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## **Rapport du Président**

### **Proposition de prêt**

### **République fédérative du Brésil**

### **Projet de développement des capacités de lutte contre la faim et d'atténuation des effets de la pauvreté rurale et de l'extrême pauvreté (Projet Paulo Freire II ou PPF II)**

Numéro du projet: 2000004317

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Cote du document: EB 2024/143/R.8/Rev.1

Point de l'ordre du jour: 3 a) i) c) iii)

Date: 11 décembre 2024

Distribution: Publique

Original: Anglais

#### **POUR: APPROBATION**

**Mesures à prendre:** Le Conseil d'administration est invité à approuver la recommandation telle qu'elle figure au paragraphe 75.

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#### **Questions techniques:**

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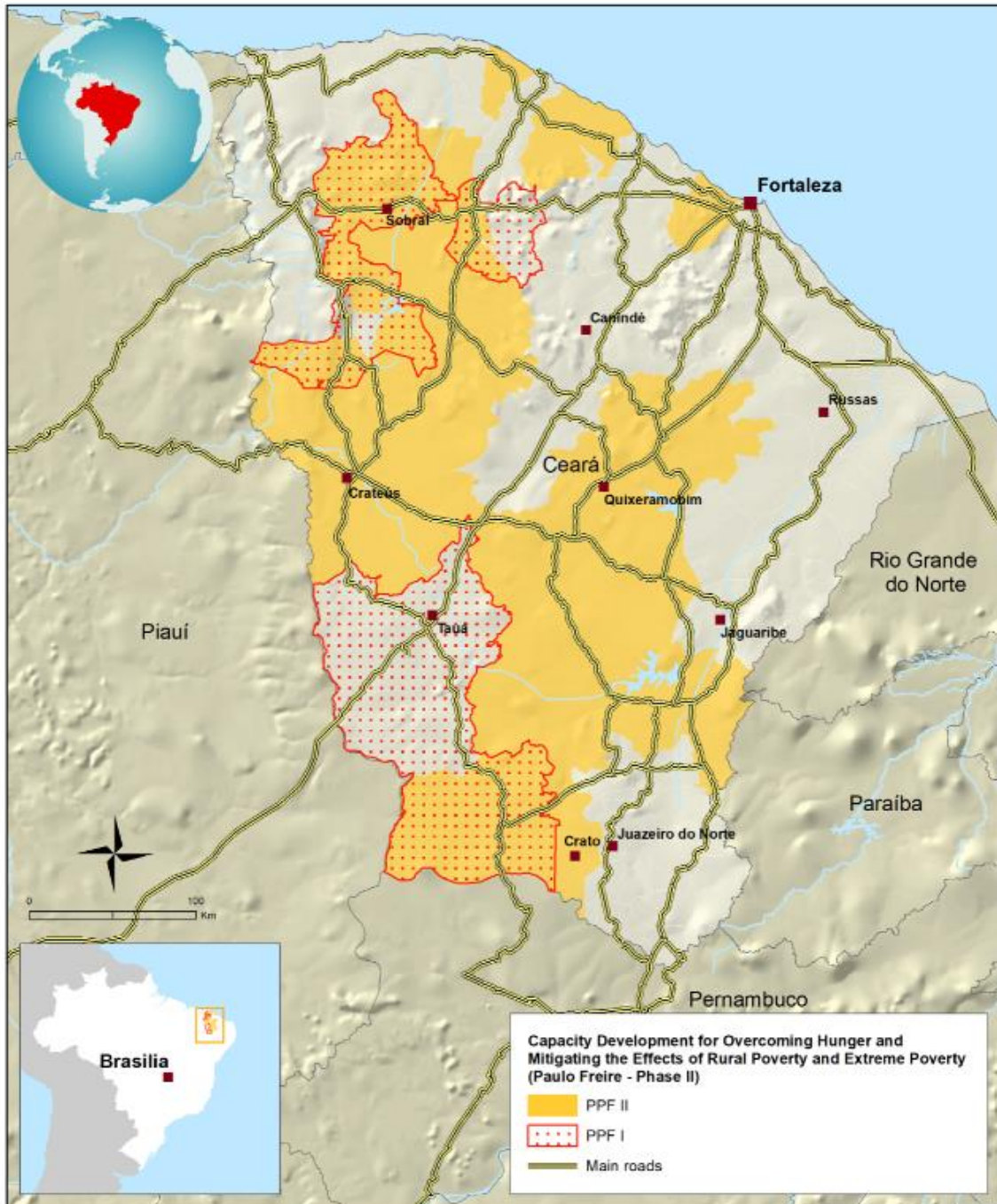
### Équipe d'exécution du projet

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## Carte de la zone du projet



Les appellations employées et la présentation des données n'expriment aucune position particulière du FIDA quant au tracé des frontières ou limites ni aux autorités concernées.

Carte établie par le FIDA | 11/04/2024

## Résumé du financement

<b>Institution initiatrice:</b>	FIDA
<b>Emprunteur:</b>	État du Ceará de la République fédérative du Brésil
<b>Organisme d'exécution:</b>	Secrétariat au développement agricole (SDA)
<b>Coût total du projet:</b>	139,0 millions d'EUR (équivalant à 148,8 millions d'USD)
<b>Montant du prêt du FIDA au titre du Mécanisme d'accès aux ressources empruntées (MARE):</b>	8,0 millions d'EUR (équivalant à 8,6 millions d'USD)
<b>Conditions du prêt du FIDA:</b>	Conditions ordinaires, assorties d'un délai de remboursement de 18 ans, y compris un différé d'amortissement de 3 ans, à un taux d'intérêt égal au taux de référence du FIDA et incluant la marge variable
<b>Cofinanceur:</b>	Agence espagnole de la coopération internationale pour le développement (AECID)
<b>Montant du cofinancement:</b>	92,0 millions d'EUR sous forme de prêt (équivalant à 98,5 millions d'USD) 4,0 millions d'EUR sous forme de don (équivalant à 4,3 millions d'USD)
<b>Contribution de l'emprunteur:</b>	25,0 millions d'EUR (équivalant à 26,8 millions d'USD)
<b>Contribution des bénéficiaires:</b>	10,0 millions d'EUR (équivalant à 10,7 millions d'USD)
<b>Montant du financement climatique apporté par le FIDA:</b>	8,0 millions d'EUR (équivalant à 8,6 millions d'USD)
<b>Institution coopérante:</b>	Supervision directe par le FIDA

## I. Contexte

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

#### Contexte national

1. En 2020, l'État du Ceará affichait un produit intérieur brut (PIB) de 166,915 milliards de BRL et un PIB par habitant de 18 168,35 BRL, soit 49% de moins que la moyenne nationale.
2. La population du Ceará est estimée à 9 240 580 habitants. En 2017, l'État comptait 297 862 exploitations familiales, qui occupaient 3 millions d'hectares (48% des terres agricoles) et employaient 686 473 personnes.
3. Seulement 11% des exploitations familiales de la zone du projet ont bénéficié de services d'assistance technique et de vulgarisation rurale, dont seuls 14% étaient destinés aux femmes. La portée limitée de l'assistance technique et de la vulgarisation rurale se reflète dans le faible taux d'adoption de pratiques de conservation.

#### Pauvreté

4. La zone du projet compte 2,4 millions d'habitants, dont 45% sont pauvres, contre 29,4% de l'ensemble de la population brésilienne. On y dénombre 178 143 exploitations agricoles, dont 76,2% sont familiales. Environ 18,5% des exploitations familiales sont gérées par des femmes et 11,7% par des jeunes de moins de 35 ans.

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

5. Conformément aux engagements en matière de transversalisation, le projet a été validé comme:
  - tenant compte des enjeux nutritionnels;
  - axé sur les jeunes;
  - ciblant en priorité les peuples autochtones;
  - incluant des activités relatives à la capacité d'adaptation;
  - incluant un financement climatique;
  - porteur de transformations en matière de genre.
6. Le Projet de développement des capacités de lutte contre la faim et d'atténuation des effets de la pauvreté rurale et de l'extrême pauvreté (Projet Paulo Freire – Phase II) suivra une approche axée sur les jeunes, tenant compte des enjeux nutritionnels, porteuse de transformations en matière de genre et centrée sur le climat, et accordera une attention prioritaire aux peuples autochtones.
7. **Enjeux nutritionnels.** Au Ceará, comme dans le reste du Brésil, le surpoids et l'obésité frappent de plus en plus d'adultes et d'enfants; la prévalence de l'obésité chez l'adulte est de 28,2% pour les femmes et de 21% pour les hommes. Malgré des politiques publiques visant à encourager l'allaitement maternel, le taux d'allaitement maternel exclusif reste faible à l'échelle nationale (45,8%). Cela engendre des effets négatifs sur la santé à long terme, notamment un risque accru d'obésité ou de surpoids pendant l'enfance et l'adolescence. Les carences en micronutriments, les maladies et les pratiques de soins inadéquates entraînent des retards de croissance, dont souffraient encore 8,2% des enfants dans l'État du Ceará en 2017.

8. **Questions de genre.** Au Ceará, l'indice d'inégalité de genre est de 0,66, ce qui indique que les femmes ont 34% de chances en moins d'avoir accès aux mêmes possibilités que les hommes. Cet écart est plus marqué en ce qui concerne les perspectives économiques et l'émancipation politique. En milieu rural, les inégalités de genre se traduisent par une dévalorisation du travail productif féminin, par la restriction du contrôle des femmes sur les ressources naturelles, sociales et financières et par l'accès limité des femmes à ces ressources. Seulement 18,5% des exploitations familiales de la zone du projet sont dirigées par des femmes. La contribution des femmes est souvent passée sous silence, car elles sont absentes du marché du travail officiel et n'exercent pas d'activités rémunérées. En outre, les femmes rurales font face à une double charge de travail, puisqu'elles sont responsables des tâches domestiques et des soins dans le ménage, ce qui limite leur participation aux formations et leur accès à l'assistance technique et à l'éducation, qui pourraient leur ouvrir de nouveaux horizons.
9. **Jeunes ruraux.** Parmi les principales difficultés des jeunes ruraux dans la zone du projet figurent: i) le manque de possibilités de travail décent et de création de revenus; ii) l'accès limité aux ressources, au crédit, aux intrants biologiques, aux biens et aux technologies adaptées, et le faible contrôle sur ces ressources; iii) la participation limitée et le faible pouvoir de décision dans les organisations rurales et communautaires. On estime qu'au Ceará, environ 25% des jeunes sont exposés à la pauvreté, en particulier ceux qui sont d'ascendance africaine. Les possibilités d'emploi en milieu rural n'attirent généralement pas les jeunes, car elles associent de faibles rémunérations à des conditions de travail précaires. Les jeunes ruraux émigrent essentiellement en raison de l'absence de politiques publiques axées sur leurs demandes et leurs besoins. Dans la zone du projet, 11,7% seulement des exploitations familiales sont gérées par des jeunes de moins de 35 ans, et seuls 10% des jeunes de ce groupe d'âge ont accès à des services d'assistance technique et de vulgarisation rurale.
10. **Peuples et communautés traditionnels et personnes d'ascendance africaine.** Les peuples autochtones et les communautés traditionnelles, comme les Quilombolas, sont particulièrement exposés à la pauvreté en raison de dynamiques historiques d'exclusion et de racisme structurel, de leur forte dépendance à l'égard des ressources naturelles, de la marginalisation de leurs modes de vie, de leur exclusion de la formulation des politiques publiques et de leur accès limité aux services, notamment les soins de santé, l'éducation, l'assainissement, les infrastructures, l'assistance sociale, l'assistance technique et la vulgarisation rurale. Quelque 76,6% des personnes autochtones et 71,9% des Quilombolas vivant dans la zone du projet sont pauvres ou extrêmement pauvres.
11. **Financement climatique et capacité d'adaptation.** Parmi les principales menaces liées aux changements climatiques dans la zone du projet figurent la concentration et l'irrégularité des précipitations, la hausse des températures et la multiplication, l'allongement et l'intensification des périodes de sécheresse. Dans le biome de la Caatinga, qui est le plus vulnérable aux changements climatiques en Amérique du Sud, les températures devraient croître de 2 à 4 °C d'ici à la fin du XXI<sup>e</sup> siècle. Au nombre des risques climatiques figurent la dégradation des sols, la désertification, la réduction de la disponibilité des ressources naturelles (en particulier l'eau douce) et la perte de biodiversité. Dans la région semi-aride du Brésil, environ 200 000 kilomètres carrés sont très exposés au risque de désertification. Les pénuries d'eau sont l'un des grands défis de la production agricole.
12. Le montant total alloué par le FIDA au projet au titre du financement de l'action climatique, calculé suivant les méthodes des banques multilatérales de développement pour le suivi du financement de l'adaptation aux changements climatiques et de l'atténuation de leurs effets, est estimé à 8 millions d'EUR, soit

100% du financement total du FIDA (4 millions d'EUR pour l'adaptation et 4 millions d'EUR pour l'atténuation).

