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**Informe del Presidente****Propuesta de préstamo****República de Türkiye****Proyecto de Rehabilitación de la Cuenca del Río  
Éufrates**N.º de identificación del proyecto: 2000004004

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**Para aprobación****Medida:** Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 62.

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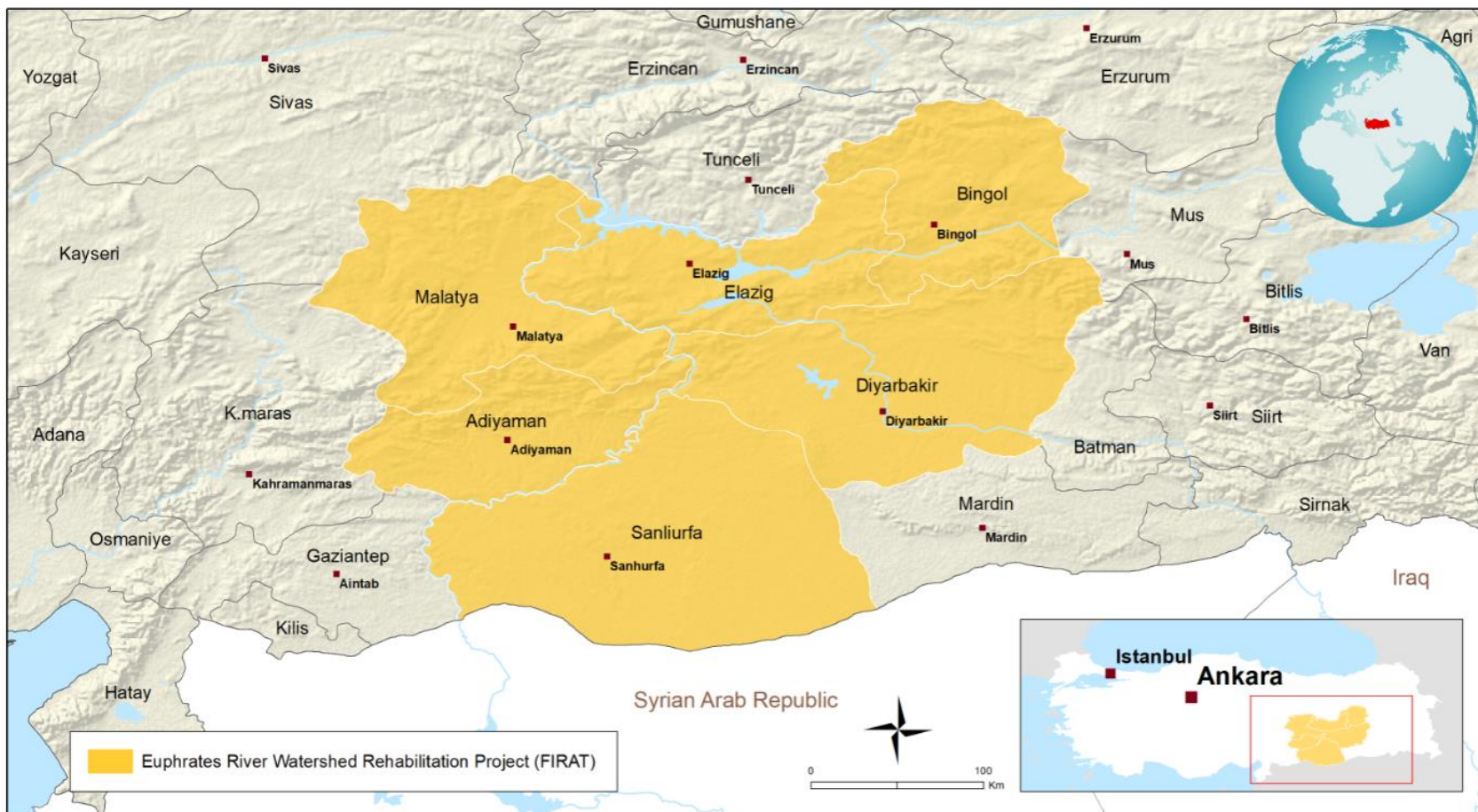
### Equipo encargado de la ejecución del proyecto

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## Mapa de la zona del proyecto



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

Fuente: FIDA | 3-5-2024

## Resumen de la financiación

<b>Institución iniciadora:</b>	FIDA
<b>Prestatario:</b>	República de Türkiye
<b>Organismo de ejecución:</b>	Dirección General de Bosques, dependiente del Ministerio de Agricultura y Silvicultura
<b>Costo total del proyecto:</b>	EUR 90,5 millones
<b>Monto del préstamo del FIDA (Mecanismo de Acceso a Recursos Ajenos (BRAM)):</b>	EUR 60,0 millones
<b>Condiciones del préstamo del FIDA (BRAM):</b>	Condiciones ordinarias, categoría 4: período de vencimiento de hasta 12,5 años, incluido un período de gracia de 3 años, sujeto a un interés equivalente a la tasa de interés de referencia del FIDA, incluido un diferencial variable
<b>Cofinanciadores:</b>	Fondo para el Medio Ambiente Mundial (FMAM)
<b>Monto de la cofinanciación:</b>	EUR 1,3 millones (equivalente a USD 1,4 millones)
<b>Condiciones de la cofinanciación:</b>	Donación
<b>Contribución del prestatario:</b>	EUR 17,9 millones
<b>Contribución de los beneficiarios:</b>	EUR 11,3 millones
<b>Monto de la financiación del FIDA para el clima:</b>	EUR 57,9 millones
<b>Institución cooperante:</b>	Programa supervisado directamente por el FIDA

## I. Contexto

### A. Contexto nacional y justificación de la actuación del FIDA

#### Contexto nacional

1. Desde la formación del Estado moderno en 1923, la República de Türkiye ha progresado mucho desde el punto de vista económico y se ha convertido en un país de ingreso mediano alto, con un producto interno bruto (PIB) de USD 1,12 billones y un ingreso per cápita de USD 13 110 en 2023.
2. En 2023, el sector agrícola aportó el 6,2 % del PIB y proporcionó empleo al 14,6 % de la población activa de Türkiye. Gracias a los avances económicos logrados en los dos últimos decenios, Türkiye ha conseguido sacar de la pobreza a casi el 30 % de su población. No obstante, debido a las últimas perturbaciones sufridas en todo el mundo, y con una inflación de precios del 71,6 % en junio de 2024 y una devaluación del 10 % de la lira turca frente al dólar de los Estados Unidos en los seis primeros meses de 2024, algunos de estos logros han experimentado un retroceso de forma reciente. En general, las zonas montañosas, que están peor comunicadas y son más vulnerables a los riesgos derivados del cambio climático, presentan tasas más elevadas de pobreza económica y se ven afectadas por la emigración del campo a la ciudad.

#### Aspectos específicos relativos a los temas transversales que el FIDA debe incorporar de forma prioritaria

3. En consonancia con los compromisos transversales asumidos por el FIDA, el proyecto ha recibido las clasificaciones que se detallan a continuación:
  - abarca la financiación para el clima;
  - tiene en cuenta a la juventud, y
  - tiene en cuenta la capacidad de adaptación.
4. La pobreza monetaria es relativamente elevada. Türkiye ocupa un lugar relativamente bajo en el índice mundial de la disparidad entre los géneros. Además, es una nación joven: más del 44 % de la población tiene menos de 30 años. La tasa de desempleo entre la gente joven es elevada: un 17,5 % en general y un 23,4 % entre las mujeres jóvenes. Como consecuencia de la migración de la gente joven desde las zonas rurales a las urbanas, las ciudades se están llenando de gente joven desempleada, mientras que la población agrícola envejece. El rápido crecimiento demográfico, la urbanización y la industrialización están agrandando las brechas de sostenibilidad. El cambio climático está aumentando la exposición del sector agrícola a los riesgos climáticos y haciendo que el país experimente con mayor frecuencia fenómenos meteorológicos extremos. El nivel de estrés hídrico en Türkiye es considerable, ya que cerca del 27 % de su población vive en zonas con escasez de agua.

#### Razones que justifican la intervención del FIDA

5. En la zona del proyecto propuesto, las tasas de pobreza son elevadas. Al formular la propuesta, el Gobierno de Türkiye y el FIDA han tenido en cuenta las repercusiones de los dos fuertes terremotos que asolaron la región en febrero de 2023, en particular sobre los pequeños productores que sufrieron la pérdida de ganado y la destrucción de sus casas y activos agrícolas, incluidos graneros y sistemas de riego.

### B. Enseñanzas extraídas

6. Las enseñanzas extraídas de los exámenes y evaluaciones recientes —en particular el informe final sobre el Proyecto de Restauración de la Cuenca del Río Murat, la evaluación de la estrategia y el programa en el país realizada por la Oficina de Evaluación Independiente del FIDA, la evaluación del impacto llevada a cabo por la

División de Investigación y Evaluación del Impacto del FIDA, la experiencia de la Dirección General de Bosques del Ministerio de Agricultura y Silvicultura de Türkiye y de los asociados para el desarrollo en otras cuencas hidrográficas— se clasifican en las siguientes categorías: i) planificación y rehabilitación de microcuencas; ii) gestión de pastizales; iii) inversiones en infraestructuras hídricas; iv) inversión eficaz en generación de ingresos y viabilidad empresarial, y v) ejecución eficaz de los proyectos. Estas enseñanzas se han tenido en cuenta a la hora de diseñar el Proyecto de Rehabilitación de la Cuenca del Río Éufrates (FIRAT) y servirán para orientar su ejecución.

## II. Descripción del proyecto

### A. Objetivos, zona geográfica de intervención y grupos objetivo

7. La meta del proyecto consiste en reducir la pobreza en las comunidades de las tierras altas que habitan en las microcuencas seleccionadas de la cuenca del río Éufrates. El objetivo de desarrollo del proyecto es aumentar los ingresos y la resiliencia de los pequeños productores y de los grupos vulnerables, incluidas las mujeres y la gente joven, en las microcuencas seleccionadas.
8. **Zonas objetivo.** El proyecto se centrará en las zonas remotas de las tierras altas y en la diversificación de los medios de vida de los pequeños productores en aproximadamente 40 zonas de microcuenca que abarcan 400 aldeas forestales repartidas entre 39 distritos de las seis provincias seleccionadas (Şanlıurfa, Malatya, Diyarbakır, Adıyaman y algunos distritos de Bingöl y Elazığ que no se incluyeron en el Proyecto de Restauración de la Cuenca del Río Murat).
9. **Grupo objetivo.** El principal grupo objetivo lo constituirán los pequeños productores que viven en aldeas forestales de las tierras altas y que se dedican a la agricultura mixta como principal medio de vida. Estos productores tienen pocos activos productivos y la mayoría de ellos experimentaron pérdidas o daños en sus activos como consecuencia de los terremotos de febrero de 2023. Se prestará especial atención a los grupos vulnerables, en particular: i) los hogares pobres de zonas rurales que practican una agricultura de subsistencia; ii) las mujeres, sobre todo los hogares encabezados por mujeres, y iii) la gente joven desempleada y subempleada que reside en zonas rurales.
10. **Selección del grupo objetivo y de las microcuencas.** Se seleccionarán los hogares más pobres aplicando criterios de pobreza, como el nivel de ingresos (ingresos mensuales inferiores a dos veces el salario mínimo o a las prestaciones de la seguridad social); los activos productivos (menos de 10 decáreas o 1 000 metros cuadrados de tierra; menos de 10 vacas; menos de 100 pequeños rumiantes) y otras consideraciones, como la falta de acceso a instalaciones de agua o riego. Estos hogares podrán optar a ayudas en forma de donaciones de acuerdo con los programas de donaciones de los dos componentes del proyecto. Los criterios que se utilizarán para la selección de las microcuencas serán los elevados niveles de erosión del suelo y degradación de la tierra y los elevados niveles de pobreza o los bajos niveles de desarrollo socioeconómico. Al seleccionar las microcuencas, durante el primer año se dará prioridad a las zonas más afectadas por los terremotos.
11. Se estima que el alcance total del proyecto será de 140 000 personas, es decir, 40 000 hogares, de los cuales se espera que 27 000 se beneficien de múltiples servicios proporcionados en el marco del proyecto, mientras que 13 000 hogares se beneficiarán únicamente de las intervenciones a nivel comunitario. Las mujeres representarán el 40 %, y la gente joven, el 15 % de los beneficiarios del proyecto.

## B. Componentes, efectos directos y actividades

12. El proyecto tendrá los tres componentes siguientes:
13. **Componente 1: Planificación de las microcuencas y gestión de los recursos naturales.** En el marco de este componente se apoyará la elaboración de 40 planes para las microcuencas; en la zona de cada microcuenca se incluirá un promedio de 10 aldeas. También se englobarán en este componente actividades relacionadas con la recuperación y la gestión sostenible de los recursos naturales. Este componente se sustentará en dos subcomponentes: i) la planificación participativa de las microcuencas y la creación de capacidad, y ii) la rehabilitación y gestión sostenible de los recursos naturales con el objetivo de reducir los riesgos de corrimientos de tierras e inundaciones, garantizar unos medios de vida resilientes y sostenibles, y reducir los sedimentos en las presas de Atatürk y Karakaya en el río Éufrates y prolongar su vida útil.
14. **Componente 2: Inversiones en gestión sostenible de la tierra, infraestructuras resilientes al clima, medios de vida y acceso a los mercados.** El proyecto se basará en los planes para las microcuencas y las inversiones de los planes estratégicos de inversiones de cara a: i) la recuperación de los activos de producción y la diversificación de la producción agrícola y de las actividades económicas en las zonas rurales; ii) la comercialización y la promoción de los productos de las provincias participantes, y iii) las infraestructuras públicas de regadío, que se complementarán con inversiones agrícolas.
15. El componente 2 se compone de tres subcomponentes: en el marco del primer subcomponente, se establecerá un mecanismo de fondo rotatorio con vistas a mejorar la gestión sostenible de la tierra, la infraestructura de producción resiliente al clima, la agregación, la transformación y la comercialización, que ayudará a 4 800 jóvenes a acceder a un empleo asalariado y a oportunidades de autoempleo. El término "fondo rotatorio" se utiliza en este contexto y en otras partes de este documento en reconocimiento del elemento rotatorio (50 % en préstamos sin intereses) del mecanismo de financiación.
16. En el marco del segundo subcomponente, el proyecto se centrará en el fortalecimiento de las organizaciones de productores y la comercialización para aprovechar mejor las oportunidades de mercado emergentes en los mercados locales, nacionales y de exportación. Este subcomponente también puede entrañar la inversión en oportunidades como la construcción de mercados de frutas y hortalizas o animales. Esto se logrará mediante la capacitación en gobernanza y gestión empresarial, el intercambio de conocimientos, la promoción y la participación en eventos agrícolas y comerciales.
17. En el marco del tercer subcomponente, el proyecto invertirá en la creación de infraestructuras hídricas resilientes al clima fuera de las explotaciones agrícolas que permitirán utilizar el agua de forma más eficiente reduciendo las pérdidas por transporte.
18. **Componente 3: Fortalecimiento institucional y gestión del proyecto.** Este subcomponente prestará apoyo a los componentes técnicos y facilitará vías para la ejecución eficaz de las intervenciones del proyecto. El fortalecimiento institucional se logrará mediante la capacitación, las visitas de intercambio, el desarrollo o la actualización de directrices y estudios técnicos, el establecimiento o el fortalecimiento de las asociaciones existentes y el desarrollo de oportunidades para la cooperación Sur-Sur y triangular.

