environnement mondial (FEM) pour appliquer des mesures d'atténuation des changements climatiques et d'adaptation à leurs effets portant notamment sur le matériel de conservation du fourrage, les variétés de fourrage et de pâturage résistantes à la sécheresse, la gestion durable des terres, l'agroforesterie, les races de bêtes résilientes et présentant une bonne capacité d'adaptation, les énergies renouvelables, les produits d'assurance du bétail et les systèmes d'information

climatique et météorologique. Le projet ReLIV aidera également les jeunes femmes et hommes à accéder aux services et aux produits du projet, réduisant ainsi le chômage des jeunes.

13. Un secteur de l'élevage inclusif, compétitif et climato-compatible serait synonyme, pour l'Ouganda, de perspectives de croissance économique, d'amélioration des moyens d'existence des petits producteurs, d'inclusion des femmes et des jeunes et d'emplois tout le long de la filière. Il pourrait également fournir des avantages importants dans les domaines de la nutrition et de la santé publique et faciliter l'atténuation des effets environnementaux et climatiques, tout en améliorant la résilience. L'engagement et l'expertise du FIDA peuvent favoriser ces résultats avantageux.

## **B. Enseignements à retenir**

14. Le projet ReLIV fera fond sur les enseignements tirés de projets de développement de l'élevage en Ouganda et dans la région, une attention particulière étant accordée aux aspects formulés ci-dessous.
15. **Recherche et innovation.** La dernière évaluation de la stratégie et du programme de pays du FIDA pour l'Ouganda (réalisée en 2021 sur la période 2013-2020) a confirmé que l'appui dédié à la recherche agronomique a débouché sur la diffusion de plusieurs technologies dans l'ensemble du pays, qui, pour certaines, étaient innovantes en Ouganda. Le projet ReLIV mettra ces résultats à profit en soutenant des institutions clés en Ouganda, comme l'université de Makerere.
16. **Regroupement.** Il ressort de l'expérience d'autres partenaires de développement qu'il est utile de procéder par regroupements autour d'une exploitation centrale pour insérer des petits exploitants agricoles dans une filière, lorsque le contexte socioéconomique n'est pas propice au modèle coopératif.
17. **Plateformes multipartites.** Les projets achevés ou en cours au Kenya, au Rwanda et en République-Unie de Tanzanie ont prouvé que les plateformes multipartites sont de puissants outils pour établir et promouvoir des partenariats dans les filières et que l'association des acteurs de la filière à la définition des politiques publiques est également cruciale.

## **II. Description du projet**

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

18. Le projet ReLIV a pour finalité de contribuer à renforcer les moyens d'existence des petits éleveurs en Ouganda. Son objectif de développement est d'améliorer les revenus, la nutrition et la résilience des petits producteurs de lait et de produits du bœuf.
19. ReLIV interviendra dans 41 districts situés dans le corridor du bétail de l'Ouganda. Les districts ont été choisis en fonction des critères suivants: i) une forte prévalence et densité de la pauvreté, de l'insécurité alimentaire et de la malnutrition; ii) la taille des troupeaux des ménages et les possibilités de développement de la filière, notamment des marchés de produits d'origine animale; iii) un potentiel important de mobilisation des femmes et des jeunes; iv) la vulnérabilité climatique.
20. Le projet ciblera 200 000 ménages comprenant des petits producteurs de lait et de produits du bœuf prenant part à des systèmes de production intégrés intensifs et semi-intensifs à petite échelle et à des systèmes agropastoraux extensifs de taille moyenne. Au moins 40% des bénéficiaires seront des femmes, et 25% des jeunes.

### **B. Composantes, résultats et activités**

21. ReLIV comprendra les composantes suivantes: i) accroissement de la productivité et de la résilience et réduction de l'impact de la production sur le climat; ii) amélioration de l'accès des petits producteurs aux marchés et accroissement des



investissements dans les filières; iii) appui à l'élaboration des politiques et coordination des politiques.

22. **Composante 1: accroissement de la productivité et de la résilience et réduction de l'impact de la production sur le climat.** Cette composante soutiendra la transformation des systèmes de production fondés sur la petite agriculture ou le pâturage afin d'améliorer le rendement, de renforcer la résilience des modes de production aux changements climatiques et aux autres contraintes et chocs, de réduire les émissions anthropiques de gaz à effet de serre et d'augmenter le stockage du carbone dans les terrains de parcours et les pâturages. Cette composante visera à obtenir quatre produits: i) un meilleur accès à des aliments pour animaux, à du fourrage et à de l'eau de bonne qualité; ii) un meilleur accès à des services d'élevage et l'élaboration d'un système d'identification des bêtes; iii) un meilleur accès à des services vétérinaires et de santé animale; iv) de meilleurs services de vulgarisation et d'assistance technique apportés aux agriculteurs.
23. **Composante 2: amélioration de l'accès des petits producteurs aux marchés et accroissement des investissements dans les filières.** Les interventions au titre de cette composante se concentreront sur les éléments en aval de la production et sur le secteur financier et auront pour objectif de favoriser l'action collective chez les petits producteurs de lait et de produits du bœuf et d'élargir les débouchés commerciaux des agriculteurs. De plus, elles ont pour finalité d'accroître l'efficacité des filières lait et produits du bœuf, d'augmenter le volume d'investissements à différents stades des filières grâce à un meilleur accès aux financements, de promouvoir des solutions écologiques et durables, de renforcer la sécurité sanitaire des aliments et la nutrition et de réduire les pertes et gaspillages de nourriture à différentes étapes des filières. Cette composante visera à obtenir trois produits: i) une amélioration de l'agrégation de la production et de l'accès aux marchés pour les petits producteurs agricoles; ii) une amélioration de la qualité, de la sécurité sanitaire des aliments et de la consommation locale des produits issus de l'élevage; iii) une amélioration de l'accès aux produits financiers pour les acteurs des filières.
24. **Composante 3: appui à l'élaboration des politiques et coordination des politiques.** ReLIV soutiendra la définition, l'examen et la mise à jour des politiques, stratégies et règlements relatifs au secteur, en fonction de la demande exprimée par le Ministère de l'agriculture, de l'élevage et de la pêche (MAAIF). L'Ouganda a entrepris de créer un organisme national de surveillance de l'agriculture; le FIDA suivra l'avancée de ce processus afin de déterminer les éventuels ajustements nécessaires. ReLIV favorisera l'inclusion de toutes les parties prenantes clés des filières lait et produits du bœuf par la mise en place d'instances multipartites. Le projet s'appuiera sur les résultats de l'Initiative 50x2030, qui aide les pays à collecter des données plus précises et plus fiables sur l'agriculture et le milieu rural et à les utiliser aux fins de l'élaboration des politiques publiques et de la prise de décision.

### C. Théorie du changement

25. Le projet ReLIV apportera une réponse aux obstacles au développement liées à la pauvreté, à l'insécurité alimentaire et à la malnutrition, en agissant sur la production, la commercialisation et le cadre réglementaire des filières lait et produits du bœuf. Grâce au projet, les groupes cibles (ruraux pauvres, personnes handicapées, femmes et jeunes) pourront trouver une voie pour surmonter ces difficultés. ReLIV soutiendra la productivité: i) en facilitant l'accès aux aliments pour animaux et à l'eau ; ii) en favorisant l'accès à des services de santé et de nutrition animales et d'élevage; iii) en améliorant la vulgarisation et en encourageant des pratiques et des innovations résilientes face aux changements climatiques. ReLIV permettra également de favoriser l'accès des bénéficiaires aux marchés: i) en renforçant les organisations et les coopératives de producteurs qui prévoient un

regroupement du lait et de la production du bœuf; ii) en facilitant les partenariats entre le secteur privé et les groupes de producteurs; iii) en soutenant les activités de transformation à petite échelle; iv) en construisant et en réhabilitant des infrastructures habilitantes; v) en faisant connaître les enjeux de la nutrition; vi) en facilitant l'accès des bénéficiaires à des moyens de financement. Parce qu'il s'applique à toutes les activités de production et de commercialisation, ReLIV encouragera les pratiques résilientes face aux changements climatiques, les innovations numériques et la définition d'un cadre stratégique et réglementaire approprié.

26. Les interventions du projet ReLIV amélioreront le rendement et la production, tout en diminuant les émissions chez le groupe cible, d'où une hausse de leurs revenus. Ainsi, le groupe devrait connaître une baisse de la pauvreté et de l'insécurité alimentaire, un meilleur état nutritionnel et un moindre impact environnemental et climatique (grâce aux connaissances acquises et aux gains de revenus), tout en renforçant leur résilience face aux chocs et aux changements climatiques. Les effets de ces interventions permettraient de faire advenir un changement véritable et pérenne dans la zone concernée.

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

27. Le projet ReLIV contribuera à la réalisation des objectifs de développement durable n° 1 (pas de pauvreté), 2 (faim « zéro »), 5 (égalité entre les sexes), 8 (travail décent et croissance économique) et 13 (lutte contre les changements climatiques). Il concorde également avec le Programme de développement durable à l'horizon 2030, qui a pour ambition d'éliminer la faim, de parvenir à la sécurité alimentaire, d'améliorer la nutrition, de favoriser une agriculture durable, de promouvoir une industrialisation durable qui profite à tous et d'encourager l'innovation.
28. ReLIV s'inscrit dans le droit fil du troisième plan national de développement dans le cadre du programme d'agro-industrialisation, dont le but est d'accroître la compétitivité de la production agricole et de la transformation des produits agricoles, les priorités stratégiques étant les filières lait et produits du bœuf.
29. ReLIV sera intégré au programme régional d'intervention dans la filière lait en faveur de l'atténuation et de l'adaptation (DaIMA), dont le financement par le FVC doit être approuvé en 2025. ReLIV est également conforme à la proposition du FEM pour l'Ouganda relevant du Programme intégré de la huitième reconstitution des ressources du FEM sur les systèmes alimentaires, mené par le FIDA et l'Organisation des Nations Unies pour l'alimentation et l'agriculture. Le projet prévoit en outre un financement au titre d'ARCAFIM.

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

30. Les composantes 1 et 2 du projet ReLIV sont en partie comptabilisées au titre du financement de l'action climatique. Le montant total alloué à ce titre par le FIDA au projet ReLIV, calculé suivant les méthodes des banques multilatérales de développement pour le suivi du financement de l'adaptation aux changements climatiques et de l'atténuation de leurs effets, est estimé à 50,66 millions d'USD.

##### **Coût du projet**

31. Le coût total du projet est estimé à 204,8 millions d'USD, dont 174,2 millions d'USD représentent le coût de base et 30,6 millions d'USD, la provision pour aléas. Ce coût couvre les dépenses d'investissement et les dépenses de fonctionnement des trois composantes. Les taux d'inflation annuels dans le pays et à l'étranger ont été fixés à 4,1% durant la période d'exécution, conformément aux prévisions du service de recherche de la revue The Economist.

Tableau 1  
**Coût du projet par composante et sous-composante et par source de financement**  
(en milliers d'USD)