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

13. L'Agence espagnole de coopération internationale pour le développement (AECID) a cofinancé le Projet de développement de la production et de renforcement des capacités dans l'État du Ceará (Projet Paulo Freire – Phase I) par l'intermédiaire du Fonds fiduciaire espagnol. Selon l'évaluation de l'impact, la phase I du projet a permis de réduire de 23% l'indice de pauvreté multidimensionnelle parmi les bénéficiaires et d'augmenter de 60% la production familiale.
14. Dans la deuxième phase du projet, des innovations seront introduites, parmi lesquelles: i) la diffusion de solutions technologiques sociales axées sur l'accès à l'eau, les énergies renouvelables et l'assainissement; ii) des services numériques d'assistance technique et de vulgarisation rurale; iii) des interventions tenant compte des enjeux nutritionnels; iv) des activités porteuses de transformations en matière de genre; v) la promotion, dans les écoles rurales, d'une éducation à l'environnement et au climat tenant compte des questions de genre et des enjeux nutritionnels; vi) un appui à la régularisation foncière et environnementale, notamment au profit des peuples et communautés traditionnels; vii) la gestion des savoirs, la coopération Sud-Sud et triangulaire et la concertation sur les politiques.

## **B. Enseignements tirés**

15. La qualité des services d'assistance technique et de vulgarisation rurale et l'approche participative adoptée durant la phase I ont été déterminantes dans la satisfaction des besoins des bénéficiaires, l'optimisation de l'impact du projet et sa pérennisation. L'expérience acquise dans le cadre des projets pilotes d'assistance technique et de vulgarisation rurale à distance menés durant la phase I a été fructueuse, et des rapports font état d'une stratégie solide en matière d'utilisation des outils numériques.
16. L'approche agroécologique a été largement adoptée par les agriculteurs familiaux du Ceará, en grande partie grâce à l'appui apporté durant la phase I. Il s'est avéré qu'une telle approche renforçait la résilience, en particulier dans les biomes très dégradés et très vulnérables comme la région semi-aride. L'expérience acquise durant la phase I du projet est aussi riche d'enseignements en matière d'inclusion des jeunes. Citons notamment le renforcement des programmes axés sur les jeunes grâce aux médias et aux techniques de communication.
17. Le bureau du FIDA à Salvador a joué un rôle fondamental dans la définition, la conception, la supervision et l'appui à l'exécution du projet, et a contribué de manière décisive au bon déroulement de la phase I.
18. Pour éviter tout retard de démarrage, l'unité de gestion du projet (UGP) devrait procéder en priorité à la sélection des entités prestataires de services d'assistance technique et de vulgarisation agricole et à la signature de contrats avec ces entités.

## **II. Description du projet**

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

19. Le but du projet est de réduire la pauvreté rurale, l'insécurité alimentaire et la malnutrition dans le cadre de l'agriculture familiale. L'objectif de développement est d'accroître la durabilité des systèmes de production et la résilience des agriculteurs familiaux.
20. Le projet couvrira 74 municipalités dans la région semi-aride de l'État du Ceará. Selon les estimations, cette zone compte 2,5 millions d'habitants, dont 50,9% de femmes et 23,7% de jeunes âgés de 15 à 29 ans. C'est l'une des populations les plus pauvres du Brésil (45% des habitants étant pauvres ou extrêmement pauvres, soit 1,1 million de personnes). Elle n'a qu'un accès limité aux services sociaux de

base, présente une grande vulnérabilité sociale, environnementale et climatique et enregistre des taux élevés d'insécurité alimentaire et de malnutrition (26,3% des habitants souffrant de la faim en 2022, soit environ 631 200 personnes).

21. Les municipalités participantes ont été sélectionnées sur la base de l'indice d'alerte municipal élaboré par l'Institut de recherche et de stratégie économiques du Ceará, lequel mesure la vulnérabilité climatique, agricole et sociale à l'aide de 12 indicateurs. L'indice permet de prendre également en compte les zones couvertes par d'autres interventions appuyées par le FIDA au Ceará, et d'associer de nouvelles zones à certains territoires couverts par la première phase du projet, qui serviront de référence dans le cadre de la reproduction des expériences et de la consolidation des résultats.
22. Environ 80 000 familles (soit quelque 320 000 personnes) bénéficieront directement du projet, dont au moins 50% seront représentées par des femmes, 15% par des jeunes et 5% par des peuples et communautés traditionnels. Les principaux groupes cibles du projet sont: i) les agriculteurs familiaux pauvres ou extrêmement pauvres; ii) les femmes rurales; iii) les jeunes ruraux; iv) les peuples et communautés traditionnels; v) les personnes LGBTQIAPN+.

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

### **Composante 1: développement rural axé sur la durabilité environnementale et fondé sur l'agroécologie**

23. Cette composante vise à intensifier, à diversifier et à adapter l'agriculture familiale tout en améliorant l'accès aux marchés. Il s'agira d'encourager l'adoption de pratiques agroécologiques grâce à l'assistance technique et à la vulgarisation rurale, ce qui favorisera la conservation et l'utilisation durable des ressources naturelles.
24. Au niveau territorial, l'équipe du projet travaillera à partir de plans locaux de développement rural pour investir dans le développement productif, la remise en état et la durabilité environnementale. Ces plans, qui comprendront des sections séparées sur la production et l'environnement, seront élaborés et exécutés par les familles de producteurs appuyées à cette fin par des services d'assistance technique et de vulgarisation rurale. Ces services seront fournis par des organisations non gouvernementales recrutées par l'UGP, et l'accent sera mis sur le développement productif et institutionnel durable au niveau des communautés et des familles. Des formations destinées à sensibiliser aux politiques publiques à l'échelle centrale et fédérale favoriseront l'accès à ces politiques, et partant, l'accès au crédit et aux programmes publics d'achat. Durant la phase II du projet, un appui sera en outre apporté à la propriété foncière des petits exploitants grâce à la régularisation foncière et environnementale (Registre environnemental rural).

### **Composante 2: accès à l'eau, à l'assainissement et aux technologies sociales**

25. Dans le cadre de la composante 2, il est prévu d'investir dans l'accès des petites exploitations à l'eau, dans l'assainissement des eaux usées domestiques et dans les énergies renouvelables, au niveau des familles ou des communautés. À ces deux niveaux, ces investissements garantiront la régularité et la qualité de l'accès à l'eau à des fins de consommation humaine ou de production agricole, et permettront de réduire la contamination des sols et de l'eau. L'accent sera mis sur les pratiques et les technologies favorisant une utilisation efficace de l'eau à des fins d'adaptation aux changements climatiques.



**Composante 3: gestion des savoirs et coopération aux fins de l'adaptation aux changements climatiques et de la lutte contre la désertification dans la région semi-aride (programme INOVA CLIMA)**

26. Cette composante sera entièrement financée par un don de l'AECID. Elle favorisera le renforcement des capacités des agriculteurs familiaux et des équipes chargées des services d'assistance technique et de vulgarisation rurale, une éducation écologique destinée à assurer la sécurité alimentaire et à améliorer la nutrition dans les communautés rurales, et des technologies et innovations durables et inclusives adaptées à un environnement semi-aride. Des projets pilotes reproductibles seront mis sur pied et des échanges seront organisés sur le modèle de la coopération Sud-Sud et triangulaire. La composante 3 vise également à apporter un appui à l'UGP pour renforcer les capacités institutionnelles de l'État du Ceará à mener à bien le projet et diverses politiques publiques.

**C. Théorie du changement**

27. Le projet vise à réduire la pauvreté, l'insécurité alimentaire et la malnutrition grâce à des investissements dans l'agriculture familiale et à la mise en place ou au renforcement de systèmes alimentaires locaux durables. Il permettra d'améliorer la résilience et les revenus des agriculteurs, et partant, de s'attaquer aux causes profondes de la malnutrition. Le projet vise aussi à lutter contre les inégalités de genre et l'exclusion sociale, et à autonomiser les femmes, les jeunes, les peuples et communautés traditionnels et la communauté LGBTQIAPN+. En s'appuyant sur les bases solides de la phase I, l'équipe du projet reproduira les initiatives réussies et introduira de nouvelles solutions pour atteindre ses objectifs.

**D. Alignement, appropriation et partenariats**

28. La phase II du projet contribuera directement à la réalisation des objectifs de développement durable, grâce à l'appui aux systèmes de production agroécologiques, résilients et durables des agriculteurs familiaux pauvres et à la promotion d'une stratégie cohérente en matière de sécurité alimentaire et nutritionnelle. Elle contribuera notamment à la réalisation des objectifs de développement durable n<sup>os</sup> 1 (pas de pauvreté), 2 (faim « zéro »), 4 (éducation de qualité), 5 (égalité des entre les sexes), 6 (eau propre et assainissement), 10 (inégalités réduites), 12 (consommation et production responsables), 13 (mesures relatives à la lutte contre les changements climatiques) et 15 (vie terrestre). Le projet cadre avec les trois objectifs du Cadre stratégique du FIDA 2016-2025 et les priorités transversales liées aux questions de genre, aux jeunes, aux peuples autochtones, aux enjeux nutritionnels et aux changements climatiques.
29. L'équipe du projet soutient la Décennie des Nations Unies pour l'agriculture familiale (2019-2028) et le plan d'action national, consciente de l'immense contribution de cette forme d'agriculture à la réalisation du Programme de développement durable à l'horizon 2030. L'agriculture familiale joue en effet un rôle important dans l'amélioration de la nutrition, la sécurité alimentaire mondiale, l'éradication de la pauvreté, la lutte contre la faim, la conservation de la biodiversité et la promotion de la durabilité environnementale.
30. La phase II du projet contribuera à la réalisation des trois objectifs stratégiques du programme d'options stratégiques du FIDA pour le Brésil (2024-2029), à savoir: i) renforcer la production agricole durable, la sécurité alimentaire, la nutrition et l'accès aux marchés, en mettant l'accent sur la durabilité environnementale et climatique (composantes 1 et 2); ii) renforcer les politiques et les programmes publics en les remaniant à partir d'éléments factuels et en diffusant les meilleures pratiques (composante 3); iii) renforcer les capacités des institutions publiques et des organisations des populations rurales pauvres afin d'induire un développement inclusif et durable du monde rural (composante 3).

31. Le projet est bien en phase avec le plan pluriannuel 2024-2027 du Gouvernement fédéral brésilien. Il est également conforme aux objectifs de certains programmes stratégiques relevant de l'initiative Ceará 2050, notamment les projets « *Mais Valor no Campo* » (Valorisation de l'espace rural), « *Ativos Ambientais* » (Atouts environnementaux) et « *Segurança Hídrica no Semiárido* » (Sécurité de l'eau dans la région semi-aride).
32. Les activités du projet sont complémentaires de certains programmes du Gouvernement fédéral, notamment: le Programme national d'assistance technique et de vulgarisation rurale dans le cadre de l'agriculture familiale et de la réforme agraire, le Programme national de développement de l'agriculture familiale, le Programme d'achat de produits alimentaires, le Programme national d'alimentation scolaire, le Programme relatif aux citernes, la Politique nationale de développement durable au profit des peuples et des communautés traditionnels et le Plan national de promotion de la diversité sexuelle LGBTQIA+.
33. Durant la phase II, l'équipe du projet collaborera avec le Centre de coopération Sud-Sud et triangulaire et de gestion des savoirs du FIDA à Brasilia et avec le bureau de l'AECID pour le Brésil situé à Montevideo (Uruguay).

## E. Coût, avantages et financement

### Coût du projet

34. Le coût total du projet s'élève à 139 millions d'USD sur une période de six ans. Environ 95% des coûts correspondent à des dépenses d'investissement et 5% à des dépenses ordinaires.
35. Les coûts du projet sont répartis en trois composantes opérationnelles et une composante de gestion, 61,2% de ces coûts étant liés à la composante 1, 28,2% à la composante 2, 2,9% à la composante 3 et 7,8% à la gestion du projet, au suivi-évaluation, à la gestion des savoirs et à la coopération Sud-Sud et triangulaire.