## C. Teoría del cambio

19. Gracias a la aplicación eficaz de las distintas inversiones y la adopción de técnicas resilientes al clima, la mejora de la rehabilitación de los suelos y de la producción y productividad agrícolas, la creación de nuevos puestos de trabajo, la diversificación de los ingresos y la mejora de las ventas y del acceso a los mercados, los pequeños

productores y los grupos vulnerables, incluidas las mujeres y la gente joven, aumentarán sus ingresos y mejorarán su resiliencia ante las catástrofes naturales, los fenómenos climáticos y las perturbaciones económicas y del mercado. También mejorarán su bienestar y sus medios de vida. En última instancia, el proyecto contribuirá a reducir la pobreza en las aldeas de las microcuencas situadas en las tierras altas seleccionadas.

20. La obtención de buenos resultados en el marco del proyecto dependerá del cumplimiento del supuesto según el cual, provistas de incentivos, las comunidades de las tierras altas estarán dispuestas a actuar de la siguiente manera: i) colaborar en la planificación y el desarrollo de las microcuencas; ii) adoptar nuevas prácticas resilientes al clima; iii) emprender acciones colectivas para mejorar la gestión de los pastizales, la agregación y el acceso a los mercados; por otro lado; iv) la gente joven estará dispuesta a quedarse e invertir en sus pueblos si se les ofrece apoyo para un empleo de calidad, incluido el autoempleo; v) la Dirección General de Bosques colaborará estrechamente con otros organismos gubernamentales y con agentes del sector privado, incluidos los cofinanciadores y los asociados en la ejecución presentes en la región, y con el Ziraat Bank; vi) a través de la ventanilla del fondo rotatorio para organizaciones de productores y agregadores, y con apoyo adicional para reforzar los vínculos con el mercado, el proyecto establecerá asociaciones con agentes del sector privado para permitir el acceso a los mercados de los pequeños agricultores que viven en las zonas de montaña seleccionadas, y vii) se reforzarán adecuadamente las organizaciones de base para garantizar la sostenibilidad de las inversiones a largo plazo.

#### **D. Armonización, sentido de apropiación y asociaciones**

21. La meta del proyecto se ajusta plenamente al Objetivo de Desarrollo Sostenible (ODS) 1 (Fin de la pobreza), especialmente entre aquellos que han perdido activos productivos como consecuencia de los terremotos, y contribuirá directamente al ODS 2 (Hambre cero), en particular a la meta 2.3 (duplicar la productividad agrícola y los ingresos de los productores de alimentos en pequeña escala). El proyecto también contribuirá al ODS 5 (Igualdad de género); el ODS 8 (Trabajo decente y crecimiento económico); el ODS 12 (Producción y consumo responsables), y el ODS 13 (Acción por el clima), especialmente la meta 13.1 (fortalecer la resiliencia y la capacidad de adaptación a los riesgos relacionados con el clima y los desastres naturales).
22. El diseño del proyecto se ajusta plenamente a la Estrategia y Plan de Acción de Eficiencia Hídrica de Türkiye (2023-2033), cuyo objetivo, teniendo en cuenta que la agricultura representa el 77 % del uso total del agua en el país, es aumentar la eficiencia del riego del nivel actual del 50,4 % al 60 % de aquí a 2030, y al 65 % de aquí a 2050.
23. El proyecto se ha diseñado de manera que contribuirá directamente al segundo objetivo estratégico del programa sobre oportunidades estratégicas nacionales (COSOP), a saber: incorporar la gestión sostenible de los recursos naturales en todos los aspectos de la producción agrícola y mejorar la capacidad de resistencia al clima en las tierras altas. También contribuirá significativamente al primer objetivo estratégico del COSOP que consiste en mejorar el acceso de los pequeños agricultores pobres productivos a los mercados. Se espera que el diseño del proyecto siga siendo pertinente durante todo el período del COSOP (2025-2030), dado que se ejecutará dentro de su período de vigencia. En el diseño también se contempla la adopción de medidas para aprovechar la asociación entre el FIDA y el Gobierno de Türkiye y fomentar la colaboración en el ámbito de las políticas y la gestión eficaz de los conocimientos con el fin de facilitar una mayor ampliación de escala de los resultados.



24. Durante la misión de diseño del proyecto se contó con la orientación de altos funcionarios de todos los departamentos gubernamentales pertinentes. El equipo de diseño visitó las seis provincias objetivo del proyecto y celebró consultas con los gobernadores provinciales y todas las direcciones regionales y provinciales pertinentes responsables de la actividad forestal, la agricultura y el riego. También se consultó a los asociados para el desarrollo. Además, se celebraron consultas minuciosas con los posibles beneficiarios del proyecto en las seis provincias, incluidos los lugareños afectados por los terremotos.
25. Las intervenciones del proyecto se armonizarán con las de los proyectos en curso y en tramitación que reciben el apoyo de otros asociados para el desarrollo, en particular los que promueven la recuperación tras los terremotos, entre otras cosas, mediante el apoyo a los medios de vida.

## **E. Costos, beneficios y financiación**

26. Los componentes 1 y 2 del proyecto se contabilizan predominantemente como componentes de financiación para el clima. De conformidad con las metodologías que emplean los bancos multilaterales de desarrollo en el seguimiento de la financiación para la adaptación al cambio climático y la mitigación de sus efectos, se estima que el monto total de la financiación para el clima concedida por el FIDA a este proyecto será de EUR 57 919 000 (el 96 % de la inversión total del Fondo).

### **Costos del proyecto**

27. Los costos totales del proyecto, incluidos los imprevistos de orden físico y por alza de precios, se estiman en EUR 90,5 millones para un período de ejecución de siete años. Los costos de los tres componentes del proyecto son los siguientes:
  - i) componente 1: Planificación de las microcuencas y gestión de los recursos naturales, 33 % de los costos totales (EUR 29,8 millones);
  - ii) componente 2: Inversiones en gestión sostenible de la tierra, infraestructuras resilientes al clima, medios de vida y acceso a los mercados, 62 % de los costos totales (EUR 56,5 millones),
  - y iii) componente 3: Fortalecimiento institucional y gestión del proyecto, 5 % de los costos totales (EUR 4,1 millones).

Cuadro 1

**Costos del proyecto desglosados por componente y entidad financiadora**

(en miles de euros)

Componente	FIDA		FMAM		Beneficiarios		Gobierno		Total	
	Monto	%	Monto	%	Monto	%	Monto	%	Monto	%
1. Planificación de las microcuencas y gestión de los recursos naturales	16 257	54,6	860	2,9	1 257	4,2	11 426	38,3	29 801	32,9
2. Inversiones en gestión sostenible de la tierra, infraestructuras resilientes al clima, medios de vida y acceso a los mercados	40 448	71,6	231	0,4	10 018	17,7	5 802	10,3	56 499	62,4
3. Fortalecimiento institucional y gestión del proyecto	3 325	79,5	213	5,1	-	-	646	15,4	4 184	4,6
<b>Total</b>	<b>60 030</b>	<b>66,3</b>	<b>1 304</b>	<b>1,4</b>	<b>11 275</b>	<b>12,5</b>	<b>17 874</b>	<b>19,8</b>	<b>90 484</b>	<b>100,0</b>

Cuadro 2

**Costos del proyecto desglosados por categoría de gasto y entidad financiadora**

(en miles de euros)

Categoría de gastos	FIDA		FMAM		Beneficiarios		Gobierno		Total	
	Monto	%	Monto	%	Monto	%	Monto	%	Monto	%
<b>I. Costos de inversión</b>										
A. Obras	19 229	65,4	-	-	-	-	10 188	34,6	29 417	32,5
<b>B. Consultorías</b>										
1. Consultorías internacionales	175	80,0	-	-	-	-	43	20,0	218	0,2
2. Consultorías nacionales	6 793	66,8	1 165	11,5	-	-	2 214	21,8	10 173	11,2
<b>Subtotal</b>	<b>6 967</b>	<b>67,1</b>	<b>1 165</b>	<b>11,2</b>	<b>-</b>	<b>-</b>	<b>2 257</b>	<b>21,7</b>	<b>10 391</b>	<b>11,5</b>
C. Capacitación y talleres	416	89,8	22	4,8	-	-	25	5,4	463	0,5
<b>D. Equipo y bienes</b>										
1. Equipos y materiales	1 189	80,0	-	-	-	-	297	20,0	1 486	1,6
2. Bienes, servicios e insumos	18	80,0	-	-	-	-	5	20,0	23	-
<b>Subtotal</b>	<b>1 207</b>	<b>80,0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>302</b>	<b>20,0</b>	<b>1 509</b>	<b>1,7</b>
E. Donaciones y subvenciones	27 459	70,9	-	-	11 275	29,1	0	-	38 736	42,8
<b>Costos totales de inversión</b>	<b>55 279</b>	<b>68,7</b>	<b>1 188</b>	<b>1,5</b>	<b>11 275</b>	<b>14,0</b>	<b>12 772</b>	<b>15,9</b>	<b>80 516</b>	<b>89,0</b>
<b>II. Gastos recurrentes</b>										
A. Apoyo técnico, sueldos y prestaciones	3 765	43,1	115	1,3	-	-	4 855	55,6	8 737	9,7
B. Costos de funcionamiento	984	80,0	-	-	-	-	247	20,0	1 231	1,4
<b>Total de gastos recurrentes</b>	<b>4 750</b>	<b>47,7</b>	<b>115</b>	<b>1,2</b>	<b>-</b>	<b>-</b>	<b>5 102</b>	<b>51,2</b>	<b>9 968</b>	<b>11,0</b>
<b>Total</b>	<b>60 030</b>	<b>66,3</b>	<b>1 303</b>	<b>1,4</b>	<b>11 275</b>	<b>12,5</b>	<b>17 874</b>	<b>19,8</b>	<b>90 484</b>	<b>100,0</b>

## Cuadro 3

**Costos del proyecto desglosados por componente y año**

(en miles de dólares de euros)

<i>Componente</i>	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>	<i>Total</i>
1. Planificación de las microcuencas y gestión de los recursos naturales	2 252	6 036	7 252	7 285	4 974	1 458	544	29 801
2. Inversiones en gestión sostenible de la tierra, infraestructuras resilientes al clima, medios de vida y acceso a los mercados	574	7 083	15 851	17 973	11 596	2 816	605	56 499
3. Fortalecimiento institucional y gestión del proyecto	650	588	523	605	608	642	568	4 184
<b>Total</b>	<b>3 477</b>	<b>13 708</b>	<b>23 626</b>	<b>25 863</b>	<b>17 178</b>	<b>4 916</b>	<b>1 717</b>	<b>90 484</b>

### **Estrategia y plan de financiación y cofinanciación**

28. El proyecto se financiará de la siguiente manera: i) el 66,3 % de los costos totales (EUR 60,0 millones) lo sufragará el FIDA; ii) el 1,4 % (EUR 1,3 millones, equivalente a USD 1,4 millones), el FMAM; iii) el 19,8 % (EUR 17,9 millones), el Gobierno, y iv) el 12,5 % (EUR 11,3 millones), los beneficiarios. La contribución del Gobierno consistirá en: i) la adscripción de parte del personal del proyecto, y ii) la exención de todos los derechos e impuestos sobre los bienes y servicios adquiridos en el marco del proyecto (excepto los impuestos sobre las donaciones de contrapartida). El equipo de diseño del proyecto ha estimado las tasas y los importes de los derechos e impuestos sobre los costos del proyecto en consulta con el Gobierno, a fin de determinar la contribución de este último y el costo total general del proyecto. Además de lo anterior, el Gobierno contribuirá a los costos de transacción del fondo rotatorio y a la realización de inversiones adicionales en infraestructura que resulten beneficiosas para la cuenca hidrográfica. Gran parte de la contribución de los beneficiarios se sufragará mediante préstamos sin intereses concedidos por la Dirección General de Bosques y Relaciones con las Aldeas (ORKÖY) a la población en situación de pobreza y de pobreza transitoria con arreglo al programa de donaciones de contrapartida del proyecto.
29. La mayoría de las inversiones del proyecto se efectuarán en dos categorías de gasto: i) donaciones y subvenciones (EUR 38,73 millones, o el 43 % de los costos totales), y ii) obras (EUR 29,41 millones, o el 33 % de los costos totales). De este modo, la asignación de fondos pone de manifiesto el énfasis que se pondrá en la reducción de la pobreza entre las comunidades de las tierras altas a las que va dirigido el proyecto mediante inversiones en la restauración y regeneración de los medios de vida y la gestión productiva y sostenible de los recursos naturales.

### **Desembolsos**

30. Los fondos se transferirán del FIDA a las cuentas designadas del proyecto que la unidad central de gestión del proyecto abrirá en el banco central, incluida una cuenta designada para el préstamo del FIDA en la moneda del préstamo y otra para la donación del FMAM en la moneda de la donación. El pago de los gastos se efectuará desde las cuentas designadas aplicando el tipo de cambio vigente en la fecha del pago. Para las donaciones de contrapartida y los préstamos sin intereses, ORKÖY abrirá una cuenta bancaria separada en moneda local en el Ziraat Bank, donde se recibirán los fondos de la cuenta designada para el préstamo.
31. Los desembolsos se efectuarán trimestralmente, y los informes financieros provisionales trimestrales deberán presentarse en un plazo de 45 días a partir del final del trimestre anterior.