Composante/sous-composante	Prêt extrêmement concessionnel du FIDA au titre du SAPF		Prêt particulièrement concessionnel du FIDA au titre du SAPF		Prêt du FIDA au titre du MARE		DaIMA - FVC		Prêt de l'ARCAFIM		Don du FEM		Bénéficiaires		Gouvernement ougandais		Total		
	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	En espèces	En nature	%	En espèces	En nature	%	Montant
<b>1. Accroissement de la productivité et de la résilience et réduction de l'impact de la production sur le climat</b>																			
1.1. Amélioration de la production d'aliments pour animaux et de fourrage, de la gestion des pâturages et de l'accès à l'eau	14 629	31	3 657	7	5 044	10	11 396	23	-	0	5 415	11	-	-	0	231	8 480	18	48 853
1.2. Amélioration de l'identification et de l'élevage des bêtes	16 572	64	4 142	16	-	0	-	0	-	0	-	-	-	-	0	875	4 195	20	25 784
1.3. Amélioration des services de santé animale pour accroître la résilience des animaux et réduire leurs émissions	11 726	42	2 931	7	-	0	361	1	-	0	137	1	5 277	-	18	-	9 148	31	29 580
1.4. Amélioration de la vulgarisation et de l'assistance technique aux agriculteurs	923	14	231	4	-	0	4 432	68	-	0	581	9	-	-	0	-	381	6	6 547
<b>Sous-total</b>	<b>43 850</b>	<b>40</b>	<b>10 961</b>	<b>9</b>	<b>5 044</b>	<b>5</b>	<b>16 189</b>	<b>15</b>	<b>-</b>	<b>0</b>	<b>6 133</b>	<b>6</b>	<b>5 277</b>	<b>0</b>	<b>5</b>	<b>1 106</b>	<b>22 204</b>	<b>21</b>	<b>110 764</b>
<b>2. Amélioration de l'accès des petits producteurs aux marchés et accroissement des investissements dans les filières</b>																			
2.1. Amélioration de l'agrégation de la production et de l'accès aux marchés pour les petits producteurs agricoles	7 762	31	1 940	7	4 956	19	5 529	21	-	0	1 368	5	-	-	0	1 220	3 096	16	25 870
2.2. Amélioration de la sécurité sanitaire des aliments et de la consommation locale des produits issus de l'élevage	8 174	53	2 043	13	-	0	928	6	-	0	-	0	1 864	-	12	-	2 511	16	15 520
2.3. Amélioration de l'accès aux produits financiers pour les acteurs des filières	5 275	12	1 319	3	-	0	19 000	46	15 000	36	-	0	1 166	-	3	-	0	0	41 761
<b>Sous-total</b>	<b>21 211</b>	<b>26</b>	<b>5 302</b>	<b>6</b>	<b>4 956</b>	<b>6</b>	<b>25 456</b>	<b>31</b>	<b>15 000</b>	<b>18</b>	<b>1 368</b>	<b>2</b>	<b>3 030</b>	<b>-</b>	<b>3</b>	<b>1 220</b>	<b>5 608</b>	<b>8</b>	<b>83 101</b>
<b>3. Appui à l'élaboration des politiques et coordination des politiques</b>																			
3.1. Appui à l'élaboration des politiques	-	-	-	-	-	0	855	100	-	0	-	0	-	-	0	-	-	0	855
3.2. Suivi-évaluation et gestion des connaissances	1 059	78	265	19	-	0	-	0	-	0	-	0	-	-	0	-	42	3	1 366
3.3. Gestion de projet	5 530	67	1 382	12	-	0	-	0	-	0	-	0	-	-	0	627	1 164	21	8 703
<b>Sous-total</b>	<b>6 589</b>	<b>70</b>	<b>1 647</b>	<b>18</b>	<b>-</b>	<b>0</b>	<b>855</b>	<b>8</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>627</b>	<b>1 206</b>	<b>4</b>	<b>10 923</b>
<b>Total</b>	<b>71 650</b>	<b>35</b>	<b>17 910</b>	<b>8</b>	<b>10 000</b>	<b>5</b>	<b>42 500</b>	<b>21</b>	<b>15 000</b>	<b>7</b>	<b>7 500</b>	<b>4</b>	<b>8 307</b>	<b>0</b>	<b>4</b>	<b>2 953</b>	<b>29 018</b>	<b>16</b>	<b>204 838</b>

Tableau 2

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

(en milliers d'USD)

Catégorie de dépenses	Prêt extrêmement concessionnel du FIDA au titre du SAPF		Prêt particulièrement concessionnel du FIDA au titre du SAPF		Prêt du FIDA au titre du MARE		DaIMA - FVC		Prêt de l'ARCAFIM		Don du FEM		Bénéficiaires		Gouvernement ougandais		Total		
	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	En espèces	En nature	%	En espèces		En nature	
<b>I. Dépenses d'investissement</b>																			
A. Travaux	28 990	50	7 246	12	-	0	9 230	16	-	0	275	1	1 864	-	3	-	10 450	18	58 055
B. Véhicules	2 237	60	559	15	-	0	-	0	-	0	-	0	265	-	7	672	672	18	3 733
C. Biens, services et intrants	16 279	32	4 069	7	4 956	10	4 847	9	-	0	4 351	8	6 178	-	12	664	11 045	21	51 725
D. Équipement et matériel	12 320	44	3 079	9	5 044	17	1 500	5	-	0	1 500	5	-	-	0	-	5 666	20	29 110
E. Services de consultants	3 571	41	893	8	-	0	3 655	40	-	0	1 079	12	-	-	0	-	-	0	9 198
F. Formation et ateliers	3 289	31	822	6	-	0	4 268	38	-	0	295	3	-	-	0	1 682	2 501	22	11 175
G. Dons et subventions	-	-	-	-	-	0	19 000	56	15 000	44	-	0	-	-	0	-	-	0	34 000
<b>Total des dépenses d'investissement</b>	<b>66 686</b>	<b>34</b>	<b>16 667</b>	<b>8</b>	<b>10 000</b>	<b>5</b>	<b>42 500</b>	<b>22</b>	<b>15 000</b>	<b>8</b>	<b>7 500</b>	<b>4</b>	<b>8 307</b>	<b>-</b>	<b>4</b>	<b>30 334</b>	<b>15</b>	<b>193 674</b>	
<b>II. Dépenses ordinaires</b>																			
A. Salaires, traitements et indemnités	4 152	66	1 039	13	-	0	-	0	0	0	-	0	-	-	0	-	1 413	21	6 605
B. Frais de fonctionnement	812	66	203	16	-	0	-	0	0	0	-	0	-	-	0	-	223	18	1 238
<b>Total des dépenses ordinaires</b>	<b>4 964</b>	<b>66</b>	<b>1 242</b>	<b>13</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>1 636</b>	<b>21</b>	<b>7 843</b>	
<b>Total</b>	<b>71 650</b>	<b>35</b>	<b>17 910</b>	<b>8</b>	<b>10 000</b>	<b>5</b>	<b>42 500</b>	<b>21</b>	<b>15 000</b>	<b>7</b>	<b>7 500</b>	<b>4</b>	<b>8 307</b>	<b>-</b>	<b>4</b>	<b>2 953</b>	<b>29 018</b>	<b>16</b>	<b>204 838</b>

Tableau 3

**Coût du projet par composante et par année du projet**

(en milliers d'USD)

Composante	Année 1		Année 2		Année 3		Année 4		Année 5		Année 6		Année 7		Année 8	
	Montant	En %	Montant	En %	Montant	En %	Montant	En %	Montant	En %	Montant	En %	Montant	En %	Montant	En %
1. Accroissement de la productivité et de la résilience et réduction de l'impact de la production sur le climat	3 046	3	18 287	16	34 258	31	17 182	16	14 979	14	9 764	9	7 112	6	6 136	6
2. Amélioration de l'accès des petits producteurs aux marchés et accroissement des investissements dans les filières	248	1	17 986	19	17 039	18	17 655	19	16 573	18	10 753	12	2 462	3	433	1
3. Appui à l'élaboration des politiques et coordination des politiques	1 447	13	1 315	12	1 202	11	1 388	13	1 318	12	1 377	13	1 535	14	1 342	12
<b>Total</b>	<b>4 740</b>	<b>2</b>	<b>37 588</b>	<b>18</b>	<b>52 499</b>	<b>26</b>	<b>36 225</b>	<b>18</b>	<b>32 871</b>	<b>16</b>	<b>21 894</b>	<b>11</b>	<b>11 109</b>	<b>5</b>	<b>7 911</b>	<b>4</b>

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

32. Le coût du projet ReLIV est estimé à 204,80 millions d'USD, qui seront décaissés sur une période de huit ans. Les contributions du FIDA s'élèvent à 89,57 millions d'USD, tirés de la part alloués à l'Ouganda au titre du système d'allocation fondé sur la performance et de la Douzième reconstitution des ressources du FIDA et à 10,00 millions, déjà confirmés, du Mécanisme d'accès aux ressources empruntées (MARE) du FIDA, pour un montant total de 99,57 millions d'USD (48,6% du coût total du projet).
33. Le projet mobilisera un financement au titre du programme régional du FVC, le DaIMA, d'un montant de 42,50 millions d'USD (20,7% de l'allocation totale), dont 55% prendront la forme d'un don et 45%, d'un prêt de premier rang. ARCAFIM (cofinancé par le Fonds nordique de développement), le FVC, la Finlande, le Danemark et le FIDA, à titre de ressources supplémentaire, contribueront pour 15,00 millions d'USD (7,3% du financement du projet). Les contributions de l'État ougandais (31,97 millions d'USD), en nature et en espèces, couvriront au moins 15,6% du coût total du projet. Le FEM fournira 7,50 millions d'USD, soit 3,7% de l'allocation totale. Quant aux bénéficiaires, ils apporteront 8,3 millions d'USD, en espèces ou en nature, à savoir 4,1% du coût total du projet.
34. **Deuxième option de cofinancement.** Le financement de 50 millions de dollars par le FEM et le FVC reste à approuver. Lorsque ce sera le cas, les modalités de gestion financière des ressources du FEM et du FVC seront harmonisées pour respecter les procédures du FIDA. Faute d'approbation d'ici 2026, le projet présentera un déficit de financement. L'allocation de l'Ouganda au titre de la Treizième reconstitution des ressources du FIDA sera utilisée pour atténuer ce risque et combler ce déficit (lors des deux reconstitutions précédentes, l'allocation de l'Ouganda s'élevait à 100 millions d'USD).

### **Décaissement**

35. Les catégories de décaissement sont les suivantes: i) travaux; ii) véhicules; iii) biens, services et intrants; iv) équipement et matériel; v) services de consultants; vi) formation et ateliers; vii) dons et subventions; viii) salaires, traitements et indemnités; ix) frais de fonctionnement, qui sont répartis entre les différents cofinanceurs. Les dépenses ordinaires représentent 4% du financement total du projet et 8% du financement du FIDA, soit un niveau acceptable. Les fonds provenant de l'ARCAFIM seront décaissés directement par la Equity Bank Uganda Limited. Quant aux ressources provenant du FVC et du FEM, elles seront gérées par le FIDA conformément à ses politiques et aux procédures de gestion des risques fiduciaires.

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

36. L'analyse financière démontre la viabilité de toutes les activités ciblées. En outre, d'après l'analyse économique, le projet ReLIV est économiquement viable et présente un taux de rentabilité économique interne de 27,93% et une valeur actuelle nette de 164,94 millions d'USD. ReLIV est sensible à l'évolution de certaines variables des modèles, y compris à des variations des avantages et des coûts, des retards dans la réalisation des avantages et des taux d'adoption, ce qui souligne l'importance des investissements durables dans la filière lait pour la réussite du projet.

### **Stratégie de retrait et durabilité**

37. Le projet ReLIV prévoit pour toute intervention importante un volet touchant à la stratégie de retrait et à la durabilité. Il consolidera les principales institutions gouvernementales responsables de la promotion des filières lait et produits du bœuf, et renforcera les capacités dans les domaines de l'élevage et de l'identification des animaux, de la santé animale, de la vulgarisation et de l'assistance technique aux agriculteurs. Ces institutions continueront à fournir des services après la période du projet. Afin d'assurer la pérennisation de ses résultats,

ReLIV sera en adéquation avec les principales politiques nationales en matière de climat et d'environnement, comme la Politique nationale de gestion de l'environnement, la Politique nationale de lutte contre les changements climatiques, les contributions déterminées au niveau national révisées, le Plan national d'adaptation, l'objectif de neutralité de la dégradation des terres et la Stratégie et le Plan d'action nationaux pour la biodiversité.

### III. Gestion des risques

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

38. Globalement, les risques inhérents et les risques résiduels sont jugés substantiels. Les principaux risques et les mesures d'atténuation correspondantes sont présentés dans la matrice intégrée des risques du projet (appendice III).

Tableau 4

#### Synthèse des risques

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

#### B. Catégorie environnementale et sociale

39. Le risque environnemental et social du projet ReLIV est considéré comme substantiel. Les risques environnementaux et sociaux critiques associés aux filières lait et produits du bœuf comprennent le changement d'affectation des terres, le surpâturage, la déforestation, une grave dégradation des terres, une gestion inadéquate des déchets, la pollution de l'eau et des sols, une utilisation accrue des pesticides, une accentuation de la dépendance à l'égard de l'eau et des sources d'énergie utilisant beaucoup de bois et des conflits sur l'utilisation des ressources naturelles. Il existe d'autres sujets de préoccupation, tels que les risques de sécurité et de sûreté biologiques liés à des insuffisances en matière de gestion de la santé et d'hygiène, la possibilité d'épidémies de maladies d'origine hydrique ou de maladies à transmission vectorielle (y compris les zoonoses), les carences nutritionnelles, les mauvaises conditions de travail, le travail des enfants et les problèmes de santé et de sécurité communautaires.

#### C. Classement au regard des risques climatiques

40. Le risque climatique du projet ReLIV est jugé substantiel. Le score de vulnérabilité élevé de l'Ouganda conjugué à son faible score de préparation place le pays dans le quadrant supérieur gauche de la matrice de l'indice établi par la Global Adaptation Initiative de l'université de Notre-Dame (ND-GAIN). Le pays présente en effet à la fois un besoin important d'investissements et d'innovations pour améliorer son niveau de préparation et une nécessité impérieuse d'actions. De fait, l'Ouganda est classé au 14<sup>e</sup> rang des pays les plus vulnérables et au 163<sup>e</sup> rang des pays les moins préparés, enregistrant des scores particulièrement faibles pour ce qui est des facteurs sociaux qui pourraient accroître la mobilité des investissements en faveur des mesures d'adaptation. En outre, les zones cibles du projet ReLIV sont exposées à des risques climatiques considérables, tels que la hausse des températures,

l'irrégularité des précipitations et des phénomènes météorologiques extrêmes comme des sécheresses ponctuelles ou prolongées, des vagues de chaleur, des inondations, des coulées de boue et des glissements de terrain.