Tableau 1  
Coût du projet par composante et par source de financement  
(en milliers d'EUR)

Composante	Prêt du FIDA		Prêt de l'AECID		Don de l'AECID		Gouvernement de l'État du Ceará		Bénéficiaires		Total	
	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%
1. Développement rural axé sur la durabilité environnementale et fondé sur l'agroécologie	8 000	100	57 530	62	-	-	13 910	56	5 568	56	85 008	61
2. Accès à l'eau, à l'assainissement et aux technologies sociales	-	-	28 450	31	-	-	6 264	25	4 432	44	39 146	28
3. Gestion des savoirs et coopération aux fins de l'adaptation aux changements climatiques et de la lutte contre la désertification dans la région semi-aride (programme INOVA CLIMA)	-	-	-	-	4 000	100	-	-	-	-	4 000	3
4. Gestion du projet et suivi-évaluation	-	-	6 020	7	-	-	4 826	19	-	-	10 846	8
<b>Total</b>	<b>8 000</b>	<b>100</b>	<b>92 000</b>	<b>100</b>	<b>4 000</b>	<b>100</b>	<b>25 000</b>	<b>100</b>	<b>10 000</b>	<b>100</b>	<b>139 000</b>	<b>100</b>

Tableau 2

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

(en milliers d'EUR)

Catégorie de dépenses	Prêt du FIDA		Prêt de l'AECID		Don de l'AECID		Gouvernement de l'État du Ceará		Bénéficiaires		Total	
	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%
<b>Dépenses d'investissement</b>												
1. Assistance technique et vulgarisation rurale	8 000	100	5 130	6	-	-	12 870	52	-	-	26 000	19
2. Assistance technique	-	-	-	-	4 000	100	-	-	-	-	4 000	3
3. Dons et subventions	-	-	49 172	52	-	-	1 040	4	5 568	56	55 780	40
4. Biens, services et intrants	-	-	30 720	33	-	-	6 536	26	4 432	44	41 688	30
5. Formation, ateliers et réunions	-	-	450	0	-	-	100	0	-	-	550	0
6. Travaux de génie civil	-	-	3 151	3	-	-	645	3	-	-	3 7963	
<b>Total des dépenses d'investissement</b>	<b>8 000</b>	<b>100</b>	<b>88 623</b>	<b>96</b>	<b>4 000</b>	<b>100</b>	<b>21 191</b>	<b>85</b>	<b>10 000</b>	<b>100</b>	<b>131 814</b>	<b>95</b>
<b>Dépenses ordinaires</b>												
1. Salaires et dépenses de fonctionnement	-	-	3 377	4	-	-	3 809	15	-	-	4 828	3
<b>Total des dépenses ordinaires</b>	<b>-</b>	<b>-</b>	<b>3 377</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>3 809</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>7 186</b>	<b>5</b>
<b>Total</b>	<b>8 000</b>	<b>100</b>	<b>92 000</b>	<b>100</b>	<b>4 000</b>	<b>100</b>	<b>25 000</b>	<b>100</b>	<b>10 000</b>	<b>100</b>	<b>139 000</b>	<b>100</b>

Tableau 3

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

(en milliers d'EUR)

Composante	Année 1		Année 2		Année 3		Année 4		Année 5		Année 6		Total
	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	Montant	%	Montant
1. Développement rural axé sur la durabilité environnementale et fondé sur l'agroécologie	15	0	6 963	51	22 365	63	33 315	74	22 320	68	30	0	85 000
2. Accès à l'eau, à l'assainissement et aux technologies sociales	1 898	33	4 320	33	10 610	30	9 547	20	8 572	26	4 199	68	39 100
3. Gestion des savoirs et coopération aux fins de l'adaptation aux changements climatiques et de la lutte contre la désertification dans la région semi-aride (programme INOVA CLIMA)	410	7	999	7	938	3	683	2	590	2	380	6	4 000
4. Gestion du projet et suivi-évaluation	3 437	60	1 257	9	1 468	4	1 598	4	1 478	4	1 608	26	10 800
<b>Total</b>	<b>5 760</b>	<b>100</b>	<b>13 539</b>	<b>100</b>	<b>35 381</b>	<b>100</b>	<b>45 143</b>	<b>100</b>	<b>32 961</b>	<b>100</b>	<b>6 217</b>	<b>100</b>	<b>139 000</b>

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

36. Le projet sera financé par: i) un prêt du FIDA de 8 millions d'EUR (6% du coût total) accordé au titre du Mécanisme d'accès aux ressources empruntées (MARE) et assorti d'une garantie souveraine; ii) un prêt de l'AECID de 92 millions d'EUR (66% du coût total) accordé par l'intermédiaire de l'Instituto de Crédito Oficial du Gouvernement espagnol et assorti d'une garantie souveraine; iii) un don de l'AECID de 4 millions d'EUR (3% du coût total) accordé par l'intermédiaire du Secrétariat à la coopération internationale du Gouvernement espagnol; iv) une contribution de contrepartie en espèces de 25 millions d'EUR (18% du coût total) du Gouvernement de l'État du Ceará. En outre, les bénéficiaires du projet apporteront une contribution estimée à 10 millions d'EUR (7% du coût total), essentiellement en nature. Le Gouvernement fédéral brésilien apportera sa garantie souveraine à l'opération.
37. Principal pourvoyeur de fonds du projet, l'AECID financera 69,1% du coût total et 100% des plans locaux de développement rural. Les fonds du FIDA serviront intégralement à financer l'assistance technique apportée aux organisations d'agriculteurs familiaux aux fins de l'exécution des plans locaux de développement rural dans le cadre de la composante 1.
38. Le don de l'AECID est composé d'une contribution en espèces de 2,8 millions d'EUR en appui à la gestion des savoirs (composante 3), et d'une contribution de 1,2 million d'EUR en nature, correspondant à un ou à une spécialiste technique en poste dans l'UGP à Fortaleza.
39. Le Gouvernement de l'État du Ceará versera une contribution en espèces de 25 millions d'EUR en appui aux composantes 1 et 2 et à la gestion du projet.

### **Décaissement**

40. L'État du Ceará ouvrira des comptes séparés désignés en euros pour recevoir les fonds décaissés des différents instruments (prêt du FIDA, prêt de l'AECID et don de l'AECID). Un compte séparé désigné en reais brésiliens sera ouvert pour recevoir les fonds du compte désigné du prêt du FIDA et du compte désigné du prêt de l'AECID, en vertu des contrats de change signés.
41. Les décaissements des fonds de l'AECID et du FIDA s'effectueront sur la base des rapports financiers intermédiaires trimestriels et permettront de disposer d'un flux de trésorerie couvrant six mois d'exécution. Les demandes de décaissement seront soumises via le Portail clients du FIDA. Les rapports financiers intermédiaires présenteront des prévisions en matière d'exécution et de trésorerie pour chaque source de financement, AECID comprise. En vertu d'un accord de cofinancement signé entre l'AECID et le FIDA, celui-ci examinera les demandes de décaissement, les rapports financiers intermédiaires correspondants et d'autres documents et, sur la base de cet examen, il recommandera à l'AECID d'autoriser ou non les décaissements demandés.
42. Les fonds destinés à l'exécution des plans locaux de développement rural conçus avec l'appui technique d'entités du troisième secteur seront directement décaissés des comptes opérationnels du projet.

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

43. Les avantages prévus du projet sont une hausse des revenus des producteurs et de leurs organisations dans le secteur de l'agriculture familiale, la création de nouveaux emplois et l'apport d'améliorations importantes au profit de l'environnement et des bénéficiaires directs du projet. D'après les résultats de l'analyse financière, les activités du projet sont financièrement viables pour les producteurs et leurs organisations, et ce, dans chacun des six modèles de production.

44. Les résultats de l'analyse économique montrent que, dans l'ensemble, la phase II du projet est économiquement viable et représente un bon investissement pour l'État du Ceará: le taux de rendement interne s'élève à 23,5% et la valeur actuelle nette de l'avantage net supplémentaire à 706,289 millions de BRL, pour un rapport avantages/coûts de 4,1.

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

45. L'alignement du projet sur les priorités du Secrétariat au développement agricole (SDA) et du Gouvernement de l'État du Ceará en général créera les conditions favorables à une forte appropriation du projet, tant pendant qu'après l'exécution. Plusieurs facteurs y contribueront, parmi lesquels: i) l'intégration des activités de la phase II du projet dans les forums microrégionaux et les commissions municipales chargées de la vie dans les zones semi-arides, ce qui permettra d'établir les voies stratégiques destinées à assurer la poursuite des initiatives après la fin du projet; ii) les activités de formation et d'appui à l'accès aux politiques publiques, qui devraient créer des conditions favorables pour les bénéficiaires; iii) l'enrichissement des connaissances et de l'expérience des équipes techniques chargées des services d'assistance technique et de vulgarisation rurale en personne ou à distance; iv) le renforcement des capacités et des infrastructures des organisations paysannes; v) la méthode utilisée pour définir, élaborer et exécuter les plans locaux de développement rural et les plans d'activité, qui est fondée sur des processus participatifs et l'appui des services d'assistance technique et de vulgarisation rurale, et qui favorisera une forte appropriation des activités par les bénéficiaires; vi) la pérennité des interventions, qui reposera sur l'augmentation de la production d'aliments sains, la diversification de la production, de la nutrition et des revenus, et le renforcement de la résilience aux changements climatiques et aux chocs.

### **III. Gestion des risques**

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

46. La matrice intégrée des risques du projet a été établie conformément aux directives du FIDA. Le risque global inhérent au projet est modéré, et le risque résiduel faible.

Tableau 4

#### **Synthèse des risques**

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

47. Le risque de gestion financière est jugé modéré, les principaux risques étant: i) le manque de synchronisation entre le financement de l'AECID et le prêt du FIDA, qui pourrait entraver la disponibilité des fonds et retarder l'exécution du projet; ii) les retards dans le décaissement des fonds publics, qui pourraient compromettre l'exécution du projet; iii) les retards dans la signature des accords avec les entités du troisième secteur chargées des services d'assistance technique et de vulgarisation rurale, ainsi que le flou entourant les exigences de ces accords en matière d'établissement de rapports, qui pourraient retarder l'exécution du projet.

Il convient de prendre les mesures d'atténuation suivantes: i) assurer une coordination étroite entre l'AECID et le FIDA pendant les négociations et lors de la signature et de l'approbation de leurs accords de financement respectifs; ii) garantir la soumission rapide par le SDA de la demande de volant budgétaire et de fonds de contrepartie, parallèlement à une coordination permanente avec le Secrétariat aux finances; iii) définir le mandat des organisations contractantes du troisième secteur chargées des services d'assistance technique et de vulgarisation rurale, qui devra faire l'objet d'un avis de non-objection du FIDA dans un délai de six mois, conformément à une clause temporelle de l'accord de financement.

## **B. Catégorie environnementale et sociale**

48. Le risque environnemental et social du projet est modéré.
49. Les risques environnementaux, qui sont modérés, se rapportent aux éléments suivants: i) la potentielle multiplication de rencontres avec des espèces sauvages du fait de la restauration écologique, qui peut créer des aires d'alimentation plus favorables pour ces espèces; ii) l'achat de ressources naturelles en tant qu'intrants dans le cadre des activités d'agroforesterie appuyées par le projet; iii) l'achat de produits agrochimiques (pesticides et engrais); iv) l'appui apporté à l'élevage de moutons et de chèvres, qui est susceptible d'accentuer le problème général du surpâturage.

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

50. Le risque climatique du projet est jugé substantiel. Il a été évalué à l'aune des facteurs suivants: i) l'exposition de la population cible aux aléas naturels (en particulier la variabilité temporelle et spatiale du régime pluviométrique, les températures élevées et les sécheresses); ii) la grande pauvreté de la population cible et le fait qu'elle dépende de l'agriculture pour assurer sa sécurité alimentaire et générer des revenus; iii) l'accès relativement limité de la population cible aux instruments, aux ressources et aux politiques publiques visant à renforcer la capacité d'adaptation aux changements climatiques.

## **D. Soutenabilité de la dette**

51. Le risque lié à la soutenabilité de la dette du Brésil est jugé modéré. La dette du pays est élevée et devrait encore augmenter dans les années à venir, pour se stabiliser à environ 97% du PIB en 2032. La trajectoire de la dette reste très sensible aux chocs sur les coûts d'emprunt et la croissance du PIB réel, ainsi qu'à la matérialisation des risques budgétaires, en particulier ceux liés au nombre important de recours judiciaires, au report du règlement des paiements ordonnés par les tribunaux et aux retards dans les contentieux fiscaux<sup>1</sup>.