### **Resumen de los beneficios y análisis económico**

32. Se realizó un análisis financiero de tres tipos de tecnologías de bajo consumo de leña, seis modelos diferentes de explotaciones familiares para productores en situación de pobreza transitoria, cinco modelos para productores pobres y un modelo para microempresas, pequeñas y medianas empresas y cultivos de regadío. El análisis revela que todos estos modelos presentan una tasa interna de rentabilidad financiera superior al 25 %. Si se utiliza un factor de descuento del 19,1 %, el valor actual neto es de al menos USD 232 para una estufa de bajo consumo de leña y de más de USD 55 000 para un centro de recogida de leche. La relación costo/beneficio es superior a 1,03 en todos los casos y alcanza un máximo de 1,9. Estas cifras indican que, desde el punto de vista financiero, la inversión en cualquier de los modelos analizados reviste interés tanto para los hogares de pequeños agricultores en situación de pobreza o pobreza transitoria como para los agroempresarios.
33. Según el análisis económico del proyecto, en el que se utilizaron precios económicos, los resultados del proyecto son positivos, ya que el valor actual neto de los beneficios adicionales, aplicando una tasa social de descuento del 6 %,

asciende a USD 93 millones y la tasa interna de rentabilidad económica se sitúa en el 18,9 % a lo largo de un período de 20 años. Incluso si se contrastan con posibles situaciones de riesgo, como retrasos en la ejecución y sobrecostos, los resultados económicos siguen siendo consistentes, y únicamente forzando la situación al extremo se consideraría al proyecto como económicamente inviable. En resumen, las inversiones propuestas en el marco del proyecto son seguras y merece la pena invertir en ellas desde el punto de vista económico y financiero.

### **Estrategia de salida y sostenibilidad**

34. Apoyar la transición de los beneficiarios de una agricultura de semisubsistencia a una agricultura más comercializada que trate la agricultura como un negocio constituirá un elemento fundamental de la estrategia de sostenibilidad y salida del proyecto. Una combinación prudente de inversiones fuera de las explotaciones, como en la construcción de infraestructuras de regadío, y de avances en las explotaciones que permitan aumentar la productividad agrícola debería aumentar sustancialmente las perspectivas de sostenibilidad del proyecto.
35. En cuanto a las inversiones por componente, una parte sustancial se dedicará a financiar actividades de apoyo a los medios de vida y a promover microempresas y pequeñas y medianas empresas que los hogares beneficiarios pondrán en marcha y de las que se podrán beneficiar. Los análisis realizados durante la misión de diseño del proyecto demuestran que estas actividades son financieramente viables y generarán rendimientos suficientes, por lo que cabe esperar que sean sostenibles desde el punto de vista financiero. El mecanismo de financiación propuesto establece una relación entre los beneficiarios y el Ziraat Bank y, con el tiempo, les ofrecerá la posibilidad de acceder a los productos de crédito comercial de la entidad bancaria. Las inversiones destinadas a las actividades forestales en el marco del componente de gestión de los recursos naturales requerirán una menor intervención operacional y de mantenimiento una vez finalizado el proyecto. Dado que los pastizales necesitan una intervención más constante y una gestión más cuidadosa, se han incorporado en el diseño del proyecto inversiones sustancialmente mayores para mejorar su gestión, así como una sólida metodología de movilización social.
36. Los sistemas de riego climáticamente inteligentes que se promoverán en el marco del proyecto serán relativamente sencillos de manejar y mantener para los beneficiarios y podrían estar gestionados por asociaciones informales de usuarios del agua en coordinación con los líderes de las aldeas (*mukhtar*), como es la práctica actual.

## **III. Gestión de riesgos**

### **A. Riesgos y medidas de mitigación**

37. En términos generales, el equipo de diseño del proyecto observó una gran aceptación del concepto del proyecto por parte de un amplio espectro de partes interesadas. Sin embargo, pueden surgir algunas deficiencias entre el desarrollo de las políticas y su materialización. Además, en los últimos años los proyectos del FIDA se han enfrentado a una asignación insuficiente de fondos a principios de año, debido principalmente a las limitaciones fiscales. En el diseño del proyecto se han tenido en cuenta las limitaciones fiscales del Gobierno de Türkiye y se ha previsto la asignación de fondos para permitir la ejecución, en gran medida ininterrumpida, de las actividades de restauración y apoyo a los medios de vida. En resumen, aunque el riesgo asociado al contexto político se califica de considerable, sus repercusiones adversas pueden mantenerse en un nivel manejable.
38. Si bien Türkiye ha experimentado una importante transformación en la gestión del sector público, aún persisten dificultades relacionadas con la ejecución. Pueden producirse cambios institucionales o una frecuente rotación en la gestión de las instituciones a nivel central, regional y provincial, con las consiguientes

consecuencias sobre las disposiciones de ejecución y la consecución oportuna de los objetivos de desarrollo. Los riesgos relacionados con la ejecución se reducirán del siguiente modo: i) creando un comité directivo del proyecto que garantice la coordinación entre los asociados en la ejecución y la fluidez en la circulación de los fondos; ii) incorporando al Ziraat Bank como asociado, el cual, en nombre de la Dirección General de Bosques, gestionará un plan ampliado de donaciones de contrapartida con condiciones revisadas y lo complementará con un plan de crédito en condiciones muy favorables; iii) movilizándolo una serie de proveedores de servicios con el fin de facilitar los procesos de base y el fortalecimiento institucional, y iv) revisando las condiciones de las donaciones de contrapartida en favor de los hogares más vulnerables con vistas a aumentar sustancialmente la pertinencia del proyecto para los hogares más pobres y vulnerables.

39. Los riesgos inherentes y residuales relacionados con la gestión financiera se clasifican como considerables. Los principales riesgos podrían derivarse de los retrasos en la creación de la unidad central de gestión del proyecto o de la instalación del software de contabilidad o de la utilización de las donaciones de contrapartida para fines distintos a los previstos. Para mitigar estos riesgos, la contratación de personal esencial y la instalación del software contable formarán parte de los requisitos previos para la retirada de fondos que puedan financiarse mediante financiación retroactiva. Además, la verificación de una muestra de donaciones de contrapartida se incluirá como parte del objetivo de la auditoría externa.

Cuadro 4  
**Calificación general de los riesgos**

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

## **B. Categoría ambiental y social**

40. Sobre la base del examen final realizado con el instrumento de diagnóstico de los Procedimientos del FIDA para la Evaluación Social, Ambiental y Climática (PESAC), la categoría ambiental y social del proyecto se considera moderada. El proyecto busca generar beneficios ambientales y sociales positivos de una manera integral. Uno de los objetivos principales de este proyecto es rehabilitar las tierras degradadas para reducir la erosión del suelo y la sedimentación en las presas situadas aguas abajo, así como mejorar los medios de vida de las personas que residen en las zonas de captación seleccionadas.

## **C. Clasificación del riesgo climático**

41. De acuerdo con lo determinado por el instrumento de diagnóstico de los PESAC, la categorización del riesgo climático propuesta para el proyecto es moderada, por lo que será necesario realizar un análisis básico del riesgo climático. Entre los efectos previstos del cambio climático en la zona del proyecto se incluyen efectos adversos manejables sobre la disponibilidad de agua superficial, una mayor incidencia de inundaciones y períodos prolongados de aridez y sequía.

## D. Sostenibilidad de la deuda

42. En general, si bien el total del servicio de la deuda externa de Türkiye se ha estabilizado en los últimos años y los esfuerzos del Gobierno por reducir la financiación externa han arrojado algunos efectos positivos, la gestión cuidadosa de la deuda seguirá siendo crucial para garantizar la sostenibilidad y evitar posibles riesgos fiscales. Según la última evaluación del Fondo Monetario Internacional, la deuda externa del país es sostenible a medio plazo, pero está sujeta a riesgos derivados principalmente de una gran depreciación del tipo de cambio efectivo real.

## IV. Ejecución

### A. Marco organizativo

#### Gestión y coordinación del proyecto

43. La Dirección General de Bosques será el organismo principal del proyecto. Trabajando en estrecha coordinación con el Ministerio de Hacienda y Finanzas y la Presidencia de Estrategia y Presupuesto, la Dirección General de Bosques será la principal responsable de la ejecución a nivel central en Ankara, a nivel regional (direcciones forestales regionales) en Elazığ y Şanlıurfa, y a nivel provincial. Se realizarán los ajustes pertinentes en los niveles inferiores, según proceda, en particular en la ejecución del subcomponente relacionado con el riego en vista de la ausencia de administraciones provinciales especiales en Malatya, Şanlıurfa y Diyarbakır.
44. Se establecerá un comité directivo del proyecto a nivel central que se encargará de la orientación y supervisión general de las políticas, incluida la aprobación del manual de ejecución del proyecto, de los procedimientos de aplicación de las donaciones de contrapartida y de los préstamos sin intereses, así como de los planes de trabajo y presupuestos anuales correspondientes, siempre que el FIDA no plantee objeciones.
45. La estructura administrativa del proyecto consistirá en: i) una unidad central de gestión del proyecto, albergada por la Dirección General de Bosques en Ankara; ii) una unidad regional de gestión del proyecto) en cada una de las direcciones regionales de bosques en Elazığ y Şanlıurfa, y iii) unidades de apoyo adicionales en las provincias de Malatya, Adıyaman, Bingöl y Diyarbakır, según sea necesario.

#### Gestión financiera, adquisiciones y contrataciones, y gobernanza

46. **Gestión financiera.** La unidad financiera de la unidad central de gestión del proyecto contará con un director financiero cualificado y un contable.
47. La unidad central de gestión del proyecto presentará al FIDA el plan de trabajo y presupuesto anuales correspondiente 60 días antes del comienzo de cada ejercicio económico. Esta unidad llevará un registro de las cuentas del proyecto sobre la base del criterio de caja, conforme a lo dispuesto por las Normas Internacionales de Contabilidad del Sector Público. ORKÖY presentará a la mencionada unidad informes financieros mensuales sobre la utilización de las donaciones de contrapartida para su consolidación. Los principales controles internos incluirán elementos como la segregación de funciones, un proceso claro de autorización de pagos, documentos justificativos de los gastos del proyecto y la conciliación de las cuentas bancarias. De la auditoría externa se encargará la contraloría del Ministerio de Hacienda y Finanzas de conformidad con las Normas Internacionales de Auditoría.
48. **Adquisiciones y contrataciones.** Sobre la base de una evaluación positiva del marco jurídico de Türkiye en materia de adquisiciones y contrataciones (Ley de adquisiciones y contrataciones públicas n.º 4734 y Ley de contratos públicos n.º 4735), y en consonancia con las experiencias de los proyectos anteriores y en curso del FIDA en Türkiye, las adquisiciones y contrataciones efectuadas en el marco del proyecto se llevarán a cabo de conformidad con la Ley de adquisiciones y

contrataciones públicas de Türkiye en la medida en que sus disposiciones sean compatibles con las Directrices del FIDA para la adquisición de bienes en el ámbito de los proyectos y el Manual sobre la adquisición de bienes y la contratación de obras y servicios del FIDA. Esto será aplicable a todos los fondos con cargo al proyecto. El sistema nacional se aplicará a todas las adquisiciones, excepto a las de bienes, obras y servicios no relacionados con la consultoría que superen el umbral de la licitación pública internacional, que en su lugar se realizarán de acuerdo con el Manual sobre la adquisición de bienes y la contratación de obras y servicios del FIDA y en consonancia con los documentos normalizados de adquisiciones y contrataciones del FIDA. Lo mismo se aplicará a todos los servicios de consultoría.

49. **Gobernanza.** La calificación del riesgo de Türkiye es considerable, de acuerdo con la puntuación de 34 que obtuvo el país con arreglo al índice de percepción de la corrupción en 2023, y su clasificación en el puesto 115 de un total de 180 países. Su clasificación ha descendido 14 puntos en comparación con 2022, lo que supone la puntuación más baja de Türkiye hasta la fecha. La puntuación media de los países de Europa Oriental y Asia Central es de 35 puntos. Las entidades encargadas de la ejecución garantizarán que todas las actividades del proyecto se ajusten a las políticas y normas del FIDA.

#### **Participación y observaciones del grupo objetivo y resolución de reclamaciones**

50. El proyecto adoptará un enfoque consultivo a la hora de planificar y ejecutar las actividades, para lo que contará con la participación de múltiples partes interesadas y aplicará el proceso de planificación de microcuencas a nivel comunitario. El personal del proyecto informará a los miembros de la comunidad sobre las oportunidades que brinda el proyecto, los criterios de admisibilidad, las condiciones y los canales de presentación de comentarios y reclamaciones. El personal del proyecto garantizará la inclusión de las mujeres, la gente joven, las personas con discapacidad y otros grupos sociales desfavorecidos mediante la celebración de conversaciones separadas con ellos y la respuesta a sus preocupaciones.

#### **Resolución de reclamaciones**

51. En el marco del proyecto se establecerá un mecanismo adecuado de resolución de reclamaciones para garantizar que los participantes puedan denunciar cualquier irregularidad en los procesos de planificación y ejecución del proyecto. Para ello, se designarán personas de contacto específicas dentro de la unidad central de gestión del proyecto, las unidades regionales de gestión y las zonas correspondientes a cada microcuenca.

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

52. La planificación del proyecto se regirá por los planes para las microcuencas que elaborarán la Dirección General de Bosques y otros asociados del proyecto, a través de un proceso participativo de evaluación de las condiciones de los recursos naturales y de los riesgos y vulnerabilidades del cambio climático en todas las microcuencas seleccionadas y de identificación de las necesidades en materia de medios de vida en las zonas afectadas por el terremoto.
53. El sistema de seguimiento y evaluación (SyE) del proyecto aprovechará el sistema vigente de la Dirección General de Bosques, que se complementará con un sistema automatizado de información de gestión para la planificación, el seguimiento, el análisis y la evaluación de datos, que se desarrollará al inicio del proyecto. Cuando proceda, los datos se desglosarán por género y edad.
54. El proyecto invertirá en la gestión de los conocimientos basados en pruebas con el fin de contribuir a los procesos de elaboración de políticas.



### **Innovación y ampliación de escala**

55. En el diseño del proyecto se han incorporado las enseñanzas extraídas hasta el momento y se han introducido innovaciones con respecto al Proyecto de Restauración de la Cuenca del Río Murat. Su principal característica innovadora es el proceso participativo de planificación de microcuencas, que culminará con la preparación de microplanos que englobarán todas las intervenciones clave que se llevarán a cabo en el marco del proyecto. Entre otras innovaciones cabe citar: i) la participación de la Dirección General de Obras Hidráulicas del Estado desde el principio del proceso de planificación de las microcuencas; ii) la utilización de acuerdos de gestión de los pastizales con los grupos de pastizales comunitarios para exigir la adopción de medidas de gestión sostenible de los pastizales; iii) el aumento cuantitativo de la asistencia técnica, también para la gente joven; iv) el establecimiento de un mecanismo estructurado de donaciones de contrapartida que no excluya involuntariamente a los más vulnerables de los beneficios de las intervenciones, y v) la asignación de una proporción diferente de donaciones de contrapartida a los beneficiarios, según los ingresos de estos últimos sean superiores o inferiores al salario mínimo.