## D. Soutenabilité de la dette

41. Selon l'analyse de la soutenabilité de la dette réalisée par la Banque mondiale et le Fonds monétaire international, l'Ouganda présente un risque modéré de surendettement extérieur et de surendettement public ainsi qu'une marge d'absorption des chocs limitée. La dette publique a augmenté, atteignant 50,6% du PIB durant l'exercice budgétaire 2021/2022, et la dette publique extérieure s'élevait à 31,3%. Toutes les trajectoires de la dette extérieure publique et garantie par l'État et de la dette publique totale restent en dessous de leurs seuils indicatifs respectifs. Des tests de résistance montrent que les seuils de surendettement extérieur pourraient être dépassés, ce qui soulève différents risques comme un ralentissement de la croissance, le durcissement des conditions d'emprunt pour le secteur public et des retards dans la mise en œuvre des réformes et des exportations de pétrole. Pour améliorer la soutenabilité de sa dette, l'Ouganda entend remplacer ses dépenses publiques financées par la dette par une croissance tirée par le secteur privé.

## IV. Exécution

### A. Cadre organisationnel

#### Gestion et coordination du projet

42. L'organisme d'exécution principal du projet est le MAAIF. Ce dernier établira un comité directeur du projet, chargé de donner une orientation stratégique globale et d'assurer la coordination entre les secteurs. Le MAAIF créera également une unité de gestion du projet (UGP), dont les membres seront recrutés ou nommés à l'issue d'un processus concurrentiel et qui sera responsable de la coordination des activités des organismes participant à l'exécution du projet. Cette unité assumera les fonctions principales de coordination de l'exécution du projet. En outre, elle nouera des partenariats et des collaborations avec d'autres projets similaires en cours de façon à permettre leur complémentarité et un apprentissage mutuel.

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

43. **Gestion financière.** L'UGP suivra les procédures du FIDA en matière d'information financière, de contrôle interne et d'audits. De plus, elle réalisera une budgétisation par projets conformément aux procédures du FIDA et aux réglementations ougandaises relatives à la gestion des finances publiques. Un programme de travail et budget annuels, suffisamment détaillé et présentant les activités par catégorie, composante et financeur, sera élaboré et approuvé par le comité directeur du projet avant obtention d'un avis de non-objection du FIDA. Un calendrier de projet de budget sera intégré au manuel de gestion financière et de contrôle financier qui sera remis à l'emprunteur.
44. Les mécanismes de décaissement sont le retrait anticipé et le paiement direct. Les paiements directs seront autorisés à titre exceptionnel, après approbation préalable du responsable des finances du FIDA. Les décaissements du FIDA prendront la forme d'un retrait anticipé versé sur un compte bancaire désigné, à laquelle viendront s'ajouter des reconstitutions ultérieures tous les trimestres en fonction des rapports financiers intermédiaires et des prévisions de liquidité, en adéquation avec le programme de travail et budget annuels approuvé. Les décaissements du FIDA reposeront sur des rapports financiers intermédiaires trimestriels, transmis dans le cadre du projet dans un délai de 30 jours après la fin de la période considérée, la demande de retrait devant être soumise via le Portail clients du FIDA.
45. **Passation des marchés.** Le risque inhérent au projet ReLIV en matière de passation des marchés est considéré comme modéré. ReLIV respectera la loi sur la passation des marchés publics et se conformera aux normes internationales et aux

réglementations associées en adéquation avec les Directives du FIDA pour la passation des marchés relatifs aux projets. En outre, le Système de bout en bout de passation électronique des marchés relatifs aux projets, défini par le FIDA, sera utilisé pour atténuer les risques associés à l'utilisation de méthodes non concurrentielles inappropriées.

#### **Participation et retour d'information du groupe cible du projet**

46. Un plan de mobilisation des parties prenantes encadrant leur fonction et leur degré d'imbrication dans le projet a été rédigé. Ce plan offre un cadre de mobilisation des parties prenantes et favorisera la bonne exécution du projet. L'UGP utilisera ce plan principalement pour obtenir un soutien des parties prenantes en faveur des secteurs du lait et de la production du bœuf. Ce soutien facilitera la mise en œuvre du projet, car l'implication de ces parties prenantes devrait en principe créer un environnement propice à la mise en œuvre des différentes activités économiques et liées aux moyens d'existence. ReLIV s'appuiera sur ce plan pour déterminer les principales parties prenantes sur lesquelles il a une incidence ou qui sont à même d'influencer ses activités.

#### **Mécanisme de réponse aux doléances**

47. Un mécanisme de réponse aux doléances a été mis en place en tant qu'élément de la mobilisation des parties prenantes afin de traiter les éventuelles plaintes qui pourraient survenir durant l'exécution du projet. Ce mécanisme examinera les requêtes, constituera un moyen d'obtenir des éclaircissements sur le projet et répondra aux éventuels problèmes, plaintes et doléances. Pour que le mécanisme soit largement connu et puisse être facilement utilisé par toutes les parties prenantes au projet, plusieurs outils de communication seront adoptés afin de diffuser des informations sur le mécanisme et sur la procédure d'enregistrement des plaintes et de demande de réparation.

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

48. Un solide système de suivi-évaluation sera établi pour servir le principal objectif de développement de ReLIV, à savoir améliorer les revenus, la nutrition et la résilience des petits producteurs de lait et de produits du bœuf en Ouganda. Ce système sera participatif, tiendra compte des questions de genre et sera axé sur les résultats, tout en facilitant l'intégration de données sur l'avancement matériel et financier. Des études approfondies de référence, à mi-parcours et à l'achèvement, conformes au cadre du FIDA pour la mesure des indicateurs de base relatifs aux effets directs, seront réalisées.

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

49. Le projet ReLIV comprendra un certain nombre d'innovations: i) généralisation du numérique dans les filières; ii) stages pratiques pour les éleveurs afin de favoriser la diffusion, parmi les petits exploitants agricoles, d'innovations mises au point par des chercheurs; iii) mise en place d'une exploitation de base comme modèle de regroupement et établissement de liens entre les petits exploitants agricoles et les marchés; iv) définition d'un module sur un système d'information géographique pour mesurer le couvert végétal dans le cadre de l'évaluation de l'impact.

### **C. Exécution**

#### **Plans de préparation à l'exécution et de démarrage**

50. Les approbations gouvernementales ont été accordées parallèlement aux approbations internes du FIDA. Le projet ReLIV devrait commencer au second semestre 2025. L'atelier de démarrage est prévu pour juillet 2025. ReLIV recevra 500 000 USD aux fins de la création de l'unité de gestion du projet et du recrutement de ses membres.



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

51. Des missions de supervision et d'appui à l'exécution seront organisées et menées conjointement par le FIDA et le Gouvernement afin d'examiner les progrès accomplis et de soutenir l'UGP et les partenaires de réalisation dans l'amélioration de l'exécution du projet. Un examen sera effectué à mi-parcours de l'exécution pour déterminer si ReLIV est en bonne voie pour atteindre sa finalité et ses objectifs de développement. Une évaluation finale sera réalisée durant la dernière année du projet.

**V. Instruments et pouvoirs juridiques**

52. L'octroi à l'emprunteur du financement proposé est régi par un accord de financement entre la République de l'Ouganda et le FIDA. Une copie de l'accord de financement négocié figure à l'appendice I.
53. La République de l'Ouganda est habilitée, en vertu de ses lois, à recevoir un financement du FIDA.
54. Je certifie que le financement proposé est conforme aux dispositions de l'Accord portant création du FIDA, et aux Principes et critères applicables aux financements du FIDA.

**VI. Recommandation**

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

DÉCIDE: que le Fonds accordera à la République de l'Ouganda un prêt à des conditions extrêmement favorables d'un montant de soixante et onze millions six cent cinquante mille dollars des États-Unis (71 650 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

DÉCIDE EN OUTRE: que le Fonds accordera à la République de l'Ouganda un prêt à des conditions particulièrement favorables d'un montant de dix-sept millions neuf cent dix mille dollars des États-Unis (17 910 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

DÉCIDE EN OUTRE: que le Fonds accordera à la République de l'Ouganda un prêt à des conditions ordinaires d'un montant de dix millions de dollars des États-Unis (10 000 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

Le Président  
Alvaro Lario

# Negotiated financing agreement

## Resilient Livestock Value Chain Project (ReLIV)

(Negotiations concluded on 19 July)

Loan No: \_\_\_\_\_

Project name: **Resilient Livestock Value Chain Project (ReLIV)**  
("the **(ReLIV)**"/ "the Project")

**Republic of Uganda**, represented by Ministry of Finance, Planning and Economic Development (the "Borrower")

and

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

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

**WHEREAS** the Borrower has requested financing from the Fund for the purpose of financing the Project described in Schedule 1 to this Agreement;

**WHEREAS** the Borrower has undertaken to provide counterpart contribution to the Project as specified herein;

**WHEREAS**, the Fund has agreed to provide financing for the Project.

**NOW THEREFORE**, the Parties hereby agree as follows:

### Section A

1. The following documents collectively form this Agreement: this document, the Project 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. a loan on super highly concessional terms ("Loan A");
- B. a loan on highly concessional terms ("Loan B"); and
- C. a loan on ordinary terms ("Loan C"),

(together the "Financing") to the Borrower which the Borrower shall use to implement the Project in accordance with the terms and conditions of this Agreement.

## **Section B**

1. The amount of:
  - A. Loan A is seventy-one million six hundred and fifty thousand United States dollars (USD 71,650,000);
  - B. Loan B is seventeen million nine hundred and ten thousand United States dollars (USD 17,910,000); and
  - C. Loan C is ten million United States dollars (USD 10,000,000).
2. In relation to Loan A:
  - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of Loan A by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
  - (ii) it shall have a maturity period of fifty (50) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
  - (iii) it will be repaid at two and a half per cent (2.5%) of the total principal per annum for years eleven (11) to fifty (50).
3. In relation to Loan B:
  - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of Loan B by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
  - (ii) it shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of Loan C by the Fund's Executive Board; and
  - (iii) it will be repaid at two per cent (2%) of the total principal per annum for years eleven (11) to twenty (20), and four per cent (4%) of the total principal per annum for years twenty-one (21) to forty (40).
4. In relation to Loan C:

Loan C shall be subject to interest on the principal amount outstanding of Loan C at a rate equal to the IFAD Reference Interest Rate including a variable spread, payable semi-annually in the Loan Service Payment Currency, and have a maturity period of twenty-nine (29) years, including a grace period of ten (10) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.
5. The Loan Service Payment Currency shall be in US dollars.
6. The first day of the applicable Fiscal Year shall be 1 July.
7. Payments of principal and service charge and/or interest, as the case may be, in respect of Loans A, B and C, shall be payable on 15 May and 15 November of each year.

8. There shall be Designated Accounts in USD, for the exclusive use of the Project, with corresponding local currency accounts in UGX, opened at the Bank of Uganda. The Borrower shall inform the Fund of the officials authorized to operate the Designated Accounts.

9. The Borrower shall provide counterpart contribution for the Project, in the value of an amount of [thirty-one million nine hundred and seventy thousand United States dollars (USD 31,970,000)] (in cash or in-kind as described in Schedule 1), or as may otherwise be agreed between the Parties.

### **Section C**

1. The Lead Project Agency shall be the Ministry of Agriculture, Animal Industry and Fisheries (MAAIF). Other implementation agencies will be Dairy Development Authority (DDA) National Animal Genetic Resources Centre and Data Bank (NAGRC&DB) and National Agricultural Research Organisation (NARO), or such relevant successor entities as communicated.

2. A Mid-Term Review will be undertaken at mid-line to assess whether the project is on track to achieve its goal and development objectives.

3. The Project Completion Date shall be the eighth anniversary of the date of entry into force of this Agreement and the Financing Closing Date shall be six (6) months later, or such other date as the Fund may designate by notice to the Borrower.

4. Procurement of goods, works and services financed by the Financing shall be carried out in accordance to the Borrower's Public Procurement Law, aligning with international standards and its associated regulations that are in line with IFAD Project Procurement Guidelines. Furthermore, IFAD's End-to-End procurement system will be employed to mitigate the potential risks associated with inappropriate use of non-competitive methods.

### **Section D**

1. The Fund will administer the Financing and will supervise the Project jointly with the Government of Uganda represented by the Ministry of Finance, Planning and Economic Development.