# **IV. Exécution**

## **A. Cadre organisationnel**

### **Gestion et coordination du projet**

52. Le SDA sera l'organisme d'exécution du projet au sein du Gouvernement de l'État du Ceará. L'UGP, qui travaillera dans les locaux du SDA à Fortaleza, sera responsable de la planification, de l'exécution, de la gestion et du suivi du projet.
53. Le personnel clé de l'UGP, exclusivement chargé du projet, comprend: i) un coordonnateur ou une coordonnatrice de projet, ii) un ou une spécialiste de la passation des marchés et des contrats, iii) un ou une spécialiste de la gestion financière, iv) un ou une spécialiste du suivi-évaluation.

<sup>1</sup> Source: consultation menée en juillet 2023 au titre de l'article IV du Fonds monétaire international.

54. La Société d'assistance technique et de vulgarisation rurale (EMATERCE) et l'Institut de développement agraire du Ceará (IDACE), ou leurs ayants droit, s'ajouteront aux parties au projet. Pour assurer la présence de l'équipe de projet sur le terrain, des points focaux seront répartis dans des locaux réservés des bureaux régionaux de l'EMATERCE.
55. Un comité de gestion stratégique sera mis en place dans le cadre du projet afin de favoriser une gestion collective. Ce comité, qui fournira une assistance technique et un appui général à l'UGP pour les principales décisions stratégiques, sera composé de représentants des départements de coordination du SDA et d'entités connexes telles que l'EMATERCE, l'IDACE et les Centres d'approvisionnement du Ceará (CEASA).

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

56. Les procédures du FIDA en matière de gestion financière, y compris d'établissement de rapports et d'audits, s'appliqueront à toutes les sources de cofinancement (dont l'AECID).
57. L'UGP sera placée sous la direction de la Coordination du développement institutionnel et de la planification et de la Coordination de l'administration financière du SDA, qui sont responsables de la gestion financière du projet (tenue de registres comptables, garantie de niveaux adéquats de contrôle interne, soumission de rapports financiers au FIDA, traitement des demandes de décaissement et présentation des états financiers annuels audités, notamment).
58. Le Secrétariat aux finances sera chargé de gérer les comptes désignés du projet et de procéder aux paiements à partir des comptes opérationnels du projet, conformément aux instructions de l'UGP.
59. Tout projet exécuté par une entité publique est soumis à la loi n° 4.320/64, qui établit les normes et les principes de budgétisation, de comptabilité et de gestion financière du secteur public.
60. **Audit externe.** Les états financiers annuels du projet seront établis conformément aux normes comptables nationales applicables aux entités publiques, qui cadrent avec les Normes comptables internationales du secteur public. La Cour des comptes de l'État, forte d'une expérience dans l'audit de projets financés par des sources externes, auditera les états financiers du projet en appliquant les Normes internationales des Institutions supérieures de contrôle des finances publiques. Les états financiers audités seront soumis au FIDA au plus tard six mois après la fin de chaque exercice, conformément aux conditions générales. Les rapports annuels d'audit du projet seront transmis à l'AECID.
61. Il revient au Bureau du Contrôleur général du Ceará d'enquêter sur les signalements de pratiques frauduleuses et de garantir la responsabilité et la transparence de l'administration publique.
62. En ce qui concerne la gouvernance, un comité de gestion stratégique sera mis en place dans le cadre du projet afin de favoriser une gestion collective. Ce comité, qui fournira une assistance technique et un appui général à l'UGP pour les décisions stratégiques, sera composé des représentants des départements de coordination du SDA et d'entités connexes.
63. **Passation des marchés.** Le cadre de passation des marchés du FIDA s'appliquera, sauf pour la sélection des prestataires de services chargés de fournir l'assistance technique en milieu rural. Cette sélection sera effectuée par la Commission spéciale des appels d'offres de l'État du Ceará, qui appliquera la réglementation nationale tout en respectant les critères d'évaluation et les politiques du FIDA en matière de fraude et de corruption et d'exploitation et d'atteintes sexuelles, ainsi que ses conditions d'admissibilité (formulaire d'autocertification). Un accord sera signé avec l'Institut interaméricain de

coopération pour l'agriculture, qui sera chargé de la passation de marchés de services de consultants ponctuels, de biens et de services autres que des services de consultants.

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

64. La participation et le retour d'information des groupes cibles seront assurés à l'aide des mécanismes participatifs du projet et des mécanismes de gouvernance locale susmentionnés.

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

65. Conformément aux politiques environnementales et sociales du FIDA, un mécanisme public et accessible de plaintes et de doléances sera mis à la disposition des personnes, des autorités ou des représentants des communautés concernées par le projet. Ce mécanisme tirera parti du système consolidé du SDA en matière de réception et de traitement des plaintes en passant par le service de médiation existant.

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

66. Le système de suivi-évaluation facilitera la planification et le suivi-évaluation des résultats à partir du cadre logique du projet. L'impact du projet sera évalué par des enquêtes d'impact initiales, à mi-parcours et finales. Les activités relatives aux dons seront suivies et évaluées à l'aide d'études et de procédures spécifiques établies par l'AECID.
67. Par ailleurs, la gestion des savoirs et la coopération Sud-Sud et triangulaire permettront de mettre au point des supports et des documents sur les bonnes pratiques et d'encourager les échanges de savoirs axés sur la demande dans l'État du Ceará, dans la région semi-aride du Brésil et avec d'autres pays.

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

68. Les principaux domaines d'innovation du projet sont: i) l'appui aux services numériques d'assistance technique et de vulgarisation rurale en matière d'agroécologie; ii) la section des plans locaux de développement rural relative à l'environnement; iii) l'inclusion d'une sous-composante axée sur les questions de genre et les jeunes; iv) des solutions de collecte, de traitement et de réutilisation de l'eau; v) l'appui au développement de machines et de services destinés à l'agriculture familiale.

## **C. Plans d'exécution**

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

69. Le démarrage et l'exécution dans les meilleurs délais du projet seront facilités par les structures et les capacités développées durant la première phase du projet.

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

70. Le projet sera directement supervisé par le FIDA, en concertation avec l'entité chargée de l'exécution. L'AECID sera invitée à participer aux missions de supervision et d'appui à l'exécution en qualité d'observatrice. Le bureau du FIDA à Salvador sera directement responsable de la supervision et de l'appui à l'exécution de la phase II.
71. Les missions viseront à examiner les progrès réalisés au regard des objectifs, la performance du projet et le respect des conditions contractuelles. Sont prévues: i) une mission de démarrage après l'entrée en vigueur du projet; ii) au moins une mission de supervision et une mission d'appui à l'exécution par an; iii) une mission d'examen à mi-parcours, éventuellement durant la troisième année du projet; vi) une mission d'achèvement pour préparer la clôture technique et administrative et planifier le rapport d'achèvement du projet.



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

72. L'octroi du financement proposé à l'emprunteur est régi par un accord de financement entre l'État du Ceará de la République fédérative du Brésil et le FIDA et par un accord de garantie distinct entre la République fédérative du Brésil et le FIDA. Une copie de l'accord de financement négocié et de l'accord de garantie figure à l'appendice I.
73. L'État du Ceará de la République fédérative du Brésil est habilité, en vertu de ses lois, à recevoir un financement du FIDA et à signer avec lui l'accord de financement, comme il l'a fait précédemment dans le cadre de la phase I du projet. L'accord de financement devra être approuvé par le Sénat fédéral.
74. Je certifie que le financement proposé est conforme aux dispositions de l'Accord portant création du FIDA, et aux Principes et critères applicables aux financements du FIDA.

## **VI. Recommandation**

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

DÉCIDE: que le Fonds accordera à l'État du Ceará de la République fédérative du Brésil un prêt à des conditions ordinaires au titre du Mécanisme d'accès aux ressources empruntées, d'un montant équivalant à huit millions d'euros (8 000 000 EUR), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

Le Président  
Alvaro Lario

## Negotiated financing agreement

### Capacity Development for Overcoming Hunger and Mitigating the Effects of Rural Poverty and Extreme Poverty (Paulo Freire Project II or PPF II)

(Negotiations concluded on 25 November 2024)

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

Project name: Capacity Development for Overcoming Hunger and Mitigating the Effects of Rural Poverty and Extreme Poverty ("Paulo Freire Project II" or "PPF II" or the "Project") (*Projeto de Desenvolvimento de Capacidades para Superação da Fome e Mitigação dos Efeitos da Pobreza e Extrema Pobreza Rural - Projeto Paulo Freire II*)

State of Ceará – The Federative Republic of Brazil (the "Borrower")

and

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

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

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

**WHEREAS** IFAD and the Kingdom of Spain have entered into a Framework Co-financing Agreement dated 22 September 2020 (the "Framework Co-financing Agreement"). The Project shall be co-financed by the Instituto de Crédito Oficial ("ICO") of the Government of Spain. The Borrower and ICO will enter into a negotiation of a financing agreement for a loan of up to ninety-two million Euro (EUR 92 000 000) and a grant of up to four million Euro (EUR 4 000 000) through the Secretariat of International Cooperation (SECI).

**WHEREAS** the Fund has agreed to provide financing for the Project;

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

#### Section A

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

2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022 (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.

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

4. The Loan is to be guaranteed by the Federative Republic of Brazil (the "Guarantor") on the terms and conditions set forth in an agreement, of even date, to be entered into by the Fund and the Federative Republic of Brazil (the "Guarantee Agreement").

## **Section B**

1. The amount of the Borrowed Resources Access Mechanism (BRAM) loan is eight million Euros (EUR 8 000 000).

2. The Loan is granted on ordinary terms and shall have a maturity period of eighteen (18) years, including a grace period of three (3) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled in accordance with Section 4.02(b) of the General Conditions.

3. The Loan Service Payment Currency shall be in Euros.

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

5. Principal and interest shall be payable on each 15 May and 15 November.

6. There shall be a Designated Account opened and held in the name of the Borrower in Euros, for the exclusive use of the Project. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.

7. There shall be a Project Account in Brazilian Real (BRL) for the benefit of the Government of the State of Ceará in a bank selected by the Borrower.

8. The Borrower shall provide counterpart financing for the Project in the amount of twenty-five million Euros (EUR 25 000 000), which shall include the payment of taxes and duties and of which two million thousand Euros (EUR 2 000 000) is considered as counterpart funding towards the IFAD Loan.

## **Section C**

1. The Lead Project Agency shall be the Secretariat for Agrarian Development (SDA) of the State of Ceará or its successor with the same attributions and legal competencies, subject to prior approval by the Fund for the purposes of the Project.

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

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

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

## **Section D**

1. The Loan shall be administered by the Fund.

2. FIDA will carry out supervision of the project as cooperating institution on behalf of Spanish Agency for International Development Cooperation (AECID) based on a co-financing agreement signed between the Kingdom of Spain and IFAD.

## Section E

1. The following are designated as additional grounds for suspension of this Agreement:
  - (a) 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 it has had, or is likely to have, a material adverse effect on the Project.
2. The following are designated as additional conditions precedent to withdrawal:
  - (a) The Guarantee Agreement shall have been duly signed, and the signature thereof by the Guarantor shall have been duly authorised by all necessary administrative and governmental authorities;
  - (b) The IFAD no objection to the PIM shall have been obtained;
  - (c) The Project Designated Account and the operational accounts shall have been opened;
  - (d) The Project Management Unit (PMU) shall have been established and the following members appointed: (i) project coordinator; (ii) a financial management specialist; and (iii) a procurement specialist;
  - (e) The ICO Loan Agreement shall have entered into full force and effect;
  - (f) The right of the Borrower to withdraw the proceeds of the ICO Loan or Grant has not been suspended, cancelled or terminated, in whole or in part, or the ICO Loan has become due and payable prior to the agreed maturity thereof provided that the Parties could not have reached an agreement on a mutual solution.
3. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

Estado do Ceará  
Av Alberto Nepomuceno, 02 – Centro  
Fortaleza – CE – CEP: 60055-000  
E-mail: [gabinete@sefaz.ce.gov.br](mailto:gabinete@sefaz.ce.gov.br); [cedip@sefaz.ce.gov.br](mailto:cedip@sefaz.ce.gov.br)

Copy to:

Secretaria do Desenvolvimento Agrário - SDA  
Av. Bezerra de Menezes, 1820 - São Gerardo  
Fortaleza - CE - CEP: 60.325-901  
E-mail: [sda@sda.ce.gov.br](mailto:sda@sda.ce.gov.br); [ppf2.sda@sda.ce.gov.br](mailto:ppf2.sda@sda.ce.gov.br)

For the Fund:

The President,

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

4. The Parties commit to share with the Secretaria de Assuntos Internacionais e Desenvolvimento do Ministério do Planejamento e Orçamento – SEAID copies of all communication related to this Agreement.