## **C. Planes para la ejecución**

### **Preparación para la ejecución y planes para la puesta en marcha**

56. Entre los objetivos del plan de puesta en marcha del proyecto figuran i) el establecimiento del comité directivo del proyecto; ii) la rápida movilización de proveedores de servicios de cara a los planes de las microcuencas, y iii) el establecimiento de la unidad central y las unidades regionales de gestión del proyecto para que puedan comenzar los procesos de contratación de personal y licitación de los proveedores de servicios fundamentales.

### **Financiación retroactiva**

57. A fin de garantizar la ejecución oportuna del proyecto inmediatamente después de su puesta en marcha, el Gobierno podrá optar por beneficiarse de financiación retroactiva para prefinanciar algunas actividades con sus propios recursos, incluidos los gastos recurrentes del personal clave de la unidad central de gestión del proyecto y los costos de inversión asociados a los agentes de divulgación, los estudios socioeconómicos, el estudio de referencia, la adquisición de un sistema de información de gestión y de programas informáticos de contabilidad, las tecnologías de la información y otros equipos de oficina y miembros del personal esencial. Estos gastos, que no superarán los EUR 500 000 en total, serán reembolsados por el FIDA tras la puesta en marcha del proyecto y una vez cumplidos los requisitos previos para su retirada.

### **Supervisión, examen de mitad de período y planes de finalización**

58. El FIDA supervisará directamente el proyecto mediante misiones de supervisión anuales. El FIDA y el Gobierno de Türkiye llevarán a cabo un examen de mitad de período a más tardar en el tercer año de ejecución tras la puesta en marcha del proyecto. En el examen final del proyecto se evaluarán los resultados generales del proyecto y se informará sobre la pertinencia, la eficiencia y la eficacia de su ejecución.

## **V. Instrumentos y facultades jurídicos**

59. Un convenio de financiación entre la República de Türkiye y el FIDA constituirá el instrumento jurídico para la concesión de la financiación propuesta al prestatario. Se adjunta una copia del convenio de financiación negociado como apéndice I.
60. La República de Türkiye está facultada por su legislación para recibir financiación del FIDA.

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

## **VI. Recomendación**

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

RESUELVE: que el Fondo conceda un préstamo en condiciones ordinarias a la República de Türkiye por un monto equivalente a sesenta millones de euros (EUR 60 000 000) con arreglo al Mecanismo de Acceso a Recursos Ajenos, conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario  
Presidente

## **Negotiated financing agreement**

### **Euphrates River Watershed Rehabilitation Project (“Firat Nehri Havzası Rehabilitasyon Projesi-FIRAT”)**

(Negotiations concluded on 4 September 2024)

Loan No: [xxx]

Project name: Euphrates River Watershed Rehabilitation Project (“Firat Nehri Havzası Rehabilitasyon Projesi-FIRAT” or “the Project”)

The Republic of Türkiye (the “Borrower”)

and

The International Fund for Agricultural Development (the “Fund” or “IFAD”)

(each a “Party” and together the “Parties”)

#### **Whereas:**

- A.** The Borrower requested a financing in the form of one loan from the Fund for the purpose of financing the Project, as further described in Schedule 1 to this financing agreement;
- B.** It is expected that the Project will be co-financed by the Global Environment Facility (GEF);
- C.** The Borrower has undertaken to provide additional support, that may be needed to the Project; and
- D.** The Fund 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” or the “GCs”) are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.

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

4. Revolving fund

i. The Project will avail of a revolving fund facility (the "Revolving Fund Facility" or "RFF") established through Orman Genel Müdürlüğü ("OGM" or "General Directorate of Forestry")'s Orman ve Köy İlişkileri Dairesi Başkanlığı ("ORKÖY" or "Department for Forest and Village Relations") to support activities under sub-components 1.2 and 2.1 of the Project.

## **Section B**

1. The amount of the Loan is Sixty million Euro (EUR 60,000,000).

2. The Loan is granted on ordinary terms and shall be subject to interest on the principal amount outstanding of the Loan 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 12.5 years, including a grace period of 3 years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.

3. The Loan Service Payment Currency shall be the Euro (EUR).

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

5. Payments of principal and interest shall be payable on each 15<sup>th</sup> June and 15<sup>th</sup> December.

6. There shall be a Designated Account in Euro, for the exclusive use of the Project opened at the Central Bank of Türkiye. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.

7. The Borrower shall provide counterpart financing for the Project in the approximate amount of seventeen million eight hundred and seventy-five thousand Euro (EUR 17,875,000) equivalent for Project financing and foregone taxes, if applicable.

## **Section C**

1. The Lead Project Agency shall be the General Directorate of Forestry (the "OGM") within the Ministry of Agriculture and Forestry (the "MoAF").

2. Implementation partners include but are not limited to the entities listed in Schedule 1, Section II, para 9 to this Agreement.

3. The Mid-Term Review shall be conducted as specified in Sections 8.03 (b) and (c) of the General Conditions.

4. The Project Completion Date shall be the 7<sup>th</sup> anniversary from entry into force of this Agreement and the Financing Closing Date shall be 6 months later, or such other date as the Fund may designate by notice to the Borrower.

5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower's procurement regulations, to the

extent such are consistent with the IFAD Procurement Guidelines, except for the procurement of Goods, Works and related non-consulting services above the threshold for international competitive bidding (ICB) and for consulting services which shall be undertaken according to the IFAD Procurement Handbook and in line with IFAD Standard Procurement Documents (SPD).

## **Section D**

The Fund shall administer the Loan and supervise the Project.

## **Section E**

1. The following are designated as additional grounds for suspension of this Agreement, complementing Article XII, Section 12.01 - Suspension by the Fund of the GCs:

i. The Project Implementation Manual (PIM) and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that this has had, or is likely to have, a material adverse effect on the Project.

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

- a) The IFAD no objection to the PIM shall have been obtained;
- b) Key Project Personnel shall have been appointed as per Schedule 3, Section I, paragraph 8 of this Agreement;
- c) A fully functional accounting software shall have been established at Central Project Management Unit (CPMU) level;
- d) The Designated Account shall have been opened and the sample signatures of the persons authorised to operate the accounts shall have been delivered to IFAD; and

3. The following is designated as an additional specific condition precedent to withdrawal from the Grants & Subsidies category:

A Project Account in Turkish Lira shall have been opened at ZIRAAT Bankasi (i) to receive allocated funds; (ii) to disburse matching grants and interest-free loans to end beneficiaries; and (iii) to receive principle loan repayments from end beneficiaries.

4. This Agreement is subject to ratification by the Borrower.

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

For the Borrower:

Director General for Foreign Economic Relations  
Directorate General of Foreign Economic Relations  
Ministry of Treasury and Finance,  
Ankara, Türkiye

For the Fund:

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

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

"[Official Country name]"

\_\_\_\_\_  
"[Authorised Representative Name]"  
"[Authorised Representative title]"

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

International Fund for  
Agricultural Development

\_\_\_\_\_  
Alvaro Lario  
President of IFAD

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

## Schedule 1

### *Project Description and Implementation Arrangements*

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

1. *Target Population.* The Project shall benefit small-scale producers living in upland forest villages and engaged in a mixed farming system as their main livelihood. Specific focus will be on vulnerable groups, in particular: (i) poor rural households practising subsistence farming who have some marketable surplus and whose livelihood is negatively affected by environmental degradation, climatic shocks, and disasters; (ii) women, with a sharper focus on women-headed households; and (iii) unemployed and underemployed rural youth.

2. *Project Area.* The Project will target 6 provinces namely Şanlıurfa, Malatya, Diyarbakır, Adıyaman, and certain districts in Bingöl and Elazığ not covered in previously completed IFAD-funded projects.

3. *Goal.* The goal of the Project is to reduce poverty of the upland communities in the targeted Micro-catchments (MCs) of the Euphrates River watershed.

4. *Objectives.* The objectives of the Project are to increase the income and resilience of small-scale producers and vulnerable groups, including women and youth in the targeted MCs.

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

#### **Component 1: Micro-catchment planning and natural resources management**

This component will support the development of 40 Micro-catchment Plans (MCPs) including on average 10 villages in each Micro-catchment (MC) and the implementation of natural resources restoration and sustainable management activities.

#### **Component 2: Investments in sustainable land management, climate-resilient infrastructure, livelihoods and access to markets**

This component will invest in recovery of production assets and diversification of agricultural production and economic activities in rural areas, improvement of production technologies and practices as well as aggregation and access to markets, based on the recovery needs and investment opportunities identified in the MCPs. Additional support will be provided for marketing and the promotion of products from the participating provinces while investments will be made in public irrigation infrastructure to be complemented with on-farm investments through a revolving fund/matching grant scheme.

#### **Component 3: Institutional strengthening and Project management**

(i) This will be a cross-cutting component servicing the technical components and facilitating pathways for the effective and efficient implementation of Project interventions. Based on needs, experience, and evidence from the Project investments the component will support institutional strengthening of OGM at all levels, Provincial Development Agencies, Regional Development Administration/Development Agencies and other Project partners as needed.

(ii) The Project will have resources for institutional strengthening to facilitate MC management and development, to enhance effectiveness and to ensure that proven good

practices and lessons learned from FIRAT investments are developed and disseminated to a wider audience.

## II. Implementation Arrangements

6. *Lead Project Agency* The OGM within MoAF, as Lead Project Agency (“LPA”), shall be primarily responsible for implementation working in close coordination with the Ministry of Treasury and Finance and the Presidency of Strategy and Budget.

7. *Project Steering Committee.* A Project Steering Committee (PSC) shall be established at central level with the responsibility for overall policy guidance and oversight, including approval of the PIM, matching grants manual, and annual work plans and budgets subject to IFAD no-objection.

8. *Project Management Structure.* The management structure for the Project shall consist of: (i) a Central Project Management Unit (CPMU) hosted by OGM in Ankara; (ii) one Regional Project Management Unit (RPMU) within each of the Regional Directorates of Forestry (OBMs) in Elaziğ and Şanlıurfa; and (iii) additional support units in 3 provinces. Located at the OGM at central level, the CPMU will be responsible for: (a) overall Project planning, implementation, financial management, monitoring and evaluation, supervision of procurement procedures; (b) liaising with concerned government departments; (c) obtaining no objection from IFAD; (d) providing guidance and support to RPMUs; and (e) selecting, establishing, and managing partnerships with service providers. The two RPMUs will be responsible for delivering Project services and interventions in their respective target provinces. Government appointed/seconded staff will be deputed to the various levels.

9. *Implementation partners.* Implementation partners may be but are not limited to: i) the General Directorate of Combatting Desertification and Erosion (CEM) under the Ministry of Environment, Urbanisation and Climate Change; ii) the General Directorate of State Hydraulic Works (DSI); iii) the Special Provincial Administrations (SPAs); iv) IPEKYOLU, v) FIRAT and vi) KARACADAG Development Agencies affiliated with the Ministry of Industry and Technology; vii) Provincial Directorates of Agriculture and Forestry affiliated with the provincial governorates; and viii) the Republic of Türkiye’s Bank of Agriculture – ZIRAAT Bankasi.

### 10. *Monitoring and Evaluation (M&E)*

(i) The M&E system of FIRAT will be built on OGM’s existing system to be complemented by an automated Management Information System (MIS) for planning, monitoring, analysis and evaluation of data, which will be developed at Project inception.

(ii) The M&E system developed and managed by the CPMU will be guided by the logical framework and follow the IFAD Core Indicators (COI) measurement guidelines for periodic measurement of project results - activities, outputs, outcomes and impact - in relation to agreed targets to monitor implementation performance, AWPB execution, outreach and effectiveness of the targeting strategy, including data disaggregation by gender and age. Emphasis will be given to monitoring outreach and physical progress for each key output, as and when they are delivered, and outcomes as they emerge.

### 11. *Knowledge Management (KM)*

(i) FIRAT will invest in good quality, evidence-based knowledge management to contribute both to the implementation and to policy development processes. The KM activities will place particular emphasis on the sustained anchoring of technical and managerial knowledge among supported upland farmers and entrepreneurs in the watershed which,



apart from helping to increase productivity, will also contribute to improved visibility of Government of Türkiye and IFAD interventions and enhance post-project sustainability.

(ii) The M&E expert at the CPMU will also be responsible for KM and communication of the Project. The M&E/KM expert will be responsible for (i) the preparation of the KM and communication plan in collaboration with other M&E staff, technical specialists and implementing partners, (ii) the implementation, monitoring and periodic update of the plan as required, and (iii) ensuring production, promotion and dissemination of knowledge products to a wider audience.

(iii) A KM/Communication Plan will be developed while fully considering and responding to the knowledge and communication needs of all key stakeholders, including Project participants and implementing partners at all levels. All KM/communication activities, knowledge products and dissemination tools in the plan shall be included in the AWPB with adequate resources allocated to implement them. These initiatives will be monitored within the MIS and will form part of the Project M&E.

12. *Project Implementation Manual*. The PIM will serve as the foundation for Project execution, establishing the Strategic and Institutional Framework and providing guidance for overall planning and activity implementation. The Manual will outline effective procedures and mechanisms to ensure the achievement of the objectives detailed in the Project's design document and logframe and will be regularly updated by the Project team to reflect any changes agreed upon by the Government of Türkiye and IFAD.

## 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:

Category	Loan Amount Allocated (Euro)	Percentage
I. Works	17 100 000	100% net of taxes and counterpart contribution
II. Consultancies, Training & Workshops	6 800 000	100% net of taxes and counterpart contribution
III. Equipment, Goods & Services	1 000 000	100% net of taxes
IV. Grants & subsidies	24 900 000	100% net of beneficiaries' contribution
V. Salaries, Allowances & Operating Costs	4 200 000	100% net of taxes and counterpart contribution
Unallocated	6 000 000	
<b>TOTAL</b>	<b>60 000 000</b>	

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

- (i) Category I "Works" includes *inter alia* costs of investments in afforestation, reforestation and soil erosion control; livestock watering facilities tied to sustainable management pilots, rangeland infrastructure, livestock handling facilities, pasture access roads under investments in rangeland rehabilitation and management, marketing facilities under strengthening producer organisations and marketing, upgrade of small-scale irrigation schemes under investments in off-farm climate-resilient water infrastructure.
- (ii) Category II "Consultancies, Training & Workshops" includes *inter alia* costs of participatory micro-catchment planning; portion of costs of sustainable management plans' community mobilisation, development and implementation; biophysical monitoring; technical assistance and trainings under the revolving fund facility; strengthening producer organisations and marketing; design and supervision of irrigation schemes; training in water use efficiency; technical assistance and trainings under institutional strengthening, policy support and Project management; and monitoring and evaluation.
- (iii) Category III "Equipment, Goods & Services" includes *inter alia* costs of investments in improvement of nurseries; animal drinking troughs; communal investments; equipment for Project coordination (including accounting software and Management Information System) and development of knowledge management and communication products.
- (iv) Category IV "Grants & subsidies" includes *inter alia* costs of financing mechanism for wood-saving energy investments for households and the

revolving fund facility (Window for poor and transitory poor producers and Window for producer organisations and aggregators).