### **Section E**

1. The following are designated as additional grounds for suspension of this Agreement:
  - (a) the PIM and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Project.
2. The following are designated as additional grounds for cancellation of this Agreement:

- (a) in the event that the Borrower did not request a disbursement of the Financing for a period of twelve (12) consecutive months, without justification, subsequent to the first eighteen (18) months from the Effective Date.
3. The following are designated as additional (general/specific) conditions precedent to withdrawal:
  - (a) the IFAD no objection to the Project Implementation Manual (PIM) shall have been obtained;
  - (b) The project co-ordinator/manager, the procurement manager, and the finance manager/financial controller (have been appointed/seconded, to the project management unit (PMU) with the prior no-objection of the Fund.
4. This Agreement is subject to approvals in accordance with the laws of the Republic of Uganda, and such evidence of approval(s) provided to the Fund.
5. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

Honourable Minister  
Ministry of Finance Planning and Economic Development  
Plot No. 2 – 8 Apollo Kaggwa Road  
P.O Box 8147  
Kampala

For the Fund:

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

If applicable, the Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

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

THE REPUBLIC OF UGANDA

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Honourable Minister [Matia Kasaija]  
Minister of Finance Planning and Economic Development

[Date: \_\_\_\_\_<sup>1</sup>]

INTERNATIONAL FUND FOR  
AGRICULTURAL DEVELOPMENT

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Alvaro Lario  
President of IFAD

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

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<sup>1</sup> In case the FA is not signed in IFAD HQ

## Schedule 1

### *Project Description and Implementation Arrangements*

#### **I. Project Description**

##### *1. Target Population.*

The project will target 200,000 households, comprising of smallholder dairy and beef farmers engaged in intensive and semi-intensive small-scale integrated production systems, as well as small and medium scale extensive agro-pastoral systems.

##### *2. Project area.*

*The Project will work in 41 selected districts in the cattle corridor of the Republic of Uganda. The districts were selected based on the following: (i) high incidence and density of poverty, food insecurity, malnutrition; (ii) herd size by the households and potential for value chain development, including markets for animal sourced products; (iii) high potential for women and youth engagement; and (iv) climate vulnerability.*

##### *3. Goal.*

*The goal of the Project is to contribute to the improved livelihoods of smallholder livestock farmers in Uganda.*

##### *4. Objectives.*

*The Development objective of the Project is to enhance income, nutrition and resilience of smallholder dairy and beef producers through increased production, value addition and marketing.*

##### *5. Components.* The Project shall consist of the following Components:

##### **5.1 Component 1:** Increasing productivity and resilience and reducing the impact of production on climate: will support the transformation of smallholder and grazing/pastoral production systems to improve their productivity, increase

resilience to climate change and other constraints and shocks, lower their GHG emissions and enhance carbon sequestration in rangelands/pastures. Component one will aim to achieve four outputs: (i) Enhanced access to quality feed, fodder and water; (ii) Enhanced access to veterinary and animal health services, (iii)

Enhanced access to breeding services and development of an animal identification system and (iv) Enhanced extension services and technical support to farmers.

##### **5.2 Component 2:** Enhancing access to markets for smallholder producers and investments in the value chain: Interventions under this component will focus on post-production level and the financial sector and are intended to foster collective

action among smallholder beef and dairy farmers, broaden market opportunities for farmers, increase milk and beef value chain efficiency, increase investment at different levels of the value chain, through better access to finance, promote green and sustainable solutions, and improve food safety as well as nutrition and reduce food loss and waste at various stages of the value chains. This Component will aim at achieving three outputs: (i) Aggregation of production and access to markets for smallholder producers improved, (ii) Quality, food safety and local consumption of livestock commodities strengthened, (iii) Access to financial products for value chain actors improved.

- 5.3 **Component 3:** Policy support and coordination- ReLIV will support the formulation, review/updating of sector policies, strategies and regulations, based on Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) demand. Uganda has initiated a process of establishing a National Agriculture Regulatory Authority, IFAD will follow developments on this process to determine any adjustments needed. ReLIV will amplify the inclusion of all key stakeholders within the dairy and beef value chains through the creation of multi-stakeholder platforms. ReLIV will build on the achievements of 50x2030 initiative in Uganda which supports countries to collect better and more reliable agricultural and rural data and assists them in using data for policy and in their decision-making processes.

## II. Implementation Arrangements

6. *Lead Project Agency.* MAAIF is the lead implementing agency and other implementing agencies as mentioned in Section C, paragraph 1 of the Agreement.

7. *Project Steering Committee.* MAAIF as the lead implementing agency will establish a Project Steering Committee (comprised of representatives, including *inter alia*, relevant ministries, agencies, and private sector organisations) that will provide overall strategic direction and ensure coordination among sectors.

8. *Project Management Unit.* MAAIF will establish a project management unit (PMU) with competitively recruited/seconded staff (in accordance with the Borrower's applicable laws relating to the employment in the public service), to be responsible for coordination of the agencies involved in implementation of the Project. The PMU will handle core functions of coordinating the overall implementation and implementing agencies focusing on financial management; procurement; monitoring, evaluation and learning, and overall reporting. It will also initiate partnerships and collaborations with other similar ongoing projects and ensure complementarities and mutual learning.

9. *Implementing agencies.*

Semi-autonomous institutions of MAAIF, i.e., DDA, NAGRIC and DB and NARO's NaLiRRI, plus Directorate of Animal Resources in MAAIF with Local Governments, will be implementing agencies. Private sector agencies may also be contracted to perform (implementation) functions where necessary.

10. *Monitoring and Evaluation.*

Monitoring and Evaluation (M&E) system for ReLIV will be developed by the PMU M&E unit with the assistance of IFAD Country Office within the first year of the project as a tool for effective project implementation management. The M&E



system will enable IFAD, MAAIF and the stakeholders to monitor Project's internal performance.

*11. Knowledge Management.* The ReLIV KM function will be complemented by the M&E Management Information System (MIS, routine field M&E visits and thematic studies) on which quantitative and qualitative data will be assessed in order to primarily develop: (i) policy level KM Products (policy, briefs, case studies, and working papers); (ii) beneficiary success stories; (iii) training manuals on technologies; and (iv) lessons learned. The KM Officer will develop a comprehensive communication and knowledge management (C & KM) strategy that will provide for dissemination, visibility of project interventions, knowledge transfer, participation of key different stakeholders and direct project beneficiaries as a tool to develop a ReLIV specific KM action plan.

*12. Project Implementation Manual.* The Borrower shall finalise the PIM and forward it to the Fund for no objection within 90 days of entry into force. MAAIF, following confirmation from the Borrower, shall adopt the PIM, substantially in the form approved by the Fund, and MAAIF shall promptly provide copies thereof to the Fund.

The Borrower shall ensure that (i) the Project is carried out in accordance with the PIM; (ii) MAAIF informs the Borrower and the Fund of reasonably minor operational deviations from the PIM; and (iii) the PIM or any provision thereof shall not be amended, abrogated, waived or permitted to be amended, abrogated or waived, without the prior written consent of the Fund.

## Schedule 2

### Allocation Table

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

<b>Categories</b>	<b>Loan A Allocated (Expressed in USD)</b>	<b>Loan B Allocated (Expressed in USD)</b>	<b>Loan C Allocated (Expressed in USD)</b>	<b>Percentage net of taxes</b>
1.Civil Works	27 540 000	6 880 000		100%
II. Goods, Services and Inputs	15 460 000	3 870 000	4 710 000	100%
III. Equipment and Materials	13 830 000	3 460 000	4 790 000	100%
IV. Training and Workshops	6 520 000	1 620 000		100%
V. Operating Costs	4 720 000	1 180 000		100%
VI. Unallocated	3 580 000	900 000	500 000	
<b>Total</b>	<b>71 650 000</b>	<b>17 910 000</b>	<b>10 000 000</b>	

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

- (i) Equipment and materials include vehicles acquired for the project.
- (ii) Training and workshops include consultancies for the project.
- (iii) Operating costs include salaries and allowances of project staff.
- (iv) Unallocated category is intended to cater for unforeseen contingency costs that may arise during the project implementation period such as design/price variations, subject to the borrowers request and Fund's approval.

### 2. *Disbursement arrangements*

(a) *Start-up Costs.* Withdrawals in respect of expenditures for start-up costs in operating cost Category incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of five hundred thousand United States dollars (USD 500,000). 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 Borrower to request withdrawals from the Loan/Grant Account if the Borrower 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 Project:

- 1. Within six (6) months of entry into force of the Financing Agreement, the Project will have been set up in the integrated financial management system of the Borrower.
- 2. Within six (6) months of entry into force of the Financing Agreement, the Project will enter into formal arrangements 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 Borrower 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 Borrower shall ensure that the project will contribute to SDG5 (Gender Equality.)
- 6. *Anticorruption Measures.* The Borrower shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
- 7. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Project Parties shall ensure that the Project 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.
- 8. *Use of Project Vehicles and Other Equipment.* The Borrower shall ensure that:
  - (i) the types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and
  - (ii) all vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.
- 9. *IFAD Client Portal (ICP) Contract Monitoring Tool.* The Borrower shall ensure that a request is sent to IFAD to access the project procurement Contract Monitoring Tool in the IFAD Client Portal (ICP). The Borrower shall ensure that all contracts, memoranda of understanding, purchase orders and related payments are registered in the Project 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 Borrower shall ensure that the

contract data is updated on a quarterly basis during the implementation of the Project/Program.

10 The Key Project Personnel are: project co-ordinator/manager, financial controller/manager, and, procurement manager. In order to assist in the implementation of the Project, the PMU, 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 Project Personnel shall be seconded or recruited in accordance with the Borrower's applicable laws relating to employment in the public service. The recruitment or dismissal of Key Project Personnel is subject to IFAD's prior review and no objection. Key Project Personnel are subject to annual evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Project 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 Social, Environmental, Climate Assessment Procedures of IFAD (SECAP).

## **II. SECAP Provisions**

1. For projects/programmes presenting high or substantial social, environmental and climate risks, the Borrower shall carry out the implementation of the Project 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 Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIAs 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.

2. The Borrower shall not amend, vary or waive any provision of the Management Plan(s), unless: (i) agreed in writing by the Fund and (ii) the Borrower has complied with the requirements applicable to the original adoption of the Management Plan(s).

3. The Borrower shall disclose the draft and final ESIA reports and all other relevant Management Plan(s) with Project stakeholders and interested parties in an accessible place in the Project-affected area, in a form and language understandable to Project-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).

4. The Borrower shall ensure or cause the Implementing Agencies 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 Project with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.

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

- (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.

In the occurrence of such event, the Borrower shall:

- (i) Notify IFAD promptly;
- (ii) Provide information on such risks, impacts and accidents;
- (iii) Consult with Project-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;
- (v) Adjust, as appropriate, the Project-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.

**Serious ESHS incident** means serious incident, accident, complaint with respect to environmental, social (including labor and community), health and safety (ESHS) issues that occur in the context of the loan or within the Lead Agency and Implementing Agencies' activities in the Project.

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 Borrower (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 Project workforce or in relation to severe threats to public health and safety, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any allegations 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).

6. The Borrower shall ensure or cause the 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 Management Plan(s) (if any) are respected.

7. Without limitation on its other reporting obligations under this Agreement, the Borrower 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 Project and propose remedial measures. The Borrower 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.
8. 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	Responsibility	
<b>Outreach</b>	<b>1 Persons receiving services promoted or supported by the project</b>				Programme reports	Annual	PMU M&E unit	Political stability
	Males - Males	0	48000	120000				Marco-economic conditions remain stable or improve.
	Females - Females	0	32000	80000				
	Young - Young people	0	20000	50000				
	Total number of persons receiving services	0	80000	200000	Programme reports	Annual	PMU M&E unit	No major political shocks in the region
	<b>1.b Estimated corresponding total number of households members</b>							
	Household members - Number of people	0	300000	1000000				
<b>1.a Corresponding number of households reached</b>	<b>1.a Corresponding number of households reached</b>				Programme reports	Annual	PMU M&E unit	Strong PMU in place
	Households - Households	0	80000	200000				
<b>Project Goal:</b> Contribute to the improved livelihoods of smallholder livestock farmers	<b>Percentage of rural households living below the poverty line in the project supported districts</b>				UBOS/ COI surveys	Baseline, MTR and completion	PMU M&E unit	Economic policies continue to support the dairy and beef value chains for smallholder farmers
	Households - Percentage (%)	21.5	20.4	19.2				
<b>Development Objective:</b> Enhance income, nutrition and resilience of smallholder dairy and beef producers	<b>Percentage increase in average HH income as a result of services provided</b>				COI surveys	Baseline, MTR and completion	PMU M&E unit	Implementing agencies reach the target groups
	Households - Percentage (%)	0	30	50				
	<b>1.2.8 Women reporting minimum dietary diversity (MDDW)</b>				COI Baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	Local and international demand for dairy and milk continues to grow
	Women (%) - Percentage (%)	0	15	50				
	Women (number) - Females	0	12000	40000				
	Households (%) - Percentage (%)	0	6	20				
	Households (number) - Households	0	12000	40000				
	Household members - Number of people	0	60000	200000				
	Women-headed households - Households	0	3	10	COI Baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	Households have access to the required nutrient rich foods that they can purchase with resources earned from the project activities.
	<b>2.2.1 Persons with new jobs/employment opportunities</b>							
	Males - Males	0	2000	6000				
	Females - Females	0	1330	4000				
	Young - Young people	0	830	2500				
Total number of persons	0	3330	10000					
<b>Outcome 1:</b> Increased productivity, resilience and reduced climate impact of smallholder beef and dairy production systems	<b>2.2.5 Rural producers' organizations reporting an increase in sales</b>				COI surveys	Baseline, MTR and completion	PMU M&E unit	Project implementation reaches the targeted households and enables them to improve their dairy and beef productivity and household income.
	Percentage of rural POs - Percentage (%)	0	20	50				
	Rural POs - livestock - Organizations	0	240	600	COI Baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	
	<b>1.2.4 Households reporting an increase in production</b>							
	Total number of household members	0	200000	600000				
	Households - Percentage (%)	0	20	60				
	Households - Households	0	40000	120000	COI Baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	
	<b>SF.2.1 Households satisfied with project-supported services</b>							
	Household members - Number of people	0	400000	800000				
	Households (%) - Percentage (%)	0	40	80				
	Households (number) - Households	0	80000	160000	Special study	Baseline, MTR and completion	PMU M&E unit	
	<b>3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered</b>							
	Hectares of land - Area (ha)	0	15000	50000				
tCO2e/20 years - Number	0	11222915	32065470					
tCO2e/ha - Number	0	418500	1606547					
tCO2e/ha/year - Number	0	27.9	34.5					