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

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

THE STATE OF CEARÁ  
OF THE FEDERATIVE REPUBLIC OF BRAZIL

\_\_\_\_\_

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

INTERNATIONAL FUND FOR  
AGRICULTURAL DEVELOPMENT

\_\_\_\_\_

Alvaro Lario  
The President

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

## Schedule 1

### *Project Description and Implementation Arrangements*

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

1. *Target Population.* The Project's main target groups are: i) family farmers living in poverty and extreme poverty; ii) rural women; iii) rural youth; iv) Traditional Peoples and Communities (PCTs); and v) LGBTQIAPN+. It shall benefit approximately 80,000 family farming families (around 320,000 people), of which at least 50% will be represented by women, 15% by young people and 5% by PCTs.
2. *Project area.* The Project area will cover 74 municipalities in the semiarid region of the State of Ceará. The selection of the municipalities is based on the Municipal Alert Index (IMA), which integrates 12 indicators to measure the vulnerability of municipalities in climatic, agricultural, and social assistance dimensions and also considers the area of the other IFAD projects in Ceara (PCR/P/Sertão Vivo and PDHC III).
3. *Goal.* The goal of the Project is to reduce rural poverty, food insecurity and malnutrition in family farming.
4. *Development Objective.* The Development Objective is to increase the sustainability of production systems and the resilience of family farmers.
5. *Components.* The Project shall consist of the following Components:
  - 5.1 *Component 1: Rural development with environmental sustainability based on agroecology*
    - 5.1.1 The component will implement investments in family farming with high potential for improving income through development, diversification, adaptation of production capacity and market access. Activities will be carried out to promote and encourage the adoption of agroecological practices, through Technical Assistance and Rural Extension (ATER) complemented with tools based on Information and Communication Technologies (ICTs), as well as favouring the conservation and preservation of natural resources. At a territorial level, the Project will work with Local Rural Development Plans (PDRL) with investments in productive development, restoration and environmental sustainability. At the level of family farming organizations, Business Plan investments will be made in processing units, including assistance via Specialized Technical Assistance (STA) to be contracted by the PMU to ensure improved business management, marketing, and sustainability. The component will also finance environmental and land regularization activities mainly aimed at traditional peoples and communities.
  - 5.2 *Component 2: Access to water, sanitation, and social technologies*
    - 5.2.1 The aim of this component is to make investments in the areas of water, household sewage and renewable energy, at family or community level. Whether for community or family use, the investments will guarantee consistent and high-quality access to water for human consumption or agricultural production, as well as reducing soil and water contamination with waste produced in family units. Efficient water use practices and technologies will be systematically implemented to adapt to climate change. At the community level, activities include collective water supply systems, community reuse of grey water and recycling of household waste. At the household level, activities include social technologies for capturing and storing rainwater, toilet module, grey water reuse eco-efficient stoves, biodigesters and support investments in micro-enterprises to provide machinery, services or products to assist in the small-scale agroecological production.
  - 5.3 *Component 3: Knowledge management and cooperation to adapt to climate change and combat desertification in the semi-arid region (INOVA CLIMA)*

5.3.1 This component will be entirely financed by a grant. It will promote capacity-building among family farmers and ATER teams, environmental education to ensure food security and better nutrition in rural communities, and sustainable and inclusive technologies and innovations adapted to the semi-arid environment. Replicable pilot projects will be developed and exchanges organized, following the model of South-South and Triangular Cooperation. Component 3 also aims to provide support to the PMU to strengthen the State of Ceará's institutional capacity to implement the project and other public policies.

6. *Project Management and Monitoring and Evaluation (M&E)*: The Borrower will be responsible for carrying out all the necessary project management activities to ensure efficient implementation through a Project Management Unit (PMU), under the responsibility of the Secretariat for Agrarian Development (SDA). The M&E system will support the planning, monitoring and evaluation of results, and Knowledge Management and South-South and Triangular Cooperation (SSTC) will enable the preparation of materials/systematizations.

## **II. Implementation Arrangements**

7. *Lead Project Agency*. The Secretariat for Agrarian Development (SDA) will be the Project's executing agency. The PMU will be housed at the SDA, in Fortaleza, and will take on the Project's implementation, management and monitoring activities. To guarantee the Project's presence in the field, its focal points will be based in the regional offices or outposts of the Technical Assistance and Rural Extension Company of Ceará (EMATERCE).

8. *Additional Project Parties*. The State Technical Assistance and Rural Extension Company (EMATERCE) and the Ceará Institute for Agrarian Development (IDACE) will be in principle additional Project Parties for the Project or their successor with the same attributions and legal competencies, subject to prior approval by the Fund for the purposes of the Project.

9. *Strategic Management Committee*. This committee will provide technical assistance and general support to the PMU in the main strategic decisions. It will include representatives from the SDA's coordinating departments, EMATERCE, the Agrarian Development Institute of Ceará (IDACE) and the Supply Centres of Ceará (CEASA-CE).

10. In order to inform its deliberations and increase capillarity and articulation with territorial, state, regional and national public policies, the Project will participate in two other governance spaces:

10.1 At a territorial level, the existing civil society-based Micro-Regional Forums for Life in the Semiarid will act as Regional Committees, monitoring the activities and providing support for the Project to run smoothly, always seeking complementarities and synergies with other initiatives.

10.2 At the municipal level, the Municipal Committees for Coexistence with the Semiarid, which already operate in the municipalities of the Semiarid of Ceará and support the implementation of programs and policies for coexistence with the semiarid region, will act as local committees to monitor the implementation of the Project, carry out social checks and balances and support the mobilization of the communities and families for participation in the Project.

11. *Project Management Unit (PMU)*. The PMU's key staff, exclusively dedicated to the Project, will include: i) Project Coordinator, ii) Manager Component 1; iii) Manager Component 2; iv) Manager Component 3; iv) Procurement and Contracts Specialist, vi) Financial Management Specialist, vii) Monitoring and Evaluation (M&E) Specialist, viii) Gender and Diversity Specialist; ix) Youth Specialist; x) Knowledge Management and Communications Specialist xi) Social, Environmental and Climate Safeguards (SECAP) Specialist.

12. *Monitoring and Evaluation (M&E)*. The Project will include equipment, systems and consultancies needed for administration and planning, monitoring and evaluation and learning. The PMU will use the M&E system developed in phase I of the Project, and adjust the system to the needs of phase II will be made at the start of the first year of the Project.

13. *Financial Management*: Within the SDA a dedicated Project Management Unit (PMU) will be established responsible for project implementation under the guidance of SDA Planning Coordination (CODIP) and Financial Administrative Coordination (COAFI) with two dedicated finance staff. PMU staff will be responsible for financial management of the project in particular: (i) Maintaining accurate and complete accounting records ii) Ensuring adequate levels of internal control; (iii) Submitting the quarterly IFRS and presentation of justifications of expenditure disbursement requests based on the same; (iv) Preparation of annual financial statements; and (v) Coordinating timely submission of external audit including all funding sources and in accordance with Handbook for Financial Reporting and Auditing of IFAD-Financed Projects. The funds needed to implement the project will be included by SDA in the Annual Budget Law (LOA) and in the Multi-Year Plan (PPA) The project will be subject to public sector Law No. 4.320/64, which establishes the norms and principles for budgeting, accounting and financial management. Payments will follow the workflows and built-in controls in the Integrated System of Planning and Financial Administration of Ceará (SIAFE-CE) system and oversight of SDA's Financial department.

14. *Audits*. The Project accounts will be audited annually by the Ceará State Courts of accounts

15. *Project Implementation Manual (PIM)*. Project implementation will be in accordance with this Agreement and the PIM. The Borrower will finalize the development of Project Implementation Manual (PIM) for the Fund's consideration and approval. In case of discrepancy between this Agreement and the PIM, the Agreement will prevail. Any change or modification in the PIM will require IFAD's prior no-objection.



## Schedule 2

### *Allocation Table*

1. *Allocation of Loan Proceeds.* (a) The Table below sets forth the component to be financed by the Loan:

Component	IFAD Loan Amount Allocated  (Expressed in EUR)	Percentage
1. Rural development with environmental sustainability based on agroecology	8 000 000	100% net of taxes
<b>TOTAL</b>	<b>8 000 000</b>	

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

- (i) Rural Development with environmental sustainability based on agroecology: Eligible expenditure under component 1 including Technical Assistance and Rural Extension.

### Schedule 3

#### *Special Covenants*

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

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

1. Within six (6) months of entry into force of this present Agreement, the Project will:
  - a) conclude any relevant contractual arrangements with the additional Project Parties of this present Agreement that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, and financial reporting;
  - b) obtain the no objection by IFAD to the Terms of Reference for the selection process of third sector entities for technical assistance services (ATER); and c) implement a complementary automated financial reporting system which allows for tracking of budget versus expenditure by category and component for all funding sources and the automated generation of the interim financial reports (IFRs) required by IFAD for justification of expenditure and requests for disbursement.
2. *Planning, Monitoring and Evaluation.* The Borrower shall ensure that (i) a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement.
3. *Gender.* The Borrower shall ensure that the Project will adopt a gender transformative approach.
4. *Indigenous People Concerns.* The Borrower shall ensure that the concerns of IPs are given due consideration in implementing the Project and, to this end, shall ensure that:
  - (a) the Project is carried out in accordance with the applicable provisions of the IFAD's Policy on Indigenous Peoples (2022) with its focus on the empowerment of traditional communities (PCTs).
  - (b) indigenous people are adequately and fairly represented in all local planning for Project activities;
  - (c) IP rights are duly respected;
  - (d) IP communities, participate in policy dialogue and local governance;
  - (e) The terms of Declarations, Covenants and/or Conventions ratified by the Borrower on the subject are respected;
  - (f) The Project will not involve encroachment on traditional territories used or occupied by indigenous communities.
5. *Anticorruption Measures.* The Borrower shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
6. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.
8. PPF II will use IFAD systems in the implementation and management stage of contracts and procurement.

9. The Key Project Personnel, unless otherwise agreed with IFAD, shall be employed or designated by the PMU, as required, with qualifications, experience and terms of reference satisfactory to IFAD. Key Project Personnel shall be seconded to the PMU in the case of government officials, or recruited under a consulting contract following the individual consultant selection method in the IFAD Procurement Handbook, or any equivalent selection method in the national procurement system that is acceptable to IFAD. The designation of Key Project Personnel is subject to IFAD's prior review. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations.

## **II. SECAP Provisions**

1. For projects presenting high or substantial social, environmental and climate risks, the Borrower shall carry out the implementation of the Project/Programme in accordance with the measures and requirements set forth in the Environmental, Social and Climate Management Frameworks (ESCMFs), Environmental, Social and Climate Management Plans (ESCMPs), Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), and Pesticide Management Plans (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

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

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

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

5. This section applies to any event which occurs in relation to serious environmental, social, health & safety (ESHS) incidents (as this term is defined below) or labor issues to Project-affected persons or 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:

- Notify IFAD promptly;
- Provide information on such risks, impacts and 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; and

- 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 labor and community), health and safety (ESHS) issues that occur in the context of Project. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the Borrower (e.g. any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination, accidents of members of the public/local communities, resulting in death or serious or multiple injuries, sexual harassment and violence involving Project workforce or in relation to severe threats to public health and safety, 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).

6. The Borrower shall cause the Lead Project Agency contractors, sub-contractors and suppliers to ensure that the relevant processes set out in the SECAP 2021 Edition as well as in the Management Plan(s) (if any) are respected.