- (v) Category V "Salaries, Allowances & Operating Costs" includes *inter alia* costs of technical experts recruited to support in implementing components 1 & 2, salaries and allowances and other operating costs for running the CPMU.

## 2. *Disbursement arrangements*

*Retroactive financing.* As an exception to section 4.08(a) (ii) of the General Conditions, specific eligible expenditures incurred as of 18 September 2024 until the date of entry into force of this Agreement shall be considered eligible up to an amount equivalent to five hundred thousand Euro (Euro 500 000) for activities relating to:

- i) Recurrent costs of key CPMU staff and investment costs associated with the outreach officer; ii) socio-economic studies of youth and women; iii) baseline study, purchase of Management Information System (MIS) and accounting software; and iv) IT and other office equipment.

Activities to be financed by retroactive financing, their respective category of expenditures and source of financing will require IFAD's prior no objection. Pre-financed eligible expenditures shall be reimbursed to the Borrower once additional conditions precedent to withdrawal specified in Section E.3 are fulfilled.

### 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 Financing 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. Throughout Project implementation, OGM may, if so required, enter into legally binding agreements with each of the Implementation Partners, as further defined in paragraph 9 of Schedule I to this Agreement to outline the collaboration, define the roles, responsibilities and duties thereof with regards to implementation, financial management, accounting and reporting.
2. *Planning, Monitoring and Evaluation.* The Borrower through OGM shall ensure that a Planning, Monitoring and Evaluation (PM&E) system is established within twelve (12) months of the date of entry into force of this Agreement.
3. *Gender.* The Borrower through OGM shall ensure:
  - i. Equal involvement of, and benefits for women and men in the development of forest villages;
  - ii. That women and men have equal access to capacity building, training, productive assets, improved technologies and practices, financial and non-financial services;
  - iii. That women's decision-making role is strengthened;
  - iv. That reduced and equitable workloads are achieved for women; and
  - v. That women's economic empowerment through access to and control over productive and household assets is expanded.
4. *Anticorruption Measures.* The Borrower through OGM shall comply with the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
5. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower through OGM 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.
6. *Use of Project Vehicles and Other Equipment.*
  - (a) The Borrower through OGM shall ensure that: All vehicles and other equipment procured under the Project are allocated to the LPA as appropriate;
  - (b) The types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and
  - (c) All vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.
7. *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 through OGM shall

ensure that all contracts, agreements, 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 through OGM shall ensure that contract data is updated on a quarterly basis during the implementation of the Project.

#### 8. *Key Project Personnel*

i. Key Project Personnel shall be: the Project Manager, Finance Manager and Accountant, Monitoring and Evaluation Officer, Knowledge Management Officer, Procurement Officer, Social Inclusion and Gender Specialist, and Environment and Climate Assessment Specialist.

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

iii. The recruitment and dismissal of Key Project Personnel are subject to IFAD's 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 national labour regulations or the International Labour Organisation (ILO) International Labour Standards (whichever are more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Project circumstances.

## **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/or Resettlement Action Plans/Frameworks (RAPs/Fs) and Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIAs and/or Abbreviated RAP/F and ESCMPs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

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

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

4. The Borrower shall cause OGM to disclose the draft and final ESIA reports and all other relevant Management Plan(s) to Project stakeholders and interested parties in an

accessible place in the Project 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).

5. The Borrower shall cause OGM 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 with the standards, measures, and requirements outlined in the SECAP 2021 Edition and the Management Plan(s), if any, in carrying out the Project.

6. This section applies to any event that occurs in relation to: i) serious environmental, social, health & safety (ESHS) incidents (as this term is defined below); ii) labour issues; and/or iii) issues affecting 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 created material adverse national press/media reports; or
- (iii) gives rise to material potential liabilities.

In the occurrence of such event, the Borrower shall cause OGM to:

- Notify IFAD promptly;
- Provide information on such risks, impacts and incidents or accidents;
- Consult with Project-affected parties on how to mitigate the risks and impacts;
- Carry out, as appropriate, additional assessments and stakeholders' engagements in accordance with the SECAP requirements;
- Adjust, as appropriate, the Project-level grievance mechanism according to the SECAP requirements; and
- 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 labour and community), health and safety (ESHS) issues that occur in the context of the Financing or within OGM's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to OGM (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, inadequate resettlement compensation, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any 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) create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities.

7. The Borrower shall cause OGM to ensure that its direct contractors, sub-contractors and suppliers respect relevant processes set out in the SECAP 2021 Edition as well as in the Management Plan(s) (if any).

8. Without limitation on its other reporting obligations under this Agreement, the Borrower through OGM shall provide the Fund with:

- 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;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage or the implementation of the Project proposing remedial measures. The Borrower through OGM will disclose relevant information from such reports to affected persons promptly upon submission of the said reports; and
- 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.

9. In the event of a contradiction/conflict between the Management Plan(s), if any, and this Agreement, this 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>				Project MIS	Semi-annual, Annual	M&E and Component Specialists		
	Males - Males	0	9600	24000					
	Females - Females	0	6400	16000					
	Young - Young people	0	2400	6000					
	Total number of persons receiving services	0	16000	40000					
	<b>1.b Estimated corresponding total number of households members</b>								
	Household members - Number of people	0	56000	140000					
	<b>1.a Corresponding number of households reached</b>								
	Households - Households	0	16000	40000					
<b>Project Goal</b> Poverty reduction of the upland communities in the targeted micro-catchments of the Euphrates River watershed	<b>Percentage of households with reduced poverty</b>				Income questions integrated in COI Survey	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Households - Percentage (%)	0	28					70
<b>Development Objective</b> Increased income and resilience of small-scale producers and vulnerable groups, including women and youth, in the targeted micro-catchments	<b>Number of households reporting increase in income from livelihood activities</b>				COI survey	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Households - Number	0	11200					28000
	<b>Percentage of households reporting an increase in the value of household assets</b>								
		Households reporting an increase in the value of HH assets - Percentage (%)		28	70				
	<b>Number of households reporting 20 percentage point increase in their resilience index score</b>				IFAD RDMT integrated in COI survey	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Households - Number	0	11200					28000
	<b>SF.2.1 Households satisfied with project-supported services</b>				COI survey	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Household members - No of people	0	42000					105000
		Households (%) - Percentage (%)	0	30					75
		Households (number) - Households	0	12000					30000
	<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>				COI survey	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Household members - Number of people	0	42000					105000
		Households (%) - Percentage (%)	0	30					75
		Households (number) - Households	0	12000					30000
<b>Outcome</b> 1. Communities capable of planning and implementing sustainable management and restoration of natural resources reducing soil erosion	<b>GEF 1 Area of land and ecosystems under restoration (Sum of GEF2 and GEF3)</b>				GIS - remote sensing plus ground proofing	Annual	M&E Specialist	Provided with incentives, upland communities are willing to: (i) engage in their MC planning and development; (ii) adopt new climate-resilient technologies and practices; and (iii) take collective actions for improved rangeland management, aggregation and market access.	
		Hectares of land - Area (ha) - Area (ha)	0	11546					28865
	<b>GEF 2 Areas of natural grassland and woodland under restoration</b>				GIS - remote sensing plus ground proofing	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Woodland - Area (ha)	0	2436					6090
		Natural grassland - Area (ha)	0	2400					6000
		Pasture land and pasture - Area (ha)	0	320	800	Erosion monitoring system (RUSLE Erosion Model)	Baseline, Mid-term, Completion		CPMU, Service Providers
	<b>Percentage of reduction in soil erosion in treated areas</b>								
		Reduction in soil erosion - Percentage (%)	0	10	25				
	<b>Increase in vegetative cover in restored areas</b>				GIS - remote sensing plus ground proofing	Baseline, Mid-term, Completion	CPMU, Service Providers		
		Normalized Difference Vegetation Index (NDVI) scale - average annual growth rate - Percentage (%)		6					6
		<b>3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered</b>				Ex-Act			



Results Hierarchy	Indicators				Means of Verification			Assumptions					
	Hectares of land - Area (ha)		6612	33060		Baseline, Mid-term, Completion	CPMU, Service Providers						
	tCO2e/20 years - Number		312503	1562517									
	tCO2e/ha - Number		9.46	47.3									
	tCO2e/ha/year - Number		0.48	2.4									
	<b>Number of women reporting reduction in workload and time spent in collecting firewood due to energy saving technologies</b>				Qualitative assessment	Baseline, Mid-term, Completion	CPMU, Service Providers						
	Women reporting reduction in workload and time spent in collecting firewood - Number		1022	2555									
<b>Output</b> 1.1 Participatory micro-catchment planning and capacity-building	<b>Number of participatory micro-catchment plans (MCPs) approved</b>				Project MIS	Semi-annual, Annual	M&E and Component Specialists	Villagers will engage in MC planning and rehabilitation activities if they are provided with: i) awareness raising of the importance of soil erosion control and rehabilitation of vegetation cover for improving the provision of water and rangeland resources and the resilience of agroecosystems; ii) incentives of investment and capacity building in water resources for livestock and irrigation and rangelands facilities; iii) incentives of access to matching grants for investments in other livelihood activities as well as in household renewable energy and insulation.					
	MCPs approved - Number	0	40	40									
	Villages participated - Number	0	400	400									
	People participated - male - Males	0	4800	12000									
	People participated - female - Females	0	3200	8000									
	People participated - young - Young people	0	1200	3000									
<b>Output</b> 1.2 Rehabilitation and sustainable management of natural resources	<b>3.1.1 Groups supported to sustainably manage natural resources and climate-related risks</b>				GIS - remote sensing plus ground proofing	Annual	M&E Specialist	Young people are willing to stay and invest in their villages if support for quality employment including self-employment is offered.					
	Total size of groups - Number of people	0	1248	3120									
	Groups supported - Groups	0	58	144									
	Males - Males	0	749	1872									
	Females - Females	0	499	1248									
	Young - Young people	0	187	468									
	Groups headed by women - Groups	0	6	14									
	<b>3.1.3 Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions</b>												
	Males - Males	0	438	1095									
	Females - Females	0	1022	2555									
	Young - Young people	0	145	365									
	Total persons accessing technologies - Number of people	0	1460	3650									
	<b>Outcome</b> 2. Improved sustainable land management and climate (and other shocks) resilient livelihoods for small-scale producers and vulnerable groups, including women and youth, through diversified production and employment opportunities	<b>GEF 3 Areas of degraded agricultural land under restoration</b>								GIS - remote sensing plus ground proofing	Annual	M&E Specialist	OGM manages to establish strong collaboration with other agencies and private sector actors, including co-financiers and implementing partners in the region e.g. DSI, SPAs, RDA/DA, and the Ziraat Bank.
		Cropland including orchard - Area (ha)	0	8068					20170				
<b>3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices</b>					COI survey	Baseline, Mid-term, Completion	CPMU, Service Providers						
Total number of household members		0	11216	28040									
Households - Percentage (%)		0	28	70									
Households - Households		0	3205	8012									
<b>2.2.6 Households reporting improved physical access to markets, processing and storage facilities</b>					COI survey and M&E system	Baseline, Mid-term, Completion	CPMU, Service Providers						
Households reporting improved physical access to processing facilities		0	1400	3500									
<b>2.2.5 Rural producers' organizations reporting an increase in sales</b>													
Number of Rural POs - Organizations		0	20	50	COI survey								
Rural POs with women in leadership position		0	2	5									
<b>2.2.1 Persons with new jobs/employment opportunities</b>													
Males - Males		0	1620	4050									
Females - Females		0	1080	2700									
Young - Young people		0	604	1510									
Total number of persons with new jobs/employment opportunities - No of people	0	2700	6750										
<b>1.2.3 Households reporting reduced water shortage vis-à-vis production needs</b>				COI survey									

Results Hierarchy	Indicators	Means of Verification			Assumptions				
	Households - Percentage (%)		40	100					
	Households - Households		3948	9870					
	Total no of household members - No of people		13818	34545					
<b>Output</b> 2.1 Revolving fund facility (RFF) for improving sustainable land management, climate-resilient production infrastructure, aggregation, processing and marketing	<b>Number of approved proposals for the RFF windows for poor and transitory poor producers, and for producer organizations and aggregators</b>				Project MIS	Baseline, Mid-term, Completion	CPMU, Service Providers	Continued market demand, continued government support to up-land villages for their investment and capacity building in improving their livelihood activities, OGM establish a dynamic partnership with the RDA/DA to tap into their expertise in linking small-scale producers with private sector aggregators and markets.	
	Number of approved proposals under the RFF window for poor and transitory poor producers	0	2600	6500					
	Number of approved proposals under the RFF window for producer organizations and aggregators - Number	0	100	250					
	Value of approved proposals under the RFF window for poor and transitory poor producers - Money (USD' 000)	0	15600	39000					
	Value of approved proposals under the RFF window for producer organizations and aggregators - Money (USD' 000)	0	500	1250					
	<b>1.1.3 Rural producers accessing production inputs and/or technological packages</b>				Project MIS	Semi-annual, Annual	M&E and Component Specialists		
	Males - Males	0	1620	4050					
	Females - Females	0	1080	2700					
	Young - Young people	0	404	1010					
	Total rural producers - Number of people	0	2700	6750					
	<b>2.1.3 Rural producers' organizations supported</b>				Project MIS	Semi-annual, Annual	M&E and Component Specialists		
	Total size of POs - Organizations	0	4038	10120					
	Rural POs supported - Organizations	0	68	171					
	Males - Males	0	3252	8154					
	Females - Females	0	786	1966					
	<b>2.1.6 Market, processing or storage facilities constructed or rehabilitated</b>				Project MIS	Semi-annual, Annual	M&E and Component Specialists		
	Total number of facilities - Facilities	0	1311	3277					
	Market facilities constructed/rehabilitated	0	1	2					
	<b>Processing facilities constructed/rehabilitated</b>				Project MIS	Semi-annual, Annual	M&E and Component Specialists		
		0	1310	3275					
	<b>Number of youth participated in mentoring and coaching</b>								
	Male youth - Number	0	960	2400	Project MIS	Semi-annual, Annual	M&E and Component Specialists		
	Female youth - Number	0	960	2400					
Total number of youth - Number of people	0	1920	4800						
<b>No of women participated in GALS training</b>				Project MIS	Semi-annual, Annual	M&E and Component Specialists			
Number of women participated in GALS training - Females	0	800	2000						
<b>1.1.4 Persons trained in production practices and/or technologies</b>									
Men trained in crop - Males	0	2298	5745	Project MIS	Semi-annual, Annual	M&E and Component Specialists			
Women trained in crop - Females	0	1532	3830						
Young people trained in crop - Young people	0	575	1436						
Men trained in livestock - Males	0	983	2457						
Women trained in livestock - Females	0	655	1638						
Young people trained in livestock - Young	0	246	614						
Men trained in forestry - Males	0	480	1200						
Women trained in forestry - Females	0	320	800						
Young people trained in forestry	0	120	300						
Total persons trained in crop	0	3830	9575						
Total persons trained in livestock	0	1638	4095						
<b>2.2 Strengthening producer organisations and marketing</b>							Project MIS	Semi-annual, Annual	M&E and Component Specialists
<b>1.1.4 Persons trained in production practices and/or technologies</b>									
Men trained in crop - Males	0	2298	5745						
Women trained in crop - Females	0	1532	3830						
Young people trained in crop - Young people	0	575	1436						
Men trained in livestock - Males	0	983	2457						
Women trained in livestock - Females	0	655	1638						
Young people trained in livestock - Young	0	246	614						
Men trained in forestry - Males	0	480	1200						
Women trained in forestry - Females	0	320	800						
Young people trained in forestry	0	120	300						
Total persons trained in crop	0	3830	9575						
Total persons trained in livestock	0	1638	4095						