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
<b>Output 1.1</b> Enhanced access to quality feed, fodder and water	<b>1.1.3 Rural producers accessing production inputs and/or technological packages</b>				M&E Data Component reports	Quarterly	PMU M&E unit	Political will to support the roll out of the system.  Sufficient capacity (numbers and skills) of extension services to roll out the system.
	Males - Males	0	30000	60000				
	Females - Females	0	20000	40000				
	Young - Young people	0	12500	25000				
	Total rural producers - Number of people	0	50000	100000				
<b>Output 1.2</b> Improved management and delivery of animal genetic resources (AnGR)	<b>Number of cattle covered by the Livestock Identification and Traceability System</b>				LITS	Annually	PMU M&E unit	Sufficient numbers of Community Animal Health Workers and para-veterinarians who will be skilled and equipped by the project to provide veterinary and breeding services to the project beneficiaries.
	Number of cattle - Number	0	875000	1750000				
<b>Output 1.3</b> Enhanced access to animal health services for resilient and low emission animals	<b>Number of farmers accessing veterinary and breeding services</b>				M&E Data Component reports	Quarterly	PMU M&E unit	
	Total number of persons accessing services by the project	0	40000	100000				
	Men - Number	0	20000	50000				
	Women - Number	0	16000	40000				
	Young - Number	0	10000	25000				
<b>Output 1.4</b> Enhanced capacity of farmers and extension services	<b>1.1.4 Persons trained in production practices and/or technologies</b>				M&E Data/ Component reports	Quarterly	PMU M&E unit	
	Total number of persons trained by the project	0	75000	100000				
	Men trained in livestock	0	45000	60000				
	Women trained in livestock	0	30000	40000				
	Young people trained in livestock	0	18750	25000				
Total persons trained in livestock -	0	75000	100000					
<b>Outcome 2</b> Enhanced access to market for smallholder producers and access to finance	<b>2.2.6 Households reporting improved physical access to markets, processing and storage facilities</b>				COI baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	Timely construction and rehabilitation of the market facilities, processing facilities and storage facilities.  Financial service providers effectively package the available products and are able to reach the households and avail the products.
	Households reporting improved physical access to markets - Percentage (%)	0	30	60				
	Size of households - Number of people	0	60000	120000				
	Number	0	180000	360000				
	Households reporting improved physical access to processing facilities - (%)	0	30	60				
	Households reporting improved physical access to storage facilities - Percentage (%)	0	30	60				
	<b>1.2.5 Households reporting using rural financial services</b>				COI baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	
	Total number of household members	0	113060	188435				
	Households - Percentage (%)	0	11.3	18.8				
	<b>3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices</b>				Component reports/COI surveys	Annual	M&E officer	
	Total number of household members		250000	600000				
	Households - Percentage (%)	0	25	60				
	<b>Output 2.1</b> Enhanced aggregation of production and access to markets for smallholder producers	<b>2.1.3 Rural producers' organizations supported</b>				M&E Data and Training reports	Quarterly	PMU M&E unit
Total size of POs - Organizations		0	17000	34000				
Rural POs supported - Organizations		0	170	340				
Males - Males		0	10200	20400				



Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	Females - Females	0	6800	13600				inputs and market their dairy and beef products.
	Young - Young people	0	4250	8500				
Output 2.2 Improved awareness on nutrition	<b>1.1.8 Households provided with targeted support to improve their nutrition</b>				M&E Data and Training reports	Quarterly	PMU M&E unit	
	Total persons participating - Number of people	0	125000	250000				
	Males - Males	0	75000	150000				
	Females - Females	0	50000	100000				
	Households - Households	0	25000	50000				
	Household members benefitted	0	125000	250000				
	Young - Young people	0	31250	62500				
Output 2.3 Improved access to finance	<b>1.1.5 Persons in rural areas accessing financial services</b>				Component reports/ Groups reports	Semi-annual	PMU M&E unit	Farmers have support to access financial services
	Women in rural areas accessing financial services - savings - Females	0	2621	4368				
	Young people in rural areas accessing financial services - savings - Young people	0	1638	2730				
	Men in rural areas accessing financial services - savings - Males		3275	5459				
	Men in rural areas accessing financial services - credit - Males	0	3275	5459				
	Women in rural areas accessing financial services - credit - Females	0	2621	4368				
	Young people in rural areas accessing financial services - credit - Young people	0	1638	2730				
	Total persons accessing financial services - savings - Number of people	0	5896	9827				
	Total persons accessing financial services - credit - Number of people	0	5896	9827				
Outcome 3 Strengthened policy and regulatory environment	<b>Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment</b>				Stakeholder platforms	Annually	PMU M&E unit	GoU willingness to have conducive regulatory framework for dairy and beef sectors
	Number - Number	0	1	2				
	<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>				COI baseline, mid-term and Completion survey	Baseline, MTR and completion	PMU M&E unit	
	Household members - Number of people	0	100000	400000				
	Households (%) - Percentage (%)	0	10	40				
Households (number) - Households	0	20000	80000					
Output 3.1 Formulation, review and update of national policies, strategies and legislations supported	<b>Policy 1 Policy-relevant knowledge products completed</b>				Knowledge products	Annually	PMU M&E unit	GoU interest in revisiting the legislative framework
	Number - Knowledge Products	0	2	5				

## Integrated project risk matrix

Risk categories and subcategories	Inherent	Residual
<b>Country Context</b>	Moderate	Moderate
<b>Fragility and Security</b>	Substantial	Substantial
<p>Risk(s): Since the end of the conflict with the Lord Resistance Army in Northern Uganda around 20 years ago, Uganda has been a generally peaceful country, despite recurrent political turmoil at the occasion of general elections, despite two major remaining hotspots:</p> <ul style="list-style-type: none"> <li>- Ugandan troops are involved military action against the Allied Democratic Forces (ADF) in North Kivu and Ituri provinces of eastern DRC, near to parts of the Ugandan border, on 30 November 2021. Ugandan troops are present on both sides of the border as part of the joint operations.</li> <li>- The Karamoja region remains subject to cross border raids of armed cattle rustlers that lead to intercommunal violence and some military interventions. Project investments in this area could lead to an increase of conflict between the tribes.</li> </ul> <p>Mitigations: RELIV will help mitigate the risk of increased conflict and promote a more harmonious environment for the communities, tribes, and surrounding countries involved in the cattle corridor area and in particular in Karamoja by</p> <ol style="list-style-type: none"> <li>1. Work with local authorities and law enforcement agencies to enhance security in the area, especially in regions susceptible to cattle raiding. This may include increasing patrols, setting up community watch groups, and improving communication networks.</li> <li>2. Implement better livestock management practices, including livestock identification and traceability systems, using tamper proof identification devices, to deter theft and promote responsible animal ownership</li> <li>3. Build the capacity of local institutions and organizations to effectively manage conflicts and address the challenges that may arise from the increased number of animals in the region.</li> <li>4. Monitoring and Evaluation: Implement a robust monitoring and evaluation system to assess the impact of the project on conflict dynamics and take corrective actions if necessary.</li> </ol>	Substantial	Substantial
<b>Macroeconomic</b>	Moderate	Moderate
<p>Risk(s): The WB/IMF assessment of Uganda's debt sustainability analysis indicates a moderate risk of external and overall public debt distress, with limited space to absorb shocks. The current debt-carrying capacity is classified as "medium". The economy is recovering from external shocks induced by the war in Russia's invasion of Ukraine and higher inflation, and the outlook has improved. Given the implementation of fiscal consolidation, Uganda's public debt continues to be sustainable in the medium term. Key risks include slower growth environmental shocks, further tightening of global financial conditions, delayed reform implementation, further delays in oil exports, and possible spillovers to trade stemming from the conflict in Sudan. The Ukraine war and post-Covid-19 effects will further limit agricultural input supply and deter foreign investors. With 70% of Uganda's workforce in agriculture, the sector is vital for the economy. Due to the Russian-Ukraine war, alternative sources of quality fertilizers are necessary. The conflict may limit access to fertilizers, leading to poor yields and increased food insecurity.</p> <p>However, Uganda's GDP growth was 5.3% during the first quarter of the year, supported by a robust growth of the agriculture sector, despite volatile weather conditions. The GDP is expected to further increase this year (6%) thanks to an increase of private investments combined with employment growth and a higher domestic demand, and potentially reach 6.6% in 2026, mainly driven by investments in the oil sector.</p>	Moderate	Moderate

<p>Macroeconomic shock may affect the project beneficiaries directly by reducing market demand, increasing costs of inputs, and credit.</p>		
<p>Mitigations: Ahead of a possible transition into an oil producer in 2025, the Ugandan economy needs to structurally transform and shift labor into more productive employment to reinvigorate economic activity and reduce poverty. The private sector must drive this transformation and diversification, which depend on macroeconomic stability, more efficient and effective public spending, increased government support for the most vulnerable, and the uptake of digital and other innovative technologies. RELIV will contribute to this change and sustain these efforts oriented to the transformation of subsistence livestock farmers towards more market-oriented systems, by supporting their resilience to shocks, improving their participation in the economy and decision making through organization in groups and cooperatives, hereby enhancing participation of women and youth. The project will also support private investment in the sector especially for SMEs and smallholder producers and can capitalize on the positive contributions of the recently-closed PROFIRA in terms of access facilitation to finance. Digitalization will improve the sector overall efficiency. ReLIV will support the Government of Uganda to prioritize import replacement in 2023 by domestically producing fertilizers and other essential raw materials previously imported from Ukraine or Russia.</p>		
<p><b>Governance</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>
<p>Risk(s): In 2022, the Transparency International’s Country Corruption Perception Index assessed Uganda at a substantial risk level of risk in terms of corruption (26 points in 2022, showing a decrease of 1 point compared to 2021), which places the country in 142nd position out of 180 countries. The World Bank 2021 Country Policy and Institutional Assessment (CPIA) rates Uganda as moderately unsatisfactory policy reformer with a score of 3.6 (no change compared to previous year). The country shows weaknesses in the Public Sector Management and Institutions (Quality of Public Administration (scored 3) and Transparency (scored 2.5). The policy and regulatory framework for the livestock sector presents the following gaps and risks: • Lack of policy frameworks on dairy and beef sector (Livestock policy currently in draft; Animal Health Act is being reviewed; Dairy strategy still under development). These policy gaps may affect project implementation because of lack of policy directions and related investment efforts or policy incentives from Government. • The country shows lack of or weak enforcement of sector policies, rules and legislation. The low enforcement of regulations on raw milk for instance leads to the persistence of the informal market for raw milk (60% of volumes), and meat, which creates an unfair competition for the formal sector including the cooperatives, that the project will support in priority. • The regional geopolitical volatility, due to fluctuating bilateral relations with other countries in the region; may impact regional trade for milk, feed, inputs, as illustrated by recent closure of Kenyan market for milk. This may also impact project beneficiaries as illustrated by the situation of brookside dairies that recently had to stop exporting products to Kenya, and thus also reduced milk collection from farmers.</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Mitigations: In an attempt to combat against corruption, the Government of Uganda created new institutions at both the local and national level. The 2019 Zero Tolerance to Corruption Policy tries to curb corruption in its various facets. To effectively deliver the outcomes of Zero Tolerance to Corruption Policy, a comprehensive five-year plan of action, the National Anti-Corruption Strategy (NACS) has been developed. This Sixth cycle of the NACS covering the period provides programme direction and guide to anti-corruption agencies, Ministries, Departments, Agencies and Local Governments (MDALGs), Private Sector and other stakeholders to effectively respond to incidences of corruption within their sectors.</p>		