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

- 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 implementation of the Project and propose remedial measures. The Borrower will disclose relevant information from such reports to affected persons promptly upon submission of the said reports; and
- Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

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

## Logical framework

### Capacity Development for Overcoming Hunger and Mitigating the Effects of Rural Poverty and Extreme Poverty

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 M&E System	Annual	Project M&E Unit	Continuity of public policies and programmes that support rural poverty reduction.
	Males - Males	0	16000	40000				
	Females - Females	0	16000	40000				
	Young - Young people	0	4800	12000				
	Indigenous people - Indigenous people	0	1600	4000				
	Total number of persons receiving services - Number of people	0	32000	80000				
	<b>1.a Corresponding number of households reached</b>				Project M&E System	Annual	Project M&E Unit	
	Households - Households	0	32000	80000				
	<b>1.b Estimated corresponding total number of households members</b>				Project M&E System	Annual	Project M&E Unit	
Household members - Number of people	0	128000	320000					
<b>Project Goal</b> Contribute to reduce rural poverty and improve food security and nutrition for family farming.	<b>Poverty reduction (multidimensional)</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm	Continuity of public policies and programmes that support rural poverty reduction/ Non-occurrence of acute drought episodes.
	Percentage of reduction - Percentage (%)	0	5	20				
<b>Development Objective</b> Increase the sustainability of production systems and the resilience of family farmers.	<b>1.2.8 Women reporting minimum dietary diversity (MDDW)</b>				Impact Survey	Baseline, Mid-Term and End of Project	Independent consultancy firm	Continuity of public policies and programmes that support rural poverty reduction/ Non-occurrence of acute drought episodes.
	Women (%) - Percentage (%)	0	50	50				
	Women (number) - Females	0	3420	8550				
	Households (%) - Percentage (%)	0	50	50				
	Households (number) - Households	0	6840	17100				
	Household members - Number of people	0	27360	68400				

	Women-headed households - Households	0	3420	8550					
	<b>2.2.1 Persons with new jobs/employment opportunities</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm		
	Males - Males	0	200	500					
	Females - Females	0	200	500					
	Young - Young people	0	60	150					
	Total number of persons with new jobs/employment opportunities - Number of people	0	400	1000					
	<b>IE.2.1 Individuals demonstrating an improvement in empowerment</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm		
	Young - Percentage (%)	0	15	15					
	Young - Young people	0	410	1026					
	Total persons - Percentage (%)	0	20	20					
	Total persons - Number of people	0	2736	6840					
	Females - Percentage (%)	0	50	50					
	Females - Females	0	1368	3420					
	Males - Percentage (%)	0	50	50					
	Males - Males	0	1368	3420					
	<b>3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered</b>				Impact Survey - Carbon-Balance Tool (EX-ACT)	Baseline, Mid-term and End of Project	External consultant		
	Hectares of land - Area (ha)	0	0	16258					
	tCO2e/20 years - Number	0	0	-1096055					
	tCO2e/ha - Number	0	0	-63.3					
	tCO2e/ha/year - Number	0	0	-3.2					
<b>Outcome</b> C1. Family farmers, young people and rural organizations adopt sustainable environmental practices and improve their production systems, nutrition and access to markets.	<b>3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm	Maintenance of public policies and access conditions to credit and public procurement/ Non-occurrence of acute drought episodes.	
		Total number of household members - Number of people	0	43776					109440
		Households - Percentage (%)	0	80					80
		Households - Households	0	10944	27360				
		<b>1.2.2 Households reporting adoption of new/improved inputs, technologies or practices</b>				Impact Survey	Baseline, Mid-term and End of Project		Independent consultancy firm
	Total number of household members - Number of people	0	41040	102600					

	Households - Percentage (%)	0	75	75					
	Households - Households	0	10260	25650					
	<b>1.2.4 Households reporting an increase in production</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm		
	Total number of household members - Number of people	0	32832	82080					
	Households - Percentage (%)	0	60	60					
	Households - Households	0	8208	20520					
	<b>2.2.5 Rural producers' organizations reporting an increase in sales</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm		
	Number of Rural POs - Organizations	0	5	13					
	Total number of POs members - Number	0	364	910					
	Women PO members - Number	0	182	455					
	Men PO members - Number	0	182	455					
	Young PO members - Number	0	55	137					
	Indigenous people PO members - Number	0	18	46					
<b>Output</b> C1. Families and their organizations receive inputs for diversified and environmentally sustainable production.	<b>Families benefiting from Local Rural Development Plans (PDRL)</b>				Project M&E System	Annual	Project M&E Unit	Droughts or climate change are managed with appropriate adaptation measures/ Agricultural products' prices remain favorable for family farmers.	
		Households - Number	0	13680					34200
		<b>1.1.4 Persons trained in production practices and/or technologies</b>				Project M&E System	Annual		Project M&E Unit
		Total number of persons trained by the project - Number of people	0	13680	34200				
		Men trained in crop - Males	0	2736	6840				
		Women trained in crop - Females	0	2736	6840				
		Young people trained in crop - Young people	0	821	2052				
		Men trained in livestock - Males	0	4104	10260				
		Women trained in livestock - Females	0	4104	10260				
		Young people trained in livestock - Young people	0	1231	3078				
	Total persons trained in crop - Number of people	0	5472	13680					

	Total persons trained in livestock - Number of people	0	8208	20520				
	<b>1.1.8 Households provided with targeted support to improve their nutrition</b>				Project M&E System	Annual	Project M&E Unit	
	Total persons participating - Number of people	0	13680	34200				
	Males - Males	0	6840	17100				
	Females - Females	0	6840	17100				
	Households - Households	0	13680	34200				
	Household members benefitted - Number of people	0	54720	136800				
	Indigenous people - Indigenous people	0	684	1710				
	Young - Young people	0	2052	5130				
	<b>Cooperatives receiving support</b>				Project M&E System	Annual	Project M&E Unit	
	Cooperatives - Number	0	10	25				
	Households - Number	0	700	1750				
	<b>Families receive training to access public policies</b>				Project M&E System	Annual	Project M&E Unit	
	Households - Number	0	3600	9000				
<b>Outcome</b> C2. Rural families and communities improve agricultural production and their living conditions through increase access to sanitation through social technologies.	<b>1.2.3 Households reporting reduced water shortage vis-à-vis production needs</b>				Impact Survey	Baseline, Mid-term and End of Project	Independent consultancy firm	Droughts or climate change are managed with appropriate adaptation measures.
	Households - Percentage (%)	0	80	80				
	Households - Households	0	2278	5696				
	Total number of household members - Number of people	0	9114	22784				
<b>Output</b> C2. Rural community and family basic sanitation systems implemented, as well as other infrastructure for energy generation/consumption	<b>Households with access to water for consumption and production and recycling actions</b>				Project M&E System	Annual	Project M&E Unit	Droughts or climate change are managed with appropriate adaptation measures.
	Households with drinking water - Number	0	16400	41000				
	Households with water for production - Number	0	2848	7120				
	Households with recycling actions - Number	0	300	750				
	<b>3.1.3 Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions</b>				Project M&E System	Annual	Project M&E Unit	
	Males - Males	0	1000	2500				
	Females - Females	0	1000	2500				
Young - Young people	0	300	750					



	Total persons accessing technologies - Number of people	0	2000	5000				
<b>Outcome</b> C3. Enabling policy environment and developed capabilities to support the generation of sustainable, diverse and inclusive food systems.	<b>Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment</b>				Qualitative surveys administered to relevant stakeholders	Mid-Term, and End of Project	Independent consultancy firm	
	Number - Number	0	4	8				
	<b>SF.2.1 Households satisfied with project-supported services</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm	
	Household members - Number of people	0	96000	240000				
	Households (%) - Percentage (%)	0	75	75				
	Households (number) - Households	0	24000	60000				
	<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Independent consultancy firm	
	Household members - Number of people	0	89600	224000				
	Households (%) - Percentage (%)	0	70	70				
	Households (number) - Households	0	22400	56000				
<b>Output</b> C3. KM products produced and disseminated. Capacity building for technical staff, family farmers and their organizations.	<b>Government staff and ATER technicians receive training</b>				Project M&E System	Annual	Project M&E Unit	Products made according to family farmers' needs
	Technicians - Number	0	380	380				
	<b>Environmental and climate education courses with a gender focus in rural schools</b>				Project M&E System	Annual	Project M&E Unit	
	Courses - Number	0	72	180				
	<b>Pilot Projects developed and implemented</b>				Project M&E System	Annual	Project M&E Unit	
	Pilot Projects - Number	0	42	104				
	<b>Policy 1 Policy-relevant knowledge products completed</b>				Project M&E System	Annual	Project M&E Unit	
Number - Knowledge Products	0	8	20					

## Integrated project risk matrix

### I. Overall Summary

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

Risk Category / Subcategory	Inherent risk	Residual risk	
Community health, safety and security	Low	Low	
Labour and Working Conditions	Moderate	Low	
Indigenous People	Moderate	Low	
Cultural Heritage	Low	Low	
Resource Efficiency and Pollution Prevention	Moderate	Moderate	
Biodiversity Conservation	Moderate	Low	
<b>Stakeholders</b>	<b>Moderate</b>	<b>Low</b>	
Stakeholder Grievances	Moderate	Low	
Stakeholder Engagement/Coordination	Low	Low	
<b>Overall</b>	<b>Moderate</b>	<b>Low</b>	
Country Context	Moderate	Low	
Fragility and Security		No risk envisaged - not applicable	
There are no identified security-related risks in the project area.			
Macroeconomic	Substantial	Moderate	
<b>Risk:</b> Difficulty in mobilizing a counterpart from the Ceará Government.	Substantial	Moderate	
<b>Mitigations:</b> The design period coincided with the preparation of the 2024-2027 Multiannual Plan, in which the project is mentioned as a priority action of the Ceará Government, guaranteeing budget provision for a counterpart. In addition, the counterpart funds will come from various sources, mainly from SDA and other secretariats' programs and policies, thus diversifying the sources and reducing the risk.			
Governance	Moderate	Low	
<b>Risk:</b> The Project Management Unit and partner institutions do not have all the knowledge and capacities to implement the new project actions (concerning phase 1 actions).	Moderate	Low	
<b>Mitigations:</b> The lessons learned from the implementation of phase I have been incorporated into the PMU design, thus contributing to stronger governance. The institutional arrangements with the main partners will be defined considering these lessons learned to ensure the best possible governance by the PMU and good implementation of the innovative actions. A project management committee will also be established, which will be a space for applying good governance. Capacity-building actions targeting the implementing teams from the state and other institutions will be important mitigating measures. PPF II will ensure that specialized service providers for implementation of innovative actions and for capacity building on government institutions.			
Political Commitment	Low	Low	

<b>Risk:</b> Considering that the project meets a demand from the Ceará Government and, in particular, from the SDA, there is a high level of political commitment from the state, and PPF II will be an important instrument for combating rural poverty in the state.	Low	Low
<b>Mitigations:</b> The SDA was directly involved in the different phases of the project design. Part of the team that managed PPF I, as well as those responsible for various SDA departments, were also involved in the project elaboration.		
Sector Strategies and Policies	Low	Low
Policy Development and Implementation	Low	Low
<b>Risk:</b> In the current context and considering that the PPF II is being designed considering the government's new priorities, there is no risk that the project proposal is not representative of these priorities, including the beneficiary population and the main programs to combat rural poverty.	Low	Low
<b>Mitigations:</b> Working in partnership and complementarity with various SDA coordinators and agencies (EMATERCE, IDACE, COAGUA, agroecological production, "Fomento" program, access to water, animal production, marketing), universities, research institutes (EMBRAPA), other projects (PSJ IV), other secretariats (SEMA) and civil society organizations should contribute to strengthen and guarantee the project's alignment with other government lines of action. The project will focus on knowledge management, valuing the results of the monitoring and evaluation system, good practices, and lessons learned. This will be the basis for the project's experience to contribute to improving public policies to combat rural poverty in Ceará.		
Policy alignment	Low	Low
<b>Risk:</b> The risk that PPF II is not aligned with the main policies of the Ceará Government is low.	Low	Low
<b>Mitigations:</b> The design period coincided with the preparation of the 2024-2027 Multiannual Plan, in which the project is mentioned as a priority action of the Ceará Government and the SDA, strengthening strategic alignment with the government's main other policies, projects (such as the São José IV project) and priorities (combating rural poverty and hunger, including nutritional issues, access to water, strengthening the capacities of rural women, youth and traditional peoples and communities, agroecological approach and preservation of natural resources). These alignments with the main policies of the Ceará Government are in line with IFAD's priorities. The actions that will be developed in the context of knowledge management will be another means of ensuring the project's alignment with the main policies underway.		
Environment and Climate Context	Substantial	Moderate
Project vulnerability to climate change impacts	Substantial	Moderate