Results Hierarchy	Indicators			Means of Verification			Assumptions
	Total persons trained in forestry	0	800	2000			
	<b>2.1.2 Persons trained in income-generating activities or business management</b>						
	Males - Males	0	1620	4050			
	Females - Females	0	1080	2700			
	Young - Young people	0	405	1013			
	Persons trained in IGAs or BM (total) -	0	2700	6750			
<b>Output</b> 2.3 Investments in off-farm climate-resilient water infrastructure	<b>1.1.2 Farmland under water-related infrastructure constructed/rehabilitated</b>			Project MIS	Semi-annual, Annual	M&E and Component Specialists	<p>Young people are willing to stay and invest in their villages if support for quality employment including self-employment is offered.</p> <p>OGM manages to establish strong collaboration with other agencies and private sector actors, including co-financiers and implementing partners in the region e.g. DSI, SPAs, RDA/DA, and the Ziraat Bank.</p>
	Hectares of land - Area (ha)	0	3660				
<b>Outcome</b> 3. Improved institutional capacity of project stakeholders and greater visibility on effectiveness and impact of the project	<b>Number of technical guidelines on thematic areas adopted and disseminated</b>			Qualitative assessment	Baseline, Mid-term, Completion	CPMU, Service Providers	<p>OGM and the rangeland service provider systematically captures lessons learned cost and benefits from community-led rangeland rehabilitation and sustainable management as the basis for developing technical guidelines as well as from other activities to improve other existing guidelines, regulations and dissemination material.</p>
	Technical guidelines adopted and disseminated - Number	0					
<b>Output</b> Institutional strengthening through knowledge generation and dissemination and development of technical guidelines on thematic areas	<b>Number of implementing partners representatives and farmers participated in training, exchange visits or South-South and Triangular Cooperation (SSTC) opportunities</b>			Project MIS	Semi-annual, Annual	M&E and Component Specialists	<p>Through gathering of evidence on benefits generated from different livelihood and natural resources rehabilitation interventions, OGM and project partners systematically identifies success stories and facilitate cross learning between NRM and producer groups and develop KM products for wider dissemination.</p>
		Number of participants in training, exchange visits or SSTC opportunities - Number of people	0				
		<b>Number of KM products (e.g. stories from the field on good practices and lessons learned, technical studies, publications, etc.) developed and disseminated</b>			Project MIS	Annual	
	KM products developed and disseminated - Number	0	1	3			

## Integrated project risk matrix<sup>i</sup>

Risk Category / Subcategory	Inherent risk	Residual risk
<b>Country Context</b>	<b>Substantial</b>	<b>Substantial</b>
Fragility and Security	Substantial	Substantial
Macroeconomic	Substantial	Substantial
Governance	Substantial	Substantial
Political Commitment	Substantial	Substantial
<b>Sector Strategies and Policies</b>	<b>Substantial</b>	<b>Substantial</b>
Policy Development and Implementation	Substantial	Substantial
Policy alignment	Substantial	Substantial
<b>Environment and Climate Context</b>	<b>Moderate</b>	<b>Moderate</b>
Project vulnerability to climate change impacts	Moderate	Moderate
Project vulnerability to environmental conditions	Moderate	Moderate
<b>Project Scope</b>	<b>Low</b>	<b>Low</b>
Technical Soundness	Low	Low
Project Relevance	Low	Low
<b>Institutional Capacity for Implementation and Sustainability</b>	<b>Moderate</b>	<b>Moderate</b>
Monitoring and Evaluation Arrangements	Moderate	Moderate
Implementation Arrangements	Moderate	Moderate
<b>Project Financial Management</b>	<b>Substantial</b>	<b>Substantial</b>
Project External Audit	Moderate	Moderate
Project Accounting and Financial Reporting	Substantial	Substantial
Project Internal Controls	Substantial	Substantial
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial
Project Budgeting	Substantial	Substantial
Project Organization and Staffing	Substantial	Moderate
<b>Project Procurement</b>	<b>Moderate</b>	<b>Moderate</b>
A.1 Legal, Regulatory and Policy Framework	Moderate	Moderate
A.2 Institutional Framework and Management Capacity	Moderate	Moderate
A.3 Accountability, Integrity and Transparency of the Public Procurement System	Moderate	Moderate
A.4 Public Procurement Operations and Market Practices.	Substantial	Substantial
B.1 Assessment of Project Complexity	Moderate	Moderate
B.2 Assessment of Implementing Agency Capacity	Not applicable	No risk envisaged - not applicable
Project Procurement Overall	Moderate	Moderate
<b>Environment, Social and Climate Impact</b>	<b>Moderate</b>	<b>Moderate</b>
Vulnerability of target populations and ecosystems to climate variability and hazards	Moderate	Moderate
Greenhouse Gas Emissions	Low	Low
Physical and Economic Resettlement	Low	Low
Community health, safety and security	Moderate	Moderate
Labour and Working Conditions	Moderate	Moderate
Indigenous People	Low	Low

<b>Risk Category / Subcategory</b>	<b>Inherent risk</b>	<b>Residual risk</b>	
Cultural Heritage	Moderate	Moderate	
Resource Efficiency and Pollution Prevention	Moderate	Moderate	
Biodiversity Conservation	Moderate	Moderate	
<b>Stakeholders</b>	<b>Moderate</b>	<b>Moderate</b>	
Stakeholder Grievances	Moderate	Moderate	
Stakeholder Engagement/Coordination	Moderate	Moderate	
<b>Overall</b>	<b>Moderate</b>	<b>Moderate</b>	
Country Context		Substantial	Substantial
Fragility and Security		Substantial	Substantial
<p><b>Risk:</b> Regional dynamics, especially the impact of the neighbouring Syrian conflict and influx of Afghan refugees have brought about significant challenges to Türkiye. It has even led to a significant demographic shift in the country. At the same time, the geopolitical turmoil in the Middle East region has adversely affected the East and South-east parts of Turkey in the form of adverse impact on the local economies in some provinces, reduced tourism, increased unemployment, and increased security concerns. It may eventually impact trade relations and trade flow within the region.</p>		Substantial	Substantial
<p><b>Mitigations:</b> Successful implementation of the new IFAD project will establish the foundations for a positive impact on targeted populations by reducing rural poverty. It is important that the success is captured early on and disseminated widely in a way that will create hope, enhance optimism and demonstrate the value of IFAD's partnership with GoT.</p>			
Macroeconomic		Substantial	Substantial
<p><b>Risk:</b> Türkiye achieved impressive economic gains over the past two decades which enabled it to become an upper middle-income country with a GDP of USD 1.12 trillion and per capita income of USD 13,110 in 2023. In the recent past as Türkiye's reforms waned, productivity gains slowed, and growth became increasingly dependent on externally funded credit and demand stimulus. In this backdrop, Türkiye adopted a new economic model consisting of low interest rates as well as a complex set of regulatory measures to direct credit to selected sectors (notably exporters) and to promote greater use of the lira in the economy. The newly adopted policies instead led to significant market pressure on the Turkish Lira. This was followed by the war in Ukraine, which added to pre-existing vulnerabilities. More recently policy redirections have been sought which enabled achieving GDP growth of 11 percent in 2021 and 5.5 per cent in 2022 and 4.5 percent in 2023 and it is projected to grow at 3.1 percent in 2024. In contrast, at 65 per cent inflation remains very high- explained mainly by Türkiye's excessively loose monetary policy and the resulting exchange rate depreciation.</p>			

<p>Türkiye has large external financing needs, and its private sector is heavily indebted in foreign currency, raising risks to financial stability; weakening external demand is expected to constrain real GDP growth (foreseen growth is forecast at 4.3 per cent in 2024), which will remain relatively firm in 2025-2028. Consequently agricultural incomes diminish, poverty increases in rural and urban areas.</p> <p>Following the May 2023 elections, the government has taken further positive steps to normalise Türkiye's macroeconomic policies. This has helped improve external balance, but vulnerabilities remain with risks skewed to the downside.</p> <p>The combined effect of the economic challenges may negatively impact implementation owing to the risk in cancellations of bidding processes or reluctance of vendors to engage in IFAD projects.</p>	Substantial	Substantial
<p><b>Mitigations:</b> In designing FIRAT the fiscal challenges that GoT has been facing and is likely to face in foreseeable future have been factored-in and the impact on FIRAT that is likely has been kept at a manageable level. The real value of an IFAD loan will be protected by charging project expenses directly to the USD account instead of using a local currency account. Secondly, the reimbursement of the expenditure incurred by the beneficiaries, suppliers and service providers will be made at the earliest so that the loss in value is minimised.</p>		
<p>Governance</p>	Substantial	Substantial
<p><b>Risk:</b> With a score of 36 in 2023 and a somewhat declining trend since 2020, Türkiye is the 101 least corrupt nation out of 180 countries for which Transparency International reports Corruption Perceptions Index. According to the World Bank, more recently the country has shown major transformation in the public sector management as a result of the reform initiatives. However, implementation challenges remain and there are still areas where improvement is required. Institutional changes or frequent changes in the management of institutions may occur at the central, regional and provincial levels with effects on implementation arrangements and the timeliness for achieving project development objectives.</p> <p>The loss of human lives and economic activities as a result of earthquakes in February 2023 also did affect the ability of relevant stakeholders to discharge their tasks as well as the infrastructure of rural and urban areas. FIRAT's target area is close to the epicentre and its investments will need to focus on the priorities of the population in the affected areas.</p>	Substantial	Substantial
<p><b>Mitigations:</b> The design of FIRAT proposes to constitute a project steering committee that apart from ensuring proper coordination among project implementing partners will also actively engage in ensuring that adequate resources, including that from the GoT, as agreed in the design document is being made available on a timely basis and project-funded activities are implemented as scheduled.</p> <p>As designed FIRAT would invest significantly in capturing lessons learnt and evidence of the project's impact on the lives of the intended target group which then can be used to communicate to relevant authorities for appropriate decision making related to the project interventions, including the recovery from earthquake.</p>		

Political Commitment	Substantial	Substantial
<p><b>Risk:</b>            Since FIRAT's design parameters are fully aligned with Türkiye's Vision for 2053, the objectives and policies propagated in the 12th National Development Plan (2024-28), the Medium Term Programme (2024-26) and sector strategies and plans such as the Strategic Plan of MoAF (2024-2028), National Climate Change Adaptation Strategy and Action Plan (2011-2023), and the Water Efficiency Strategy and Action Plan (2023-2033), political commitment for FIRAT in terms of policy pronouncement is high. There is therefore a buy-in for the project concept by a wide spectrum of stakeholders in the country and therefore the risk associated is low.</p> <p>As some gaps may be observed between policy pronouncement and translating them into actions, in recent years IFAD projects have faced issues related to inadequate allocation of funds at the beginning of the year. So far this has been tackled by requesting additional allocations during mid-year review and thereby limiting potentially detrimental consequences in terms of implementation and disbursement performance. There is clearly a potential risk that FIRAT may suffer from similar issues related to allocation and release of the funds by GoT.</p> <p>The risk identified, however, reflects more an operational issue that is related to a very high rate of inflation and consequent challenge to the government to manage budgetary resources. Türkiye is projected to achieve a much reduced inflation, current account balance, and fiscal balance by 2025 and this should ease the pressure to cut allocations for development activities including IFAD projects. In the case of FIRAT, given its focus on earthquake-affected regions, and high priority given for generating livelihood opportunities and checking youth migration, chances are that the project will be provided with adequate resources to pursue its objectives, including the execution of grant programmes.</p>	<p></p> <p>Substantial</p>	<p></p> <p>Substantial</p>
<p><b>Mitigations:</b>            During the in-country phase of the design mission, this issue was flagged with OGM and Treasury at Ankara and regional and provincial levels. OGM assured the DM that given that OGM's annual budget envelope is much larger than annual needs of FIRAT and the urgency of providing livelihoods related support to the households in the earthquake-hit areas neither the allocation nor the release of the resources would be a problem to FIRAT.</p> <p>It is also important that the supervision and implementation support missions that are to be fielded during implementation review the status of funds allocation/ release and flag it to the higher authorities when these are found to be constraining the disbursement. In addition, high level dialogue with the central Government and local authorities will be undertaken asking for adequate budget allocations by IFAD's Country Director and Country Programme Coordinator</p> <p>Communication and KM strategy to give visibility to IFAD effectiveness, results and impact in addressing rural poverty in Türkiye and recovery for the earthquake victims.</p>	<p></p>	<p></p>