<p>To support the livestock sector policies and strategies, RELIV will provide support in revising, enhancing, and completing national policies, strategies, and legislations related to the dairy sector. Additionally, to address the issue of competition from unformal sector, RELIV will actively involve raw milk traders in the stakeholder platform's activities, in order to support their integration in the formal sector and enhance their collaboration with cooperatives.</p>		
<p><b>Political Commitment</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>
<p>Risk(s): Since the end of the conflict in Northern Uganda in the 2,000s, the country as a whole has enjoyed political stability that has supported the successful implementation of development programmes. At the same time the improvements in overall policy environment, with a stronger private sector emphasis, have enhanced economic development opportunities in the dairy and beef sectors and areas leading to increased chances of improved future equality and social stability. However, currently the risk that election related violence (next elections will be in 2026) could result in bouts of opposition-led protests, halt implementation and/or cause reversal to the gains made in the projects, remains substantial.</p> <p>Also, The United Nations' human rights office has been forced to close its country office at the beginning of August, following the government decision not to renew the host agreement considering government's own "commitment to the protection and promotion of human rights" and the existence of "strong national human rights institutions and a vibrant civil society". Nevertheless, there are raising concerns for an increasing hostile environment for civil society actors, journalists, human rights defenders that may spark protests across the country and may lead to an unconducive climate to free and fair elections in 2026.</p> <p>Political violence could affect project implementation if they last long. However, they may be restricted to urban centers and could spare project intervention areas.</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Mitigations: IFAD's proactive approach involves actively engaging with a wide range of stakeholders, spanning various ministries and institutions. This engagement encompasses individuals at all levels, from high-ranking officers to technical specialists. This will ensure no disruption during project implementation.</p> <p>As we get closer to the elections, ICO will closely follow up with the developments on the ground, until elections are complete. RELIV demonstrates a strong alignment with the National Development Plan (NDP), ensuring that even in the event of a government change as a result of the 2026 elections, the project will maintain its relevance, firmly positioned atop the NDP priorities.</p>		
<p><b>Sector Strategies and Policies</b></p>	<p><b>Substantial</b></p>	<p><b>Substantial</b></p>
<p><b>Policy Development and Implementation</b></p>	<p><b>Substantial</b></p>	<p><b>Substantial</b></p>
<p>Risk(s): The livestock sector is equipped with a wide arsenal of policies, strategies for the livestock sector but there are some gaps in terms of sector specific policy and strategic frameworks (e.g. no dairy strategy or plan), and several sector policies/strategies are outdated &amp; need revision. These gaps could affect project implementation as they may not provide an optimal policy environment for achievement of project outcomes. Technical teams in charge of policy development in MAAIF have expressed the need for support for policy formulation, including in terms of expertise and facilitation of consultation with stakeholders. The risk of non adoption of policy frameworks developed with the support of the project cannot be ignored, as illustrated by the number of draft policies supported by development partners and not adopted; this situation is often caused by an excessively exogenous policy process and lack of ownership of authorities that have the mandate for policy development.</p>	<p>Substantial</p>	<p>Substantial</p>
<p>Mitigations: The risk of low ownership and no adoption of draft policies formulated with the support of the project can be mitigated by giving the</p>		

<p>authorities in charge of policy making (Ministry, but also parliament) a central role in the process                  Government has initiated a process of establishing a National Agriculture Regulatory Authority. This will address some of the current gaps in the policy and regulatory framework during project implementation.                  ReLIV includes a specific outcome on policy which will include multi-stakeholders platforms including Government as well as key stakeholders as well as private sector actors and development partners such as SNV, EU, Heifer International and others to ensure that there platforms can have a wider impact on the policy developments at Country level.</p>		
<p><b>Policy alignment</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>
<p>Risk(s): Overall, Uganda's country's strategies and policies governing the rural and agricultural sector are aligned with IFAD priorities, focusing on transforming subsistence smallholder farmers to commercial agriculture. The project is fully aligned and will contribute the National Development Plan III, mostly through the Agro-Industrialisation Programme (AGI), one of the 18 NDP III programmes, whose goal is to increase commercialization and competitiveness of agricultural production and agro-processing. Dairy and beef are among the key sector priorities in the Agro-Industrialisation programme but also in the Agricultural Value Chain Development Strategy. Livestock has been considered as a priority sector in Uganda, including at the highest level of state, and has received a lot of political attention, but also benefitted from public investments and policy incentives such as tax exemptions that have boosted private investments. The risk of policy divergence on sector priorities can thus be considered as minimal.                  Government policies in the agriculture sector can be considered as pro-poor, gender and youth sensitive and aligned with the IFAD priorities. There is however a slight risk of divergence in terms of targeting priorities since some regions production systems (ranches) that are considered as priorities by Government of Uganda for livestock development are those with larger farm holdings that do not correspond to IFAD target group and COSOP priorities. However, targeted regions where poor livestock farmers are predominant (East, North which are targeted in the COSOP) are also within Government priorities for Livestock Development. Finally, another policy risk is the lack of political will of the Government of Uganda to support pastoral communities and systems, because of implications related to conflicts for natural resources and spread of diseases; in pastoral areas, the project will thus have to focus on activities that contribute to mitigate these problems (community-based management systems, disease surveillance and control).</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Mitigations: IFAD participates in Agriculture Donor Group and discussion for a with the Government, which will allow the ICO to identify possible changes in the Government support to the Livestock sector, although this is very unlikely under the current Government. In order to avoid elite capture due to inclusion of Districts/regions with predominant large-holder systems, the project will stick on COSOP geographical targeting.</p>		
<p><b>Environment and Climate Context</b></p>	<p><b>Substantial</b></p>	<p><b>Substantial</b></p>
<p><b>Project vulnerability to climate change impacts</b></p>	<p><b>Substantial</b></p>	<p><b>Substantial</b></p>
<p>Risk(s): Uganda's cattle corridor is highly vulnerable to climate variability and climate change as well as extreme weather events. These include prolonged dry spells and droughts, and unpredictable rainfall patterns. The resultant impacts on smallholder livestock systems include water scarcity, limited fodder and pasture for animals, and heat stress, leading to low productivity. This has a negative impact on food and nutrition security. The livestock sector is also a key contributor to greenhouse gas emissions (GHGs) due to poor feeding, quality of fodder/pasture, manure management, poor breeds and inappropriate herd management practices.</p>	<p>Substantial</p>	<p>Substantial</p>

Mitigations: Climate adaptation and resilience building among livestock smallholders will be enhanced through the establishment of drought tolerant fodder and pasture varieties, fodder conservation (silage and hay making), water harvesting, and improved and resilient livestock breeds. Ongoing initiatives on provision of climate and weather information and insurance to farmers will be explored and synergies built with respective agencies where relevant. The project will invest in manure management, improved quality of feed, and renewable energy alternatives as means to reduce greenhouse gas emissions. RELIV will leverage on additional resources from the Green Climate Fund through PADNET, ARCAFIM, Uganda Development Bank's Climate Facility and the Global Environment Facility (GEF 8) to enhance its climate adaptation and mitigation ambition as well as access to climate finance for farmers and value chain actors. The project will undertake a carbon analysis using the FAO GLEAM tool.		
<b>Project vulnerability to environmental conditions</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): Land degradation is a serious challenge along the cattle corridor of Uganda and manifests in the form of rampant deforestation to expand land under agriculture and charcoal burning. Population growth is a key driver of land degradation. Other forms of environmental degradation include unsustainable farming practices that lead to water pollution and soil erosion. Natural resource use conflicts are witnessed in the North-Eastern part of the cattle corridor due to diminishing water sources and low quality/quantity of pasture, as well as the land tenure systems in place. Pests and disease outbreaks resulting from climate change contribute to reduced livestock productivity. The share of exotic breeds keeps increasing, but their resilience to climate change and climate-related diseases is low. Biosafety as a result of poor hygiene, use of personal protective equipment and waste management poses environmental risks, e.g., in abattoirs and labs. Animal welfare and animal rights issues are poorly addressed.	Substantial	Substantial
Mitigations: The project will promote integrated natural resource management interventions such as fodder agroforestry trees, grasses to control soil erosion, rain water harvesting, sustainable fodder and pasture management, manure management, circular waste management approaches, improved and well adapted breeds, and one health approach to disease management as well as improved disease surveillance and response mechanisms, promotion of biosafety measures such as PPEs and sustainable waste disposal and management . The project will also support value chain actors such as private sector players to develop/strengthen their environmental and social management systems (ESMS). IFAD's SECAP procedures will be applied to enhance animal welfare and rights along the value chain.		
<b>Project Scope</b>	<b>Moderate</b>	<b>Moderate</b>
<b>Technical Soundness</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): The project is not more complex than other livestock projects under implementation or design in the region, while on the other hand technical and management capacities of Government agencies that will be in charge of implementation are in general good in Uganda. There are also a good number of lessons and pilots from other development agencies (in particular SNV for dairy and from the EU beef project for beef), on which the project can build on and that can be upscaled with minimal risks (low hanging fruits). These include for instance the quality-based payment system for milk, the smallholder aggregation model for beef, and the livestock traceability and identification system. The livestock sector, especially dairy, is also already very well established in the Country, with successful business models (such as existing productive alliances established with or without project support) that can easily be upscaled and replicated from one region to another.	Moderate	Moderate

Mitigations: The project should rely on Government agencies with proven implementation capacities (DDA, NAGRC, NARO) for its implementation. Involving implementing partners with good experience in the Uganda Livestock sector (such as SNV), will also ensure availability of adequate expertise and mitigate this risk.		
<b>Project Relevance</b>	<b>Moderate</b>	<b>Moderate</b>
<p>Risk(s): The objectives and interventions of the project are well aligned with national priorities, defined in NDP III and AGI, in terms of sector priorities, and with the issues of the target groups to be addressed. The main risk in terms of divergence between national priorities and project proposed support will be the nature of activities and the balance between infrastructure and equipment on the one hand (“hard”), and capacity building and institutional support (“soft”) on the other hand. The Government of Uganda would like to use IFAD funds mostly for investments because they are in the form of loans. However, it is obvious that capacity building both for farmers and for other value chain actors is also needed, if only for ensuring proper management and sustainability of infrastructure and equipment. The project will thus need to find some solutions to keep a balance between “hard” and “soft” investment, which is acceptable to the Government of Uganda, and not detrimental to the achievement of project outcomes.</p> <p>Land tenure: the dairy and beef sectors are highly dependent on secure land tenure and/or access to land. In Uganda tenure security varies deeply depending on the type of land and on the type of tenure (Freehold, Leasehold, Mailo or Customary). Many small-scale farmers, especially women and youth, work on land that they do not own, exacerbating their poverty, lack of political power and equal recognition of basic rights</p>	Moderate	Moderate
<p>Mitigations: The main mitigation measure will consist in leveraging other sources of financing such as the GCF PADNET, but also possibly other development partners including bilateral donors, to co-finance the needed capacity building activities. This prospection of potential partners and cofinanciers will take place between the PCN and design mission.</p> <p>Tenure considerations will be embedded in RELIV to help identify tenure implications for the dairy and livestock production systems to be targeted. RELIV will ensure the identification of fit for purpose, flexible land tenure related interventions that can help mitigate risks for climate smart investments in the dairy and livestock sectors and increase sustainability of results.</p>		
Risk(s): The risk that the project might not benefit vulnerable groups or there are discrimination against any of those vulnerable groups.	Moderate	Moderate
<p>Mitigations: ReLIV will be inclusive and build on the principles on leaving no one behind, following the SECAP 2021 guidelines for non-discrimination and using the Grievance and Redress Mechanism as means of reporting cases of discrimination against Lany vulnerable groups. The mitigation measure will include monitoring any complaints received under the grievance and redress mechanisms within the project which will then be reported to the ICO for assessment and possible action.</p>		
<b>Institutional Capacity for Implementation and Sustainability</b>	<b>Substantial</b>	<b>Substantial</b>
<b>Monitoring and Evaluation Arrangements</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): The current M&E system in use by the PRELNOR project under implementation shows weaknesses in terms of data gathering, update, completeness and analysis. The same risk may be faced by RELIV.	Substantial	Substantial
<p>Mitigations: To mitigate the risk</p> <ul style="list-style-type: none"> <li>• Dedicated M&amp;E staff will be in charge of developing a robust and easy to update/track M&amp;E system to be aligned with the IFAD’s Operational Results Management System (ORMS). S/he will also ensure the data base including the project results management framework is constantly updated and is clean.</li> </ul>		