<p><b>Risk:</b></p> <p>Risk(s): Climate models point to a significant increase in temperature (up to 1 degree C before 2040) and the frequency of extreme events in Ceará. The models also predict a drop in precipitation, but not a significant one (around 2%). These changes will have a negative impact on plant and animal production and productivity and biodiversity, as well as exacerbating problems resulting from water scarcity and fires. The tendency is for family farming incomes to fall, contributing to an increase in inequality, exacerbating existing conflicts (e.g., access to water) and migratory flows from the countryside to the city.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>Mitigations: The Project aims to support the development and adoption of agroecological agriculture associated with environmental recovery and preservation, through the adoption of the following agroecological practices: (i) recovering pastures and agricultural soils, improving the supply of environmental services of interception and storage of rainwater; (ii) promotion, via ATER, of polycultural systems (more resilient than conventional monoculture systems) with animal and plant species adapted to the social and environmental conditions of the region; (iii) strengthening of production chains and valorization of local socio-biodiversity products; (iv) treatment and proper use of animal waste; and (v) agricultural production adapted to climate change.</p> <p>In addition, solutions will be promoted to provide access to water of better regularity and quality for the target communities.</p>		
Project vulnerability to environmental conditions	Substantial	Moderate
<p><b>Risk:</b></p> <p>Risk(s): The main environmental risks that could affect the Project are water scarcity, irregular rainfall, high temperatures, forest fires and desertification.</p> <p>Water scarcity: Ceará's climate is predominantly semiarid (except for its coastal strip), with rainfall ranging from 500-800 mm/year in the most arid regions. The temporal distribution of rainfall is irregular, and droughts are periodic. The lack of water resources is the main obstacle to the development of agriculture, with family and subsistence farming being particularly vulnerable.</p> <p>High temperatures: associated with irregular rainfall, high temperatures affect plant and animal productivity by increasing plant evapotranspiration (resulting in deciduousness and, therefore, a lack of biomass in the driest and hottest periods).</p> <p>Forest fires: Ceará is the fourth state in the Northeast with the highest number of fires in 2022, according to data from the National Institute for Space Research (INPE). According to INPE, the state recorded 311 fires between January and the beginning of September. Fires and forest fires are more frequent in the second half of the year, especially in the last months of the year, due to favorable conditions such as low air and soil humidity, dry vegetation, high temperatures and the intensive use of burning to prepare land for agricultural crops. The spread of fires in this period is enhanced by the cultural habit of clearing the land with fire for agricultural practices and by the favorable weather conditions for fire (dryness and high temperatures).</p> <p>Desertification: Land degradation is the result of adverse soil and climate conditions, aggravated by the adoption of unsustainable agricultural practices such as deforestation, burning and overgrazing (especially by cattle). Ceará has three areas with desertification centers: Irauçuba, Inhamuns and Médio Jaguaribe.</p>	Substantial	Moderate

<b>Mitigations:</b>  Mitigations: The Project will support environmentally sustainable agrosilvopastoral practices (agroecology) and help farmers modify their production systems if they use unsustainable practices (e.g., use of fire and overgrazing). The Project will also contribute to increasing forest cover with reforestation practices and the recovery of degraded areas. Component 2 of the Project will support the improvement of water security through the promotion of social technologies for access to water, such as: cisterns for agricultural production, family grey water reuse systems, sanitary modules with treatment, community access to rural water, and community reuse of water for production. The Project will exclude funding for investments involving invasive exotic species and endangered species of flora and fauna, as well as hunting practices for endangered species. In the process of formulating the PDRs, specific Environmental, Social and Climate Management Plans will be drawn up to manage environmental risks, with a budget allocated for the implementation of restoration activities, the protection of springs and Creole seed banks		
Project Scope	Moderate	Low
Technical Soundness	Moderate	Low
<b>Risk:</b>  The following risks have been identified: i) risk of maintaining the technical quality of implementation in a particularly large area, ii) limited institutional capacities to implement some innovative activities, iii) not sufficiently integrating the lessons learned in PPF I.	Moderate	Low
<b>Mitigations:</b>  The following mitigating measures will be implemented: i) the intervention will be carried out in a priority area and will not be implemented with the same intensity in all 175 municipalities, ii) the capacity building carried out through Component 3 will be an important contribution of the project, iii) the knowledge management products, the CPR and the fact that part of the SDA team participated in the implementation of PPF I, will be mitigating measures.		
Project Relevance		No risk envisaged - not applicable
There is no risk envisaged.		
Institutional Capacity for Implementation and Sustainability	Substantial	Moderate
Monitoring and Evaluation Arrangements	Moderate	Low
<b>Risk:</b>  SDA has experience in monitoring its actions. However, there is a risk of not finding properly trained M&E professionals. The M&E system developed by PPF I will need to be adjusted to meet the new demands of PPF II.	Moderate	Low
<b>Mitigations:</b>  In component 3, resources should be allocated to strengthening the capacities of the project's M&E team. In the Management component, the budget should be provided for adjustments to the M&E system.		
Implementation Arrangements	Substantial	Moderate

<b>Risk:</b> <p>The SDA has experience in implementing projects with international organizations, such as the 4th phase of the São José project, financed by the World Bank, and the 1st phase of the Paulo Freire project, financed by IFAD. The main change in the implementation arrangement for the 2nd phase of the PPF consists of defining a role for EMATERCE since it was not involved in the 1st phase. This is a substantial risk since the provision of Technical Assistance is fundamental to making field investments.</p>	Substantial	Moderate
<b>Mitigations:</b> <p>The definition of EMATERCE's role should be aligned with stakeholders in the government and with IFAD, to ensure that everyone agrees with EMATERCE's obligations in PPF II.</p>		
Project Financial Management	Moderate	Moderate
Project External Audit	Moderate	Moderate
<b>Risk:</b> <p>It remains undecided whether external audits will be carried out by state court of auditors as is the case for world bank financed project or by private auditor</p>	Moderate	Moderate
<b>Mitigations:</b> <p>IFAD to insist on use Court of Accounts Ceará based on positive experience shared by Worldbank</p>		
Project Accounting and Financial Reporting	Substantial	Moderate
<b>Risk:</b> <p>i) use of auxiliary spreadsheets for budget monitoring by component category and financier and preparation of quarterly IFR resulting in risk of human error  ii) Delays in or incomplete recording of indirect or in kind counterpart funding from SDA  iii) Delays or incomplete recording of indirect or in kind counterpart funding from beneficiaries</p>	Substantial	Moderate
<b>Mitigations:</b> <p>i) Adaptation of SDA system to allow for monitoring by component, category and source of funding and IFRs based on data from the SIAFE/CE system as part of Special Covenant in FA;  ii) Establish and document in the PIM clear criteria for recording and valuation of government counterpart financing;  iii) Establish and document in the PIM the process for recording of counterpart funding from beneficiaries and follow up by IFAD based on IFRS and during supervision missions.</p>		
Project Internal Controls	Low	Low
<b>Risk:</b> <p>Adequate controls in place as confirmed during supervision Paulo Freire I and confirmed by audits , IFAD evaluation during design and Wordbank fiduciary evaluations for same implementing entity</p>	Low	Low
<b>Mitigations:</b> <p>No measures</p>		
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial

<p><b>Risk:</b></p> <p>(i) Timing differences AECID financing and IFAD loan which could affect the availability of funds and delay project implementation;  (ii) Delays in signing agreements with entities providing technical support (ATER) delaying implementation;  (iii) Farming Families or rural farming organizations organizations, which will manage the resources and implement the Local Rural Development Plans (PDRL), may have weak capacity around resource management and may have challenges opening bank accounts and report on the use of funds, which could delay disbursements, implementation and reporting.</p>	Substantial	Substantial
<p><b>Mitigations:</b></p> <p>i) Alignment of dates entry into force financing agreements AECID and IFAD through close cooperation during negotiations and approval processes;  ii) ToR for selection of third sector entities entities supporting Local Rural Development Plans (PDRL) with No IFAD as a condition for first disbursement.</p>		
Project Budgeting	Moderate	Moderate
<p><b>Risk:</b></p> <p>Insufficient fiscal space and/or or delays in the disbursement of gvt funding affecting project implementation.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>(i) SDA will ensure timely submission of request for fiscal space and counterpart funds to ensure sufficient and timely resources for Project implementation;  (ii) IFAD Team will ensure that SEPLAN is firmly committed to ensuring the allocation of sufficient counterpart financial resources for project implementation;  (iii) Monitoring by IFAD of the availability of counterpart funds at least every six months</p>		
Project Organization and Staffing	Moderate	Low
<p><b>Risk:</b></p> <p>i) While the PMU has not been set up SDA does not have enough staff to absorb the demands to manage the finances of the projects which might delay start-up;  (ii) Not enough staff assigned to support administrative aspects of Local Rural Development Plans (PDRL) might affect quality of and delay reporting on execution of and related counterpart funding .</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>(i) Hiring of Finance Manager within PMU dedicated to the project as a condition for first disbursement.  (ii) Include in Terms of Reference for third sector entities (ATER) which requires NO from IFAD as a condition for first disbursement, clear responsibilities, and the requirement to assign sufficient staff with the right profile to accompany administrative aspects of Local Rural Development Plans (PDRL).  (iii) During start-up phase SDA to provide training to staff selected third sector entities for technical support (ATER) on administrative processes Local Rural Development Plans (PDRL) as documented in the PIM.</p>		
Project Procurement	Moderate	Moderate
A.1 Legal, Regulatory and Policy Framework	Moderate	Moderate



<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>- This limitation of methods can lead to inefficient procurement if it does not take into account the different Priority Elements that may be involved in determining the need for procurement (quality, time, etc);</li> <li>- Absence of a consolidated instrument, in the format of a manual, that contains detailed information about the procedures and content of the documents required for the contracting process;</li> <li>- National law does not contain express prohibitions regarding the disclosure of information during the evaluation phase;</li> <li>- National Law does not provide for an autonomous review body for procurement activities;</li> <li>- Lack of standard contractual conditions;</li> </ul>	Moderate	Moderate
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>- Development training and capacity building program on the procurement procedures for the entire procurement cycle;</li> <li>- Define in the PIM clear rules on: a) the content of bidding documents; b) evaluation stage; c) main management and monitoring documents; d) document storage and their respective deadlines; e) security protocols;</li> <li>- Consider the full use or adoption of international standards with their manuals and standardized instruments;</li> <li>- Intensify planning and preparation of consultancy procurement activities, taking into account the complexity of the object;</li> <li>- Evaluate the possibility of using international methods defined in clear policies and detailed in specific manuals;</li> <li>- Adopt a review committee and/or alternative conflict resolution methods;</li> <li>- Adopt a regulation proposed by an official body as a reference for good procedural practices;</li> <li>- Prepare standard bidding documents or use existing models that have been duly adapted;</li> <li>- Drawn up general clauses for the main types of contracts celebrated by the Project. IFAD GCC may be adopted with appropriate adaptations;</li> <li>- Standard contractual conditions should include provisions on Alternative Dispute Resolution (ADR), specifically through arbitration, in alignment with international standards;</li> <li>- Develop an acquisition procedures manual aligned with national laws and international good practices;</li> <li>- Capacity building on use of sustainable contracting criteria in the Project's procurement cycle;</li> <li>- Adhering to IFAD SECAP and IFAD policies.</li> </ul>		
A.2 Institutional Framework and Management Capacity	Low	Low
<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>- Low priority for planning.;</li> <li>- Absence of extratified statistical information on procurement can make it difficult to evaluate policies and identify the efficiency of the system.</li> </ul>	Low	Low
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>- Facilitate capacity building on strategic planning;</li> <li>- Adopt procurement management systems that allow evaluation through statistical information, as well as market planning and analysis</li> </ul>		
A.3 Accountability, Integrity and Transparency of the Public Procurement System	Low	Low