Sector Strategies and Policies	Substantial	Substantial
Policy Development and Implementation	Substantial	Substantial
<p><b>Risk:</b> In a context of centralised governance, where strong political leadership has a clear vision on the development of relevant policies which development partners in the country are often times unable to influence, and where farmers’ organisations and other grassroots institutions are weakened as a result of loss to human lives and infrastructure as a result of the earthquake which affected part of the project area, the development and implementation of policies may not be effective or participatory enough to account for the views of the most vulnerable rural people and their organisations.</p>	Substantial	Substantial
<p><b>Mitigations:</b> In line with the IFAD guidance for policy engagement, the IFAD country team will enhance the participation of smallholders and other value chain stakeholders in the policy processes, by creating a space for dialogue (e.g. the project steering committee) and by strengthening the institutional and organisational capacity of stakeholders to set their agenda and influence policy processes. The grassroots institutions will be supported more during project implementation to upgrade the productive capacity, marketing services, and production infrastructure.</p> <p>Importantly, FIRAT has allocated resources for social mobilisation and grassroots institutions development in a way that would enable participatory need identification and planning of activities within the micro catchments. This should help strengthen the voice of demand structure vis-à-vis the supply structure and ensure a more stable policy implementation regime.</p>		
Policy alignment	Substantial	Substantial
<p><b>Risk:</b> The National Basin Management Strategy ended in 2023. The new "National Watershed Rehabilitation (Restoration) Strategy" (NWRS) prepared in 2023 is currently pending approval by the Turkish Presidency of the Republic and may be updated during the implementation of the project, as may be the case for the 12th National Development Plan (NDP) that will also end during the project implementation period. There is therefore a challenge in keeping the project’s alignment with these two important policy instruments over the course of the implementation of the project.</p> <p>A potential risk could also arise from the change in the matching grant policy of the GoT on which the FIRAT intervention instruments lean on heavily. This could happen if GOT’s fiscal imbalance increases substantially and GoT’s ability to support poverty alleviation programmes erodes drastically. Yet another risk could arise from the shift in policy and GOT’s refusal to invest IFAD loan for meeting on-granting to FIRAT beneficiaries.</p>	Substantial	Substantial



<p><b>Mitigations:</b> The project will support gathering evidence on the success or otherwise of pro-poor approaches and their effectiveness in engaging upland communities in the conservation and development of catchment areas. These could then be used for updating the Basin Management Strategy.</p> <p>IFAD will encourage the project to facilitate dialogue between decision-makers and stakeholders, to mainstream pro-poor approaches in the new NDP and related sector policies concerning upland development using the proposed steering committee as an important platform.</p>		
<p>IFAD's country as well as multi country office will also engage in providing support to further policy development as well as in setting country priorities for assisting the upland communities utilising the experiences from the ongoing projects funded by IFAD.</p> <p>The risk of changes in the poverty alleviation financing of GoT has been factored-in in the FIRAT design and necessary resources have been allocated for financing the key project activities. Multiple instruments will be used to reach the intended FIRAT clientele and thereby reduce the risks involved.</p>		
<b>Environment and Climate Context</b>	<b>Moderate</b>	<b>Moderate</b>
Project vulnerability to climate change impacts	Moderate	Moderate
<p><b>Risk:</b> The climate risk assessment for FIRAT is moderate. According to the Think Hazard Tool, the project intervention area is susceptible to River Flood, Urban Flood, Landslide, Water Scarcity, Extreme Heat, and Wildfires.</p> <p>Recent decades have witnessed a notable acceleration in the trend of rising temperatures, with Turkey experiencing a nearly 2°C increase between 1991 and 2020. Additionally, the long-term precipitation pattern in Turkey has shown a decreasing trend, although there has been some improvement in recent years, including in the project's targeted areas. Projections indicate a heightened intensity and frequency of extreme climate events in the years to come. This poses a significant threat to both crop and livestock productivity, as well as impacting the forest productivity and biodiversity in the project area. Recognizing these climate challenges, the project aims to address and mitigate the potential adverse impacts, contributing to the overall resilience of the region in the face of changing climate conditions.</p>	Moderate	Moderate

<p><b>Mitigations:</b> The project strategically focuses on promoting sustainable and resilient practices to address climate risks, including afforestation, forest rehabilitation, erosion control, and water-saving technologies. It emphasises awareness and knowledge management about climate change adaptation and mitigation in target areas, employing participatory Micro Catchment Plans (MCPs) to assess impacts and compile implementable measures. By engaging local communities in identifying challenges and prioritising high-impact strategies, the project tailors responses to unique community needs, fostering sustainable practices and building resilience. Additionally, the project empowers small-scale producers with targeted knowledge and tools for enhanced adaptability, ensuring climate change adaptation strategies are effective and promote overall ecosystem well-being.</p>		
Project vulnerability to environmental conditions	Moderate	Moderate
<p><b>Risk:</b> Stemming from a combination of geomorphological, climatic, and anthropogenic factors, land degradation, desertification, and drought pose significant risks to the targeted project areas, a substantial portion of the country's land faces erosion challenges. Some 59 per cent of croplands, 64 per cent of grasslands, and 54 per cent of forestlands are experiencing varying degrees of degradation. The consequences of this degradation manifest in diminished land productivity and heightened siltation levels in the Euphrates watershed and downstream dams. The lack of sufficient vegetation cover in the area exacerbates the issue of soil erosion.</p>	Moderate	Moderate
<p><b>Mitigations:</b> In line with the above considerations, the project will actively address challenges and work towards positive environmental outcomes. Specifically, FIRAT aims to reduce land degradation and desertification, contributing to the restoration and long-term sustainability of natural resources in the Euphrates micro catchments. The project will enhance agricultural practices, restore forests, and improve water and rangeland management in fragile upland ecosystems. It will also promote sustainable natural resource use through technical support and capacity building. The MCP under subcomponent 1.1 will assess environmental risks and implement measures for restoration and sustainable management of natural resources, including forests, rangelands, and croplands. Implementation will involve raising awareness among project beneficiaries about restoration and sustainable natural resource management practices.</p>		
<b>Project Scope</b>	<b>Low</b>	<b>Low</b>
Technical Soundness	Low	Low
<p><b>Risk:</b> The project design builds on lessons learned from the Murat project and among other things it intends to enhance technical support to participating small-scale producers and the business viability of their matching grant project proposals. Outsourcing the management of MG schemes to financial institutions might pose challenges.</p>	Low	Low

<p><b>Mitigations:</b> The FIRAT design team met with Ziraat Bank and held in-depth discussion with OGM's ORKOY programme managers keeping in view the need to effectively manage MG scheme with revised terms and complement this with highly concessional credit scheme. The discussion having been concluded successfully; implementation arrangement has been agreed upon satisfactorily. The MG manual has been drafted accordingly which has laid out beneficiary eligibility criteria, grant sizes and matching grant requirements disaggregated by different target groups and investment types.</p>		
Project Relevance	Low	Low
<p><b>Risk:</b> The project objectives are in direct alignment with the 11th and draft 12th National Development Plan and priorities set in the Plan for the Agriculture and Rural development sectors. The interventions continue to support government and IFAD policy on poverty alleviation and remain relevant to the needs of the beneficiaries.</p> <p>The MG programme as it exists today may however be less relevant to the poorest landless households who rely on social assistance and cannot afford the 30 per cent beneficiaries' contribution plus the 18 per cent VAT. The MG programme may be attractive to a category of the priority target group made up of registered productive smallholders. The increasing costs are likely to worsen the appetite of the potential beneficiaries. These interventions are planned to be more attractive for the earthquake victims with lower contribution and more to sustain producers' agricultural businesses. The interventions under NRM activities are planned to support the development and conservation of natural resources to prevent land and forest degradation.</p>	Low	Low
<p><b>Mitigations:</b> Recognizing that the MG scheme currently being implemented may not reach to the poorest and most vulnerable, the terms have been revised. In addition, additional funding has been provided to give access of the poorest and most vulnerable target group to the interest free loans which can be used to meet the equity investment requirement. FIRAT's overall design approach lays heavy emphasis on inclusion, including women and youth. Project relevance would therefore be high if equal care be taken during implementation.</p>		
<b>Institutional Capacity for Implementation and Sustainability</b>	Moderate	Moderate
Monitoring and Evaluation Arrangements	Moderate	Moderate
<p><b>Risk:</b> The M&amp;E function presents moderate risk in terms of coordination and good understanding of the roles and responsibilities by thematic specialists. The project will have M&amp;E assistants in the regional offices to accelerate data collection and conduct analysis for results reporting. At the central level, OGM has proposed to engage CEM for biophysical monitoring.</p>	Moderate	Moderate

<p><b>Mitigations:</b> Development of a robust M&amp;E system in the provinces, including procurement and customization of the M&amp;E system, and ensuring sufficient staffing for M&amp;E functions at the central and regional levels by OGM.</p> <p>Training of relevant M&amp;E staff on improving implementation performance and evidence-based reporting.</p> <p>To the maximum extent possible, M&amp;E system should make geo-referencing compulsory for system robustness and for transparency. purposes.</p>		
Implementation Arrangements	Moderate	Moderate
<p><b>Risk:</b> Good coordination within OGM and two regional directorates, adequate staffing and compliance with IFAD procedures are critical for good performance. Special Provincial Administrations (SPAs) are to increase the pace of procurements in Adıyaman, Elazığ and Bingöl provinces and reduce the risk of delays in the project procurement process on irrigation schemes or road construction. The increasing costs and economic downturn can put pressure on vendors and create instability in the procurements resulting in cancellation of bidding processes or reluctance of vendors to bid, as noted in other IFAD-funded projects in Türkiye.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>● Close follow up and continuous implementation support by the IFAD-MCO to provide timely induction and coaching to incoming staff.</li> <li>● Establishment of the PSC is likely to help implementation coordination</li> <li>● Continued partnership with the Ziraat Bank and bringing-in of private sector service providers is likely to enhance implementation capacity and improve transparency.</li> <li>● Increased MG ratio and provision of interest free loans will loosen bottlenecks that may be created otherwise in serving the poorest and most vulnerable.</li> </ul>		
<b>Project Financial Management</b>	<b>Substantial</b>	<b>Substantial</b>
Project External Audit	Moderate	Moderate
<p><b>Risk:</b> IFAD funded projects are audited by the Board of Treasury Controllers within the Ministry of Treasury and Finance. Normally, the audit reports are submitted on time (within 6 months of the year-end). However, there is always a risk of a delayed submission due to procedural delays at the Ministry of Treasury and Finance.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>● Clear the audit TOR at project start-up to ensure understating of audit scope and requirements</li> <li>● Treasury auditors to coordinate with the CPMU and their internal management to ensure reports are ready by the deadline.</li> </ul>		
Project Accounting and Financial Reporting	Substantial	Substantial

<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>• Late installation and procurement of an accounting software due to delays at institutional level within OGM.</li> <li>• Low reliability of the project financial reports due to lack of staff experience.</li> <li>• Accounting software that does not meet the project needs due to lack of experience in accounting and financial management for international funded projects.</li> <li>• Delayed submission of IFRs.</li> <li>• Risk of delayed reporting on the matching grants by the bank/ORKOY to CPMU</li> </ul>	Substantial	Substantial
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>• Training to the finance staff on the IFRs preparation at project start-up.</li> <li>• Automation of the IFRs templates in the accounting software at the time of purchase.</li> <li>• Project to follow accounting standards acceptable to IFAD.</li> <li>• Agree on the accounting software specifications with IFAD.</li> <li>• Finalisation of accounting software set-up at project start-up. This shall be one of the conditions precedent to first withdrawal.</li> <li>• Include in the agreement with the bank (Protocol) IFAD reporting requirements</li> </ul>		
Project Internal Controls	Substantial	Substantial
<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>• Risks of weak internal control measures identified for matching grants scheme; noting that the project will be implemented in 6 provinces. This risk could result from untimely or incomplete reporting from ORKOY to CPMU or from not following the criteria and arrangements identified in the matching grants manual.</li> <li>• Risk of incomplete supporting documents for project expenditures due to lack of knowledge of required supporting documents by finance staff.</li> <li>• Risk of inappropriate filing system if not identified at early stages of the project.</li> <li>• Risk of lack of contribution and update of the PIM by PMU.</li> </ul>	Substantial	Substantial
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>• Finalise the finance manual section of the PIM at design.</li> <li>• PMU to draft and add to the internal control section so it is tailored to provide more details on the PMU internal control measures to control payments including the matching grants.</li> <li>• Ensure proper segregation of duties and authorization processes in place especially.</li> <li>• Supporting documents for project expenditures to be as per IFAD requirements. Field visits to be planned to ensure that funds are used for the intended purposes.</li> <li>• Establish a filing system that allows for easiness and availability of all project documents at project start-up.</li> <li>• Matching grant manual to be finalized before project start-up.</li> </ul>		
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial
<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>• Delays in opening separate DAs for IFAD loan and GEF grant at the central bank which could affect project liquidity. This could be due to delays in preparedness for project at OGM level.</li> <li>• Risk of Treasury Limited allocation to the project which would restrict balances withdrawn from DA. These allocations are set for all internationally funded projects in Türkiye on annual basis.</li> <li>• Project will be disbursing using the report based disbursement mechanism, hence there is a risk of inadequate cash forecast due to lack of cash forecast skills.</li> </ul>	Substantial	Substantial

<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>● Opening of separate DAs for IFAD loan and GEF grant at the central bank. This will be a condition precedent to first withdrawal.</li> <li>● Provide training to finance staff on the report based disbursement mechanism at project start-up.</li> <li>● Analyse cash forecasts versus actual cash outflow for each quarter to enhance cash management skills.</li> <li>● PMU to work as a team to prepare the cash forecasts each quarter (procurement, project coordinator and finance)</li> </ul>		
Project Budgeting	Substantial	Substantial
<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>● Delays in the preparation and submission of the annual workplan and budget (AWPB) until the Strategic budget is issued (normally in the last quarter of the year)</li> <li>● Risk of irregular monitoring of the AWPB and untimely decisions on budget variances due to irregular of preparation and submission of the variances reports to project management.</li> <li>● Risk of overstated budgets that do not reflect reasonable/realistic plans due to over-ambitious planning that does not consider updates and changes at country and project level.</li> </ul>	Substantial	Substantial
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>● Ensure more accurate and reasonable budget estimates.</li> <li>● Monitor budget versus actual performance on a monthly basis.</li> <li>● Upload the budget in the accounting software for timely and efficient monitoring.</li> <li>● Analyse budget planning on annual basis to avoid committing same shortcomings for next year planning.</li> <li>● Start the planning process in the third quarter of each year drafting an initial budget for the project, then aligning the budget with the allocated Strategic Budget.</li> </ul>		
Project Organization and Staffing	Substantial	Moderate
<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>● Risk that PMU is not established before start-up as per project design because of delays in planning and recruiting at institutional level within OGM.</li> <li>● Insufficient finance unit structure that does not meet the project needs.</li> <li>● Seconding or recruiting staff who do not have experience working on international/IFAD funded projects or are unqualified.</li> <li>● Government reforms and changes that might affect the key staff such as the project director.</li> </ul>	Substantial	Moderate
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>● OGM to set up the PMU considering the agreed structure at design.</li> <li>● Assign or recruit qualified &amp; dedicated finance staff to work on the project finances at central level. Recruitment of key staff to be a condition precedent to first withdrawal.</li> <li>● Finance staff to receive training on IFAD financial management requirements at start-up.</li> <li>● Finance staff to complete IFAD's e-learning on FM course.</li> </ul>		