<ul style="list-style-type: none"> <li>• Seasonal outcome surveys will be planned, and final outcome survey report should be finalized and produced.</li> <li>• The M&amp;E system for RELIV will include both IFAD’s core outcome indicators for the different levels of the milk value chain, as well as project specific output indicators;</li> </ul> <p>Baseline studies on nutrition and to capture gender disaggregated data on project indicators will be conducted at design stage, to ensure continuous capture of disaggregated data in project implementation. To build the capacities of the M&amp;E team, staff development plans will be prepared during the first year of implementation to ensure that all staff are capacitated to perform their job in the most effective and efficient manner</p>		
<p><b>Implementation Arrangements</b></p>	<p><b>Substantial</b></p>	<p><b>Substantial</b></p>
<p>Risk(s): There is a potential risk of overlap between the different public institutions involved in implementation of RELIV (NARO, NAGRC&amp;DB, DDA), and concrete risk of lack of inadequate staffing and resources, which may result in activities delays (see Annex 3 – Table 2). There is also a risk of overlap and uncoordinated interventions among the different Development Partners currently operating in the livestock sector (USAID, SNV, EU, Heifer,). However, this risk will be minimal when RELIV starts as the main DPs currently involved in the sector are either winding up (EU) or considered to become implementing partner of the project (SNV). There is also a risk related to the upcoming reform of public agencies in the Agriculture sector, which could result in the merging of agencies, including some considered as key implementers of this project (DDA). There is also a risk related to the unsustainable management models of some public infrastructures and equipment that the Government of Uganda wants the project to strengthen, for instance Government farms and stations. These infrastructures sometimes provide services of private nature (e.g. feed) but do not have cost recovery mechanisms in place to ensure the sustainability of the systems that entirely rely on donor and public support.</p> <p>Finally, there is also a risk of limited Capacity of Rural Financial Institutions: those with stronger capabilities, such as commercial banks, microfinance institutions, and fintechs, have inadequate coverage in the project areas. Instead, the predominant lower-tier FIs operating in rural areas are savings and cooperative societies (SACCOs) and village savings and loan associations (VSLAs). However, many lower-tier FIs suffer from weak governance structures and financial and operational weaknesses. Consequently, the proposed technical assistance (TA) for product development could take longer to create an impact due to the capacity gaps of the FIs. Additionally, their limited capacity may hinder access to climate finance wholesale funds available through windows such as ARCAFIM, thereby reducing the project's effectiveness in improving access to finance for smallholder livestock farmers and agribusinesses.</p>	<p>Substantial</p>	<p>Substantial</p>
<p>Mitigations: The Project Management Unit will coordinate activities implemented by all the implementing partners (including NARO, NAGRC&amp;DB, and DDA) and ensure that they are in line with the mandates of the respective institutions and complementary. The MoU to be signed with each of the implementing agencies will specify the different roles of each agency, under this project.</p> <p>In case public agencies playing a key role in project implementation are merged with others (being implementing partners or not), the MoU will be amended and will ensure that the project focal points in the agency have the required experience and responsibilities to ensure coordination of project activities by their agency.</p> <p>As far as sustainability of public investments is concerned, the project will only invest in infrastructure and equipment for which a sustainable business model is envisaged (e.g. PPP) or for which there is a formal commitment of the Government of Uganda to provide operational budget after project closure.</p>		



<p>To mitigate the risk related to capacities of PFIs, RELIV will ensure adherence to strict selection criteria for beneficiary PFIs that demonstrate adequate financial, operational and governance capacity to meaningfully utilise the product development support and meet wholesale lenders' eligibility criteria. Additionally, the TA providers shall guide and support selected partner institutions in navigating the application and compliance processes to align PFIs with climate finance eligibility criteria.</p> <p>Efforts had been made by the Government of Uganda through the development of the Uganda Vision 2040, a 30 year Vision committed to improve, between other things, the country institutions, with a strong focus on the agriculture and livestock sectors.</p> <p>RELIV will build on that Vision and support the achievement of its goals, by early defining institutional arrangements with the main partners, taking into account lessons learned from past projects in the Country.</p>		
<b>Project Financial Management</b>	<b>Substantial</b>	<b>Substantial</b>
<b>Project External Audit</b>	<b>Substantial</b>	<b>Substantial</b>
<p>Risk(s): There is a risks of inadequate audit coverage of the project audit considering there are various implementing agencies situated in a broad geographic location across the country. There is also the possibility that some high-risk expenditure categories may not be covered during audits.</p>	Substantial	Substantial
<p>Mitigations: The auditor will prepare a work plan to ensure adequate coverage of the various institutions that receive project funds and cover all the major risk areas and adequate coverage as per coverage plan. IFAD finance Office would share the IFAD audit terms of reference with the external auditors in advance to ensure all key elements are included in the audit TOR of the OAG. The details of audit requirements as stipulated in the IFAD Financial Management and Financial Control (FMFCL) Handbook would be shared with project finance staff and external auditors.</p>		
<b>Project Accounting and Financial Reporting</b>	<b>Substantial</b>	<b>Substantial</b>
<p>Risk(s): There is a risk of delays in consolidation of project financial reports at PMU which will be preparing consolidated financial reports for the project and inaccurate financial reporting due to the complex nature of the project which has multiple financiers, categories, and components. There is the risk of delays in receiving reports and support documentation from the implementing agencies and semi-autonomous government departments. There are also possibility of delays and inaccuracies in financial reporting due to improper coding of transactions and the multiple currencies that may be involved.</p>	Substantial	Substantial
<p>Mitigations: To mitigate on risks on financial reporting IFMIS will be enhanced to have analysis code for reporting on component, categories, financiers, for reporting quarter, cumulative for the year and cumulative since start of the project. The project finance team would prepare a reporting calendar and train the accounting staff in the implementing agencies and government department on IFAD processes and expected reporting timeliness. The project would prepare quarterly interim financial reports (IFRs) and annual financial statements.</p>		
<b>Project Internal Controls</b>	<b>Substantial</b>	<b>Substantial</b>
<p>Risk(s): There may be a risk that appropriate controls over Programme funds are not in place, leading to the inefficient or inappropriate use of Project resources. There is also the risk that where controls exist, they are not enforced strictly or are circumvented by staff by staff charged to keep the controls.</p>	Substantial	Substantial
<p>Mitigations: Internal controls have been instituted in the whole framework of financial and administrative procedures. The identified controls range from; proper record keeping and posting, authorization of accounting, procurement and administrative documents, physical security of assets, double signing (approval) arrangements, to financial reporting and</p>		

monitoring. There will be internal audit function to check overall compliance to internal controls and provide support towards improving systems, procedures, and processes. The control environment will be monitored using both internal and external audit and oversight.		
<b>Project Funds Flow/Disbursement Arrangements</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): There is a risk of commingling of funds at the entity which will be provided with advances for implementation of project activities. These includes Ministry of Finance which will receive advances from IFAD, MAAIF and implementing agencies (semi-autonomous entities and participating districts). Also, in addition to external development partners financing, there are Counterpart finances expected to be received from the Government and in-kind contributions from the beneficiaries.	Substantial	Substantial
Mitigations: To mitigate on risks of commingled funds and ease of accounting of any advance provided, funds will be held in Project dedicated accounts at the Central Bank of Uganda for which there will be monthly bank accounts reconciliation and financial reports. All partnering institutions that will receive project funds will have sub-project accounts for segregating the funds received. There will be monthly financial reports to PMU for monitoring operations of sub-accounts and consolidation. All partnering institutions will sign MoUs clearly highlighting the requirements for a separate bank account and financial reporting requirements.		
<b>Project Budgeting</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): The project has multiple financiers namely IFAD, GCF, GEF, Government and Beneficiaries contribution. There is a risk of co-mingling of funds in budgeting and expenditure allocations to these multiple financiers. There may also be a risk that annual work plans and budgets are not prepared or revised on a timely basis, and not executed in a coherent manner, resulting in funds not being available when needed, ineligible costs and reallocation of Project funds and slow implementation progress. According to the public financial management laws in Uganda, annual programme budgets of donor projects are required to be approved into the national budget every year following a strict calendar. There is the risk the project may not submit annual work planning and budget on time due to long administrative procedures.	Substantial	Substantial
Mitigations: The Cost-tables and PIM have adequate details on key activities to be implemented and sources of finances for these costs. Subsequently, the AWPB will be prepared with adequate details on financing for key activities to ensure adequate guidance to the accounting team in recording and summarizing transactions. The IFAD AWPB budget template is sufficiently detailed budget by category, component, and financiers. The PMU will coordinate the budget preparation processes by preparing a budget calendar that strictly follows the national budget timely lines and key deliverables. Budget monitoring will be carried out quarterly, semi-annually, and annually and any significant deviations discussed within the PMU and project steering committee for remedial actions. Approved budget will be codified in the IFMIS system for ease of monitoring and control of expenditures during the year.		
<b>Project Organization and Staffing</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): There are various administrative levels of implementation of the project namely the PMU, semi-autonomous government implementing agencies and participating districts which will have fiduciary responsibilities. Previous IFAD funded projects implemented through similar structures have had issues with timeliness and quality of financial reports from semi-autonomous implementing agencies and participating districts. Another risk is that RELIV also is a complex project due to multiple financiers. While PMU shall be made up of qualified and experienced	Moderate	Moderate

personnel with appropriate expertise in technical and financial management, there may be lack of staff familiarity with IFAD, GEF and GCF procedures.		
Mitigations: There will be MoUs between MAAIF and participating implementing agencies which will stipulate requirement on financial reporting. Any non-compliance implementing agencies may have their disbursements by PMU suspended as a penalty for non-compliance. Regarding familiarity with IFAD, GEF and GCF procedures, FMD will provide capacity building training to the Finance Staff who will be selected competitively. The capacity building will include familiarization with procedures on financial reporting, expenditures categorizations across components, categories, financial reporting timeliness and other financial management related to the Project.		
<b>Project Procurement</b>	<b>Moderate</b>	<b>Moderate</b>
<b>A.1 Legal, Regulatory and Policy Framework</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): The assessment has identified several inconsistencies and gaps between the national procurement legal and policy frameworks and the IFAD procurement guidelines, such as the use of merit point evaluation for goods and works, the provision for disqualification of bidders who did not buy the bidding document, the lack of a policy for sustainable public procurement, and the absence of a centralised procurement function. These issues pose a moderate risk of non-compliance with the project objectives and IFAD procurement principles.	Moderate	Moderate
Mitigations: The assessment suggests several mitigation measures to address the identified risks, such as the financing agreement to define the treatment of project procurement financed by counterpart funding, using IFAD procurement method thresholds and technical compliance, allowing minimum 45 days for ICB, adopting a project procurement strategy, using IFAD SBDs for works, holding periodic supplier conferences and capacity building sessions, involving beneficiary communities in contract monitoring, and using IFAD online end-to-end procurement system OPEN.		
<b>A.2 Institutional Framework and Management Capacity</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): <ul style="list-style-type: none"> <li>• In practice, project procurement payments are delayed due to elaborate IFMIS procedures with payments for invoices between 45 to 120 days.</li> <li>• There lacks a country level centralised procurement function in charge of consolidated procurement, framework agreements or specialised procurement.</li> <li>• There lacks an integrated information system (centralised online portal) that provides up-to-date information on public procurement.</li> <li>• There lacks a system whereby analysis of information from PDEs is routinely carried out, published, and fed back into the public procurement system.</li> <li>• No evidence of consistent application of a performance measurement system that focuses on both quantitative and qualitative aspects that can be used to support strategic decision making in procurement.</li> </ul>	Moderate	Moderate
Mitigations: <ul style="list-style-type: none"> <li>• Facilitate registration of new suppliers in the IFMIS immediately upon contract award and for ease of processing payments against deliveries.</li> <li>• Make use of organization level framework agreements for common user items on condition they reflect current market prices.</li> <li>• Timely publication of all contract awards including closed approaches and RFQ.</li> <li>• Use of IFAD online end-to-end procurement system OPEN for project procurement will support data analysis and system improvement.</li> </ul>		
<b>A.3 Accountability, Integrity and Transparency of the Public Procurement System</b>	<b>Moderate</b>	<b>Moderate</b>

<p>Risk(s):</p> <ul style="list-style-type: none"> <li>• From the existing IFAD operations NOPP and NOSP, there have been instances where needs analysis and market research has not guided a proactive identification of optimal procurement strategies, especially in packaging consulting assignments.</li> <li>• In practice, there are contract clauses that provide incentives for exceeding defined performance levels</li> <li>• In practice, project procurement payments are delayed due to elaborate IFMIS procedures with payments for invoices between 45 to 120 days.</li> <li>• Procurement statistics are not available and there is no system in place to measure and improve procurement practices.</li> <li>• Lack of government programmes to help build capacity among private companies, including for small businesses and training to help new entries into the public procurement marketplace.</li> <li>• There is no specific sector strategy for public procurement in Agriculture.</li> </ul>	<p>Moderate</p>	<p>Moderate</p>
<p>Mitigations:</p> <ul style="list-style-type: none"> <li>• Adopt a Project Procurement Strategy (PPS) that will be updated annually and inform procurement approaches for key project procurement activities.</li> <li>• Use IFAD SBDs for Works that contain provisions for value engineering to provide performance incentives.</li> <li>• Hold periodic supplier conferences and capacity building sessions for SMEs registered as suppliers.</li> <li>• Adherence to contractual payment schedules and regular updating of IFAD CMT financial progress for closer monitoring.</li> </ul>		
<p><b>A.4 Public Procurement Operations and Market Practices.</b></p>	<p><b>Moderate</b></p>	<p><b>Moderate</b></p>
<p>Risk(s):</p> <ul style="list-style-type: none"> <li>• Lack of programmes to build the capacity of relevant research holders to understand, monitor and improve public procurement.</li> <li>• The legal/regulatory and policy framework do not have citizen participation in planning, award and contract management.</li> <li>• The decisions of administrative review are published on the centralised government online portal but are not current and missing decisions in the last 2 financial years.</li> <li>• Lack of a cooling-off period for former public officials before they can participate in procurement activities.</li> <li>• Lack of a mechanism for systematically identifying corruption risks and for mitigating these risks in the public procurement cycle. No special measures for the detection and prevention of corruption associated with procurement.</li> <li>• No special integrity training programmes regularly offered to procurement workforce.</li> <li>• There is no evidence that civil society contributes to shape and improve integrity of public procurement. Neither is there any evidence that suppliers and business associations actively support integrity and ethical behaviour in public procurement, e.g. through internal compliance measures.</li> <li>• Standard bidding documents do not contain any reporting mechanisms for prohibited practices.</li> </ul>	<p>Moderate</p>	<p>Moderate</p>
<p>Mitigations:</p> <ul style="list-style-type: none"> <li>• Involve beneficiary communities in monitoring and acceptance of contract deliverables where applicable.</li> <li>• Timely publishing of administrative review decisions.</li> <li>• Use of IFAD guidance when interpreting conflict of interests during processing procurement activities and decision making.</li> <li>• Periodic training to project staff on IFAD project procurement principles and monitoring how they are integrated in the procurement cycle during project supervision.</li> <li>• Invitations to Bid for all procurement for IFAD funded operations to identify the source of funding, the applicable rules, and the reporting</li> </ul>		