<b>Project Procurement</b>	<b>Moderate</b>	<b>Moderate</b>
A.1 Legal, Regulatory and Policy Framework	Moderate	Moderate
<p><b>Risk:</b> Prescriptive and standardized rules, methods, documentation, and systems following National Legislation. Turkey has a well-functioning procurement framework despite absence of methods dedicated to consulting services. The national PPL have some variances from minimum IFAD requirements notably related to procurement expectations.</p>	Moderate	Moderate
<p><b>Mitigations:</b> The Project will rely on Public Procurement Law and Regulations to the extent not conflicting with IFAD Rules</p> <p>Elaborate the PIM to mitigate for the absence of national PP manual and inconsistencies between national and IFADs procedures.</p> <p>For consultancies IFADs procurement procedures should be used.</p>		
A.2 Institutional Framework and Management Capacity	Moderate	Moderate
<p><b>Risk:</b> The country has a solid institutional framework, however public procurement is not professionalized, there is No specific Law identify a specialized procurement function nor to clearly Define the responsibilities and competencies of a procuring entity.</p>	Moderate	Moderate
<p><b>Mitigations:</b> Responsibilities and competencies of procuring entities shall be clearly defined.</p> <p>Promote empowerment of project staff and decentralization of decision making based on thresholds.</p>		
A.3 Accountability, Integrity and Transparency of the Public Procurement System	Moderate	Moderate
<p><b>Risk:</b> The procurement market is functioning well, but with absence of strategic planning and key role allocations internally and externally.</p>	Moderate	Moderate
<p><b>Mitigations:</b> Project capacities in strategic planning and strategic market engagement should be strengthened coupled with extensive GPN dissemination and robust staffing practices.</p> <p>Online mandatory publication, adoption of AWPB, PP in the project; continuous training and certification as well as the PIM preparation.</p>		
A.4 Public Procurement Operations and Market Practices.	Substantial	Substantial
<p><b>Risk:</b> Overall, institutional setup for enhancing integrity is weak. The administrative regulations do not include clauses or provisions prohibiting practices of fraud, corruption, and other prohibited practices</p>	Substantial	Substantial
<p><b>Mitigations:</b> IFAD policies, reporting hotlines, and self-certification shall be complied with IFAD Handbook and guidelines shall be adopted and applied. Audit shall be secured through an independent entity.</p>		
B.1 Assessment of Project Complexity	Moderate	Moderate
<p><b>Risk:</b> Project assessed as moderately complex provided that area is geographically spread in different locations, Substantial SECAP risks, and substantial inter-dependent procurement contracts that require advanced sequencing and coordination skills.</p>	Moderate	Moderate

<p><b>Mitigations:</b> The PIM should clearly elaborate interfaces, roles and responsibilities of each PMU operate in different areas along with SECAP recommendations. AWPB to include clear distinction of budget for each PMU (disaggregated and aggregate).</p>		
B.2 Assessment of Implementing Agency Capacity	Not applicable	No risk envisaged - not applicable
Project Procurement Overall	Moderate	Moderate
<p><b>Risk:</b> Overall Inherent risk is "M" provided Turkey has a well-functioning procurement system supported by a structured institutional and legal framework, the use of e-tenders, and the Law of procurement, audit, complaints bodies, in additional to the successful performance of MURAT project.</p> <p>The procurement risks relate mainly to: -The inconsistencies in the procurement methods notably related to consulting and the Non consulting services. -The absence of strategic planning and key role allocations internally and externally. -The entire absence of SECAP requirements in the Public Procurement Law, and -The start up risk relate on the new procurement staff who might not be familiar with similar projects</p>	Moderate	Moderate
<p><b>Mitigations:</b> Mitigation measures for shortcomings found on the national Procurement system vs. IFAD's procurement framework include IFAD policies, reporting hotlines, and self-certification shall be complied with IFAD Handbook and guidelines shall be adopted and applied; Projects will strictly adhere to AWPB and PP preparation according to IFAD templates and requirements.</p> <p>The procurement plan as well as No Objection requests will be submitted electronically via the OPEN</p> <p>Startup capacity building is important to align understanding of the PPS; continuous training (BUILDPROC and other) is needed.</p> <p>The multiple-eye principle will be adopted in CM and SECAP compliance.</p> <p>All risk mitigation measures shall be incorporated to the Procurement Implementation Manual (PIM) to secure compliance with IFAD procurement regulations.</p>		
<b>Environment, Social and Climate Impact</b>	<b>Moderate</b>	<b>Moderate</b>
Vulnerability of target populations and ecosystems to climate variability and hazards	Moderate	Moderate
<p><b>Risk:</b> Turkey is one of the countries most susceptible to the adverse effects of climate change, including intense rainfalls, floods, storms, landslides, heatwaves, and forest fires. The provinces and communities targeted by the project confront the consequences of droughts, erratic rainfall, heatwaves, soil degradation, and forest fires.</p>		



<p>Agriculture is one of the sectors most affected by adverse effects of climate change. It is foreseen that the main impact of climate change on Turkey will be drought, desertification, decline in agricultural productivity, loss of biological diversity and ecosystem services, increase in forest fires, epidemics and pests. There are signs that climate change has already affected crop productivity and also the livestock productivity indirectly through low yields of forage crops and cereals (straw), livestock drinking water availability and rangeland productivity. However, the project supports interventions for improved resilience of the target communities and ecosystems to climate variability and hazards. The project introduces and promotes climate change adaptation and risk mitigation measures in the target areas. Introduction and promotion of integrated pest management, water harvesting and water saving technologies, cultivation of dry-tolerant non- timber forest products, sustainable pasture management and use of renewable sources of energy are some of these interventions.</p>	Moderate	Moderate
<p><b>Mitigations:</b> The project supports water management activities aimed at addressing drought and unpredictable rainfall patterns, significant impacts of climate change. Measures to control soil erosion will be implemented. Furthermore, farmers will be oriented toward and supported with tools and techniques for good agriculture and climate-smart agriculture. The selection of crop and plantation species will align with the microclimate, taking climate predictions into consideration.</p>		
<p>Greenhouse Gas Emissions</p>	Low	Low
<p><b>Risk:</b> FIRAT aims to contribute to carbon sequestration. Land rehabilitation activities will enhance greenery and biodiversity, leading to an increase in carbon sequestration capacity.</p>	Low	Low
<p><b>Mitigations:</b> Land rehabilitation activities within FIRAT will have a positive impact on reducing greenhouse gas emissions, and the promotion of good agricultural practices will contribute to lower carbon emissions from both the agricultural and livestock sectors. It's crucial to emphasise that FIRAT will not partake in large-scale commercial agriculture and livestock activities.</p>		
<p>Physical and Economic Resettlement</p>	Low	Low
<p><b>Risk:</b> FIRAT activities will be limited to government-owned barren and degraded land for land rehabilitation, and to farmers' land for agricultural and livestock support activities. There will be no physical resettlement involved.</p>	Low	Low
<p><b>Mitigations:</b> No mitigation measure required.</p>		
<p>Community health, safety and security</p>	Moderate	Moderate
<p><b>Risk:</b> The plantation activities supported by FIRAT will not require an influx of labour as it is expected that the vast majority of workers will be sourced from local communities, especially women and youth as was observed in the field during project design. The work is managed by the Village Forest Cooperatives present in the areas.</p>		

It is expected that for the plantation activities that will be carried out in partnership with the Forest Cooperatives, the hiring local unemployed youth will be promoted which in turn will offer them seasonal employment and wage income. These activities are undertaken on a limited scale and therefore would not have adverse impacts on community health and safety. In fact, FIRAT is likely to bring about several positive impacts through the promotion of good agricultural practices and the enhancement of biodiversity.	Moderate	Moderate
<b>Mitigations:</b> In the event of external workers being hired, which is unlikely, OGM and Forest Cooperatives will closely monitor plantation workers' behaviour. A code of conduct for workers to respect community culture, tradition, and safety will be developed, adopted and enforced.		
Labour and Working Conditions	Moderate	Moderate
<b>Risk:</b> The project activities will comply with national labour laws and international commitments regarding working conditions. During the field visits it was confirmed that there were no instances of labour discrimination or gender inequality observed. There is no possibility of child or forced labour. The works considered in the project could potentially pose Occupational Health and Safety (OSH) risks.	Moderate	Moderate
<b>Mitigations:</b> Although the risk is low, the procurement plan and policy will explicitly state a zero- tolerance approach toward labour discrimination and inequality. Any activities involving child or forced labour, or exacerbating gender-based violence, will not be supported or promoted.  The works considered in the project could potentially pose OSH risks. The project as mitigation measure will consider:  1. Workers OHS Training Plans 2. Worker contracts inclusive of adequate labour conditions 3. Labour Management Plans		
Indigenous People	Low	Low
<b>Risk:</b> The project will not include IPs since targeted areas and activities are not related to IPs.	Low	Low
<b>Mitigations:</b> No mitigative action required.		
Cultural Heritage	Moderate	Moderate
<b>Risk:</b> FIRAT is not expected to have any significant impact on cultural heritage. Soil erosion control measures and plantation activities will be conducted in barren and degraded lands. Agriculture and livestock support activities will be limited to the lands currently under practice.	Moderate	Moderate
<b>Mitigations:</b> Considering the chance finding of cultural heritage during the land rehabilitation activities, the project will follow the national chance finding procedure.		

Resource Efficiency and Pollution Prevention	Moderate	Moderate
<p><b>Risk:</b> The use of chemical fertilisers, pesticides, veterinary medicines, and inadequate waste management in agriculture and livestock pose inherent pollution risks. While the project does not endorse these practices, it acknowledges their ongoing use by farmers and provides support in areas where such practices persist. Livestock management, known to create pollution and resource consumption, will also receive attention. However, transitioning farmers entirely to organic production presents a significant challenge due to their reliance on chemical inputs for commercial farming, driven by the belief that these inputs yield quick results and are readily available in the market.</p>	Moderate	Moderate
<p><b>Mitigations:</b> FIRAT will refrain from supporting or promoting the purchase of chemical inputs, instead focusing on capacitating farmers for bio inputs production and usage. Efforts will be made to reduce agricultural waste through the provision of tools, technologies, and support for aggregation, processing, and marketing facilities. Project activities are designed to prevent pollution of water resources, and regulations will be implemented for livestock medicines. The project will not promote the excessive use of medicines and antibiotics for livestock. Plantation efforts will prioritise multiple-purpose species, with an emphasis on grass and fodder, to alleviate pressure on natural resources.</p>		
Biodiversity Conservation	Moderate	Moderate
<p><b>Risk:</b> The project will not pose any risks or threats to biodiversity. Drawing lessons from the MURAT project, FIRAT will prioritise biodiversity enhancement in both production and conservation-related activities. The risk is assessed as moderate since FIRAT will be involved in plantation activities, which may involve production and potentially the purchase of seedlings.</p>	Moderate	Moderate
<p><b>Mitigations:</b> Enhancing biodiversity stands as a key priority for the FIRAT project, an aspect that was somewhat lacking in the MURAT initiative. For land rehabilitation, the following strategies will be implemented:</p> <ul style="list-style-type: none"> <li>● Species selection will carefully consider microclimates and soil types.</li> <li>● Natural succession processes will be followed.</li> <li>● Priority will be given to species serving multiple purposes.</li> <li>● Promotion of mixed plantation methods, alongside grass plantation, will be encouraged.</li> </ul> <p>In terms of agricultural support, FIRAT aims to:</p> <ul style="list-style-type: none"> <li>● Advocate for good agricultural practices such as integrated pest management and the use of bio inputs.</li> <li>● Encourage mixed and intercropping techniques.</li> <li>● Prioritise the selection of multipurpose crops.</li> <li>● Promote the cultivation of local and indigenous crop varieties.</li> </ul> <p>Regarding the acquisition of seedlings for plantation, OGM possesses extensive experience in nursery management and seedling production. FIRAT intends to support OGM and the private sector, particularly young individuals, in producing high-quality seedlings that meet the project's requirements.</p>		

<b>Stakeholders</b>	<b>Moderate</b>	<b>Moderate</b>
Stakeholder Grievances	Moderate	Moderate
<p><b>Risk:</b> Although stakeholder's grievances are not common, implementation of the matching grants or infrastructure may lead to complaints by people who feel they have been excluded from the benefits, or negatively affected by project-related activities. Grievances registered by target beneficiaries and stakeholders may not be effectively addressed or corrective measures taken by the project due to lack of information or misinformation about the systems in place.</p>	Moderate	Moderate
<p><b>Mitigations:</b> - Setting up a complaints and grievance mechanism or use the current ones by the implementing agency. Periodic supervision missions will review the grievance log. - Third-party evaluation to periodically collect feedback from stakeholders and guide adjustments in implementation. - FIRAT will provide capacity building for project staff and senior government representatives from lead project executing agencies so that they can effectively engage stakeholders and provide feedback on IFAD investments. For the project, a Grievance Redress Mechanism (GRM) will be developed to provide a channel for complaints. A dedicated person (Focal Point for GRM) in the CPMU should be appointed and will be responsible to ensure recorded grievances are addressed. Stakeholders will be informed about the GRM during project sensitization sessions.</p>		
Stakeholder Engagement/Coordination	Moderate	Moderate
<p><b>Risk:</b> Other investments in the Ministry of Agriculture and Forestry may overlap or compete with the activities of the Project as a result of lacking coordination, and with effects on the overall implementation performance. Elite capture may limit participation from the most vulnerable households and those groups at risk of exclusion may not be properly informed and consulted about the project and relevant activities (e.g. MCs planning process; training, grant financing).</p>	Moderate	Moderate
<p><b>Mitigations:</b> Setting up a complaints and grievance mechanism or use the current ones by the implementing agency. Periodic supervision missions will review the grievance log. Third-party evaluation to periodically collect feedback from stakeholders and guide adjustments in implementation.  Clarity on eligibility criteria will also result in limited elite capture.  FIRAT will provide capacity building for project staff and senior government representatives from lead project executing agencies so that they can effectively engage stakeholders and provide feedback on IFAD investments. For the project, a Grievance Redress Mechanism (GRM) will be developed to provide a channel for complaints. A dedicated person (Focal Point for GRM) in the CPMU should be appointed and will be responsible to ensure recorded grievances are addressed. Stakeholders will be informed about the GRM during project sensitization sessions.</p>		

<sup>i</sup> Given the evolving context on the ground, the integrated project risk matrix will be reviewed at project start-up and regularly thereafter to more accurately align the risks and mitigation measures to the then current circumstances.