channels for prohibited practices. • Invitations to Bid for all procurement for IFAD funded operations to identify the source of funding, the applicable rules, and the reporting channels for prohibited practices		
<b>B.1 Assessment of Project Complexity</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): • Project does not introduce new methodologies. However, there are many consulting service assignments that could pose a challenge to staff who are new to IFAD project procurement. • There are a number of beneficiary organizations that will be relied upon in development of specifications and processing procurement of items at evaluation and contract management stages. Some agencies are new to IFAD project procurement.	Moderate	Moderate
Mitigations: • Use of procurement methods and procedures prescribed in the IFAD guidelines and handbook. • Procurement for beneficiary organization will be limited to non-complex items and approaches such as Micro procurement, subject to IFAD LTA. International approaches done by the PMU.		
<b>B.2 Assessment of Implementing Agency Capacity</b>	<b>Not applicable</b>	<b>No risk envisaged - not applicable</b>
<b>Project Procurement Overall</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): • There has not been a deliberate procurement strategy and evidence of limited market research to back planning. • There have been instance of delayed procurement processes due to incomplete ESIA. • MAAIF has an internal audit. PPRA also undertakes annual audits but on a sample basis. • There are no prescribed thresholds for contract amendments • In practice payments gone beyond the 30-day payment terms. There are reported instances of late payment due to IFMIS processes. • Procurement records are maintained in separate files and kept chronologically. However, there are key procurement and contract information missing from files based on past IFAD project procurement reviews. • There are procurement specialists for existing IFAD operation but lacking seconded Officers to support. • There is need for sustained procurement training. Procurement officers not certified.	Moderate	Moderate
Mitigations: • Need for emphasis in needs analysis, defining requirements and packaging procurements to ensure optimal packaging and costing. • Update the project procurement strategy regularly to reflect the procurement environment and guide the planning and market approaches. • Major Construction contractors to hire among its key staff an Environmental and Social Safeguards Specialist. • Soon to be launched eGP system will ease sampling of public institutions for the procurement audits. Schedule the project for regular procurement audits and follow ups to ensure compliance. • Include approval thresholds for contract amendments as part of the PIM. • Ensure timely release of budget allocations on time so as to enable procuring entity meet contractual obligations. • Retain consolidated procurement files with contract management records. • Onboarding of a Senior procurement specialist to the PMU and		

supported by a seconded procurement officer. • IFAD BUILDPROC training and other procurement related trainings.		
<b>Environment, Social and Climate Impact</b>	<b>Substantial</b>	<b>Substantial</b>
<b>Vulnerability of target populations and ecosystems to climate variability and hazards</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): Prolonged dry spells, droughts, and unreliable rainfall patterns are the main climate risks likely to affect project beneficiaries, with negative impacts such as water scarcity leading to poor fodder/pasture availability, low livestock productivity, poor yields, increased incidences of pests and diseases, low quality and quantities of milk produced, as well as diminished livelihoods and exacerbated poverty.	Substantial	Substantial
Mitigations: RELIV will promote measures such as rainwater harvesting, renewable energy, fodder trees/shrubs establishment, manure management and composting, improved and resilient breeds, fodder conservation, livestock insurance, access to climate finance, and improved pest and disease surveillance and management.		
<b>Greenhouse Gas Emissions</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): Poor quality of fodder/pasture, breeds, manure and herd management practices contribute to increased GHG emissions. Investments in the dairy sector are likely to result in increased absolute GHG emissions due to increased herd sizes. GHG gases may also result from agrochemicals use and the use of diesel or petroleum-based energy sources e.g. in processing, pumping water, cooling etc.	Substantial	Substantial
Mitigations: Renewable energy use e.g. solar and biogas, composting and manure management, herd management, integrated pest management (IPM), efficient fodder and feed management, and improved and resilient breeds.		
<b>Physical and Economic Resettlement</b>	<b>Low</b>	<b>Low</b>
Risk(s): RELIV is not anticipated to lead to resettlement of farmers or project stakeholders. The infrastructure that will be constructed and rehabilitated will be on state land and will not cause any land acquisition from individual farmers and/or the community, Physical resettlement of permanent homes or resettlement of livelihood activities (cattle grazing and hunting grounds).	Low	Low
Mitigations: In the unlikely event of land acquisition from individual farmers and/or the community, FPIC will be carried out, consent documented, and appropriate compensation provided in accordance with national laws. In case of physical or economic resettlement, SECAP standards on resettlement will be applied.		
<b>Community health, safety and security</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): Occupational risks exist for majority of the livestock farmers in Uganda is largely a result of their regular contact with animal waste, urine and blood. The farmers who participate in treatment of their animals are also exposed to needlestick injuries. The risks for female and young agropastoral are distinct from those of men. The large raw milk market and self-consumption of raw milk at home possesses a risk of unsafe and contaminated raw milk that can cause food borne diseases such as dysentery or zoonotic diseases like Tuberculosis and Brucellosis. A national livestock and livestock products traceability system is missing. The use and disposal of chemicals including acaricides and their containers may contaminate the environment while empty containers may be used for domestic purposes. There is also a risk of not attaining the anticipated nutrition outcomes if the targeted households do not consume the required liters of milk and if the income earned from sell of dairy products is not used to buy nutritional food items at households.	Substantial	Substantial

<p>Mitigations: The project capacity building programs will promote the use of PPE and sensitize the community on zoonotic diseases related risks, communicable diseases related risks, best practices for keeping animals in a safe manner to avoid cross species contamination and disposal of containers of veterinary medicines.</p> <p>The risks related to consumption of raw milk will be addressed through nutrition education at community and household level and accompanied by efforts for adding value to the raw milk value chain.</p> <p>The project will also promote improved food safety screening in both the dairy and beef value chains to promote food security. Support will also be provided towards establishing a national livestock and livestock products traceability system which will guarantee the quality, transparency, value chain sustainability and penetration into external markets that prioritize quality</p>		
<b>Labour and Working Conditions</b>	<b>Substantial</b>	<b>Substantial</b>
<p>Risk(s): Promotion of zero grazing will further increase the workloads especially for the women and children who are primarily responsible for domestic care tasks in Uganda. The added workload may be realized from planting and collecting fodder, collection of water, feeding, cleaning and security of the animals among others. There is also a risk of poor working conditions especially for the youths and women involved in the milk collection and value addition services.</p>	Substantial	Substantial
<p>Mitigations: The project will promote small-scale mechanization that will reduce the workload for dairy and beef farmers, women in particular. Implementation of the GALS will minimize inequity in labor distribution. The youths will be mobilized into farmer groups and cooperatives which will facilitate their access to value chain development services.</p>		
<b>Indigenous People</b>	<b>Low</b>	<b>Low</b>
<p>Risk(s): As per the SECAP screening tool, ReLIV will not include interventions where indigenous peoples are present and thus it will not be located on lands and territories claimed by indigenous peoples or have any impacts on the rights of indigenous peoples or to the lands, territories and resources claimed by them. Thus, the risk is deemed very low.</p>	Low	Low
<p>Mitigations: RELIV targeting approach will ensure that vulnerable and marginalized groups are included. In the event during the implementation that indigenous communities are identified in the project area, the project will follow the steps to seek their free, prior and informed consent (FPIC) outlined in the SECAP Review Note. Moreover, through the multi-stakeholders platforms, policy issues related to indigenous could be discussed to ensure any necessary policies related to their rights are brought to the attention of decision makers.</p>		
<b>Cultural Heritage</b>	<b>Low</b>	<b>Low</b>
<p>Risk(s): Uganda is one of the richest countries in the world in relation to natural and cultural heritage. Government of Uganda in the NDP III identifies cultural heritage as a resource and seeks to create a sustainable approach to rural development promoting culture. RELIV has a very low risk of degrading the cultural heritage. The planned investments will largely be at the household level and the approaches including support through farmer groups and cooperatives are culturally acceptable. The construction of infrastructure will be done using certified materials, procedures and by qualified companies competitively selected and will strictly avoid the destruction of any cultural site.</p>	Low	Low
<p>Mitigations: RELIV will ensure that cultural considerations are made while rolling out project activities.</p>		
<b>Resource Efficiency and Pollution Prevention</b>	<b>Substantial</b>	<b>Substantial</b>
<p>Risk(s): Droughts and heat waves will result in water scarcity and inadequate fodder, resulting in low yields. Inadequate access to clean water affects livestock productivity, especially during the dry season. Poor</p>	Substantial	Substantial

manure and feed management and overstocking may result to increased GHGs emissions. Inappropriate use of livestock related agrochemicals (e.g. acaricide) will potentially lead to pollution of soil and water bodies. Poor management of animal waste as well as waste produced in facilities such as abattoirs and laboratories can contaminate water and soil as well as result in the spread of zoonotic diseases. Inefficient use of water and energy may lead to wastage and shortages. Poor or lack of use of PPEs could result to exposure to agrochemicals and zoonotic diseases.		
Mitigations: Resource efficiency and pollution prevention will be enhanced through promotion of renewable energy use, water and energy efficient technologies, sustainable manure and feed management, water harvesting, circular approaches to solid waste management, treatment of effluent discharge from slaughter houses, integrated pest and disease management, improved and adapted livestock breeds, fodder conservation, animal health and husbandry, and promotion of biosafety measures along the value chain, etc.		
<b>Biodiversity Conservation</b>	<b>Substantial</b>	<b>Substantial</b>
Risk(s): Deforestation along the cattle corridor is rampant as most households rely on fuel wood and charcoal for cooking and heating. Loss of habitats to agricultural activities such as pasture and fodder production as well as human settlement are major contributing factors to biodiversity loss. Poor farming practices especially on steep slopes also lead to loss of vegetative cover. Sedimentation of water bodies and degradation of wetlands are likely to result in loss of biodiversity.	Substantial	Substantial
Mitigations: The key biodiversity conservation measures that will be promoted by the project shall include pasture management, overgrazing and soil erosion control measures, planting of fodder trees, fodder conservation, composting, and circular economy approaches e.g. biogas and bioslurry use.		
<b>Stakeholders</b>	<b>Moderate</b>	<b>Moderate</b>
<b>Stakeholder Grievances</b>	<b>Moderate</b>	<b>Moderate</b>
Risk(s): Potential conflicts may arise among community groups, cooperatives, outside workers, and smallholder producers regarding infrastructure locations and beneficiary selection for asset building. Grievance procedures are vital to enable Project Affected Persons (PAPs) to raise concerns at no cost and ensure timely resolutions.	Moderate	Moderate
Mitigations: Grievance Redress Mechanisms (GRMs) will be put in place at the level of producers' organizations (cooperatives, MCCs and MCPs). The entry point for GRM will be the livestock extension at PCU level and the Gender and Social Inclusion Specialist will be appointed to follow up the GRM process. A Free Prior and Informed Consent (FPIC) process will be conducted with groups ahead of any project investment that may affect the target beneficiaries. Selection of beneficiaries will be conducted in close collaboration with local and traditional authorities, on the basis of clear and well disclosed criteria, and in transparent manner.		
<b>Stakeholder Engagement/Coordination</b>	<b>Low</b>	<b>Low</b>
Risk(s): Both the dairy and the beef sectors are well organized with strong Government agencies coordinating sectoral development efforts, and stakeholders' organizations (farmers, traders, processors) well organized at local, regional and national levels. It is therefore easy for the PDT to identify potential partners and stakeholders and involve them in the design, which has already been the case during the PCN mission with the organization of a stakeholder consultation workshop, which was attended by all the main sector actors, public and private. This engagement will continue during the project design to ensure proper ownership and acceptance by sector stakeholders.	Low	Low



<p>Mitigations: The inclusive dialogue with Government agencies and stakeholder organizations initiated during the PCN mission will have to be pursued during the design and later during implementation. The existence of national multi stakeholder platforms for both the dairy and the beef sector that have been initiated by other development partners (SNV for dairy, EU for beef), will be an opportunity to ensure this consultation and coordination. The project will further support these platforms which are still new, and support their decentralization at local level which will facilitate participation of smallholder farmers in the consultations.</p>		
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