<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>- Fragility in the integration between procurement planning and technical areas;</li> <li>- Use of contracts templates with General Clauses is still not frequently used;</li> <li>- The rules to ensure the confidentiality of the evaluation procedure are not present in a clear way and a single manual;</li> <li>- Punctual delays in the execution of contracts.</li> </ul>	Low	Low
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>- Internal flows must promote the integration and participation of the procurement area in the planning cycle of Project activities;</li> <li>- Training on Project and IFAD's policies;</li> <li>- Adopt standard bid documents whenever possible;</li> <li>- Use of contractual clauses containing the general conditions of the contract is encouraged. (IFAD standard documents as well as their CGC can be adapted for use by the project);</li> <li>- The evaluation rules must be clearly defined in the Project implementation manual;</li> <li>- Use of IFAD's Contract Monitoring Tool (CMT) to gather information about the contracts implementation.</li> </ul>		
<p><b>A.4 Public Procurement Operations and Market Practices.</b></p>	Substantial	Substantial
<p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>- The sharing of teams for technical assistance in different decision-making bodies;</li> <li>- The inclusion of standard contract clauses that provide for prohibited practices is not mandatory;</li> <li>- Low perception about the application of laws on fraud, corruption and other prohibited practices with the application of penalties declared;</li> <li>- Lack of information about special integrity training programs offered to procurement teams;</li> <li>- Stakeholders are not actively participating in promoting good practices and actions for integrity and ethics;</li> <li>- lack of standardized forms for archiving conflict of interest information;</li> </ul>	Substantial	Substantial
<p><b>Mitigations:</b></p> <ul style="list-style-type: none"> <li>- Define an independent appeals body or entity;</li> <li>- Clearly and expressly define in its compliance/integrity documents and policies what are considered prohibited practices and how to avoid them;</li> <li>- Development of Internal communication plans and training programs on the Project's fundamental policies and values;</li> <li>- Include clauses and policies that address prohibited practices in the main contractual documents;</li> <li>- Implement integrity and anti-corruption training as part of the project;</li> <li>- Establish clear documents on ethics and integrity as a requirement in the project;</li> <li>- Include IFAD's mandatory policies in all contractual documents, including for subcontractors;</li> <li>- Conduct comprehensive due diligence before formalizing any contracts;</li> <li>- Include evaluation criteria that recognize the adoption and appreciation of good practices and innovative practices by bidders;</li> <li>- Adopt clauses and policies that address prohibited practices in the main contractual documents;</li> <li>- Adopt forms of declaration on conflict of interest and property information and keep them filed in the procurement processes (IFAD standard forms can be adapted).</li> </ul>		
<p><b>B.1 Assessment of Project Complexity</b></p>	Moderate	Moderate

<b>Risk:</b> The project has a low complexity in terms of Procurement methods used with Procurement centralized in the PMU and with experienced teams. SECAP is moderate. Governance is strong and active.	Moderate	Moderate
<b>Mitigations:</b> The Procurement Plan will have little variation in procurement methods and the types of procurements are not complex. The PIU team has already undergone several IFAD training courses and has experience with the CMT, IFAD's contractual monitoring system, in addition to having participated in training on OPEN. The training will be repeated and made available to new members.		
B.2 Assesment of Implementing Agency Capacity	Low	Low
<b>Risk:</b> The risk presented are mostly low, with some moderate ones. PMU and other technical teams bring the experience gained in executing the previous phase of the project. The market is known and can meet the demands of the new phase of the project. The team has already been trained by IFAD.	Low	Low
<b>Mitigations:</b> With continuous monitoring and the application of mitigating measures, there is a great possibility of success in the execution of the new phase of the project.		
Project Procurement Overall	Moderate	Moderate
<b>Risk:</b> Country risk does not directly influence the activities of this project, and Brazil has good prospects for growth and effective control. The state of Ceará has the capacity to implement the project and manage procurement activities of projects financed with external resources thanks to an experienced procurement team at PMU. In addition, the project will have simple procurement activities carried out by rural farmers spread across numerous municipalities, it is evaluated that the risk is moderate for the whole project.	Moderate	Moderate
<b>Mitigations:</b> Implementing mitigation measures will reduce risk, including systematic tracking of beneficiaries and their purchases.		
Environment, Social and Climate Impact	Substantial	Low
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Moderate

<p><b>Risk:</b></p> <p>Risk(s): Climate models and scenarios point to a significant increase in temperature (up to 1 degree C before 2040) and frequency of extreme events, such as droughts and floods. They also predict a drop in average rainfall, but not a significant one (around 2%). Family farming is already extremely vulnerable to climate variability given the water restrictions and high temperatures in the state.</p> <p>According to the State Program to Combat Desertification, the implications of climate change on the rural population in the semiarid region of Ceará can be summarized as follows: loss of employment, migration, loss of access to land, loss of production, livestock, and income.</p> <p>Services to help the population already exist, such as funding for cisterns, agricultural insurance, and water trucks. However, their reach is limited, among other reasons, by land insecurity and the incipiency of environmental regularization.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>Mitigations: The aim of this Project is to increase the climate resilience of target populations and ecosystems in the face of climate variability and hazards. It will promote the adoption of more diverse and resilient agroecological systems, using animal and plant species that are better adapted to environmental conditions and their climate change trends. The Project will promote water security for its beneficiaries and encourage access to and storage of water with cisterns for agricultural production, family water reuse, sanitary modules with treatment, etc. The Project will also finance reforestation activities, the recovery of degraded areas and the protection of springs.</p>		
Greenhouse Gas Emissions	Low	Low
<p><b>Risk:</b></p> <p>Risk(s): The calculation of GHG emissions is still being worked out while this document is being written, but it is estimated that the Project will have negative emissions due to: i) the increase in biomass and soil carbon promoted in agroecological and agroforestry systems (compared to monocultures), ii) reforestation and forest restoration activities, iii) greater access to water for production, and iv) the reduction in burning. It is estimated that the Project will sequester carbon.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>Mitigations: The Project will support environmentally sustainable practices and help farmers modify their production systems if they have unsustainable practices (for example overgrazing or slash and burn native vegetation). It will also contribute to increasing forest cover with reforestation practices, the implementation of agroforestry systems, the recovery of degraded areas, access to production water and the introduction of energy-efficient stoves. It will also finance access to renewable energies, such as solar panels.</p>		
Physical and Economic Resettlement	Low	Low
<p><b>Risk:</b></p> <p>Risk(s): There is no risk that the Project's interventions will cause the physical resettlement of families or significant adverse economic impacts, especially for marginalized groups.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>Mitigations: The Project has a solid targeting strategy and will promote positive social, physical, cultural, and economic impacts, especially for marginalized groups.</p>		

Community health, safety and security	Low	Low
<p><b>Risk:</b></p> <p>Risk(s): There is no risk that the project will have adverse effects on the health of any group or population. On the contrary, the Project aims to respond to health problems linked to malnutrition. Although recurrent gender-based violence is present in the project area, project activities will promote gender equity, women empowerment, and have positive effects on the physical, mental, and social well-being of individuals or groups, thereby ensuring that the project does not lead to gender-based violence.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>Mitigations: The Project will contribute to improving the health and diet of rural populations, promoting agroecological practices (which removes the effects of inappropriate use of pesticides on health), supporting access to water, improving food and nutrition security, and promoting appropriate nutritional practices for the health of mothers and children in particular.</p> <p>In accordance with IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse (2020), the Project will ensure that adequate safeguard measures are in place for a safe and harassment-free working environment, including sexual harassment and free from sexual exploitation and abuse in its activities and operations. Any complaint of sexual harassment, exploitation or abuse received through the Project's complaint procedure will be referred immediately to the IFAD Ethics Office for further action.</p>		
Labour and Working Conditions	Moderate	Low
<p><b>Risk:</b></p> <p>Risk(s): Employment conditions in impoverished rural areas of Brazil, as is the case in the Project's area of intervention, may not be fully compliant with national labor regulations. This can lead to risks of payment below the minimum wage, child labor, unsafe conditions, or excessive hours, among others.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>Mitigations: 1) All contracts with contractors, suppliers and third parties to be financed with IFAD funds will include provisions prohibiting child labor and promoting decent working conditions. 2) The PMU will establish a mechanism to supervise and follow up on PPF 2 actions with beneficiaries, considering working condition issues. 3) IFAD's supervision and support missions will also monitor and follow up on the issue of working conditions and labor practices. 4) Through the Project's complaints and grievances mechanism, stakeholders and society in general will be able to submit anonymous complaints regarding abusive labor practices (e.g., forced or child labor), cases of gender-based violence, discriminatory working conditions, and unsafe/unsanitary working conditions, which will be addressed and resolved as indicated in the mechanism. Therefore, the Project will potentially lead to an improvement in labor and working conditions.</p>		
Indigenous People	Moderate	Low
<p><b>Risk:</b></p> <p>Risk(s): The risk that the Project may affect the collective rights of indigenous peoples and that there is no effective participation of indigenous peoples in Project decisions that affect them.</p>	Moderate	Low

<p><b>Mitigations:</b></p> <p>Mitigations: i) The Project's eligibility/exclusion criteria prohibit the acquisition or restriction of land use in areas belonging to indigenous and traditional communities. ii) Stakeholder Engagement Plan have been prepared and will include a Public Disclosure and Consultation Plan, including the participation of quilombola, indigenous and other traditional communities, informing them about the Project and the location of the proposed interventions in the communities, reporting on the activities and location of any intervention in the area bordering the demarcated Territory. iii) The SEP also includes a Social Communication and Community Participation program that respects and includes forms of documentation and means of communication that are accessible and appropriate to the cultural specificities of the indigenous peoples and traditional communities in the Project area. iv) The Project's methodology is participatory and demand-driven, with peasant, indigenous and traditional communities presenting their development plans and co-creating the Project's activities in a process of self-determined development, in accordance with IFAD's Policy on Engagement with Indigenous Peoples (2022). v) A Free, Prior and Informed Consent Plan (FPIC Plan) and a Plan Framework for Indigenous Peoples were developed. vi) The Project strengthens the protection of indigenous peoples' cultural and physical resources, promotes their economic development through productive investments, values traditional agricultural systems, recognizes and rescues indigenous food culture</p>		
<p>Cultural Heritage</p>	<p>Low</p>	<p>Low</p>
<p><b>Risk:</b></p> <p>Risk(s): The Project will not cause any degradation of cultural or physical resources, including threats to or loss of resources of historical, religious, or cultural importance. The Project will only work on land that is already being used for agriculture.</p>	<p>Low</p>	<p>Low</p>
<p><b>Mitigations:</b></p> <p>The Project will ensure that cultural considerations are made during the implementation of the proposed activities.</p>		
<p>Resource Efficiency and Pollution Prevention</p>	<p>Moderate</p>	<p>Moderate</p>
<p><b>Risk:</b></p> <p>Risk(s):</p> <ol style="list-style-type: none"> <li>1) The project could support small agricultural processing facilities that produce effluents.</li> <li>2) 60-80% of the energy used for cooking in the Project area comes from firewood, but this percentage will tend to fall with the installation of efficient stoves and biodigesters.</li> <li>3) Component 2 can support groundwater extraction on a small scale, but not significantly.</li> <li>4) Rural producers may independently of the project, use of soluble fertilizers and pesticides as a way of guaranteeing their production and income, with negative impacts on the atmosphere, soil, and biodiversity.</li> <li>5) The project will also support small-scale livestock production, so there may be an increase in herd size.</li> </ol>	<p>Moderate</p>	<p>Moderate</p>

<p><b>Mitigations:</b></p> <p>Mitigations:</p> <p>1) The agricultural product processing facilities will comply with current Brazilian environmental licensing and plant and animal health regulations, which require the proper treatment of these effluents and do not allow them to be discharged into the environment.</p> <p>2) The Project will support the reforestation and restoration of forest areas, with a positive impact on the supply of firewood in the medium and long term. The promotion of eco-efficient stoves and biodigesters will tend to reduce the demand for firewood.</p> <p>3) Water extraction and well drilling is regulated by the government of Ceará, through its Secretariat of Water Resources, which assesses the availability of water before granting authorization for new abstractions.</p> <p>4) The Project will promote Integrated Pest Management and provide training for ATER teams on the proper use of authorized pesticides according to the WHO classification (therefore, the use of Class IA and IB substances or Class II product formulas is prohibited). The Project will focus on green fertilizers and will not encourage or finance the purchase of pesticides, but independent purchases by farmers may occur.</p> <p>5) Agroecological practices require animal production to be in line with the carrying capacity of the environment, including pastures. The Project will support the breeding of small animals (mainly goats and sheep) and the association with ecological practices for the production of pastures and fodder (e.g., silvopastoral systems) with local species.</p>		
Biodiversity Conservation	Moderate	Low
<p><b>Risk:</b></p> <p>The project will not lead to significant conversion or degradation of biodiversity and natural habitats. Risk(s): The Project will not lead to conversion or degradation of biodiversity and natural habitats. The agroecological practices to be supported by the Project include integrated pest management practices that are based, among other things, on the spatial heterogeneity of agroecosystems as a way of promoting predator-prey balance and thus avoiding outbreaks of species that can result in agricultural losses. Therefore, the Project's impact on biodiversity and natural habitats is considered positive. The recovery of degraded areas planned in the Project could result in an increase in foraging areas for various species, thus favoring more encounters between wild animals and humans. However, such encounters rarely result in conflicts.</p> <p>Invasive plant and animal species are already a problem in the Caatinga and some of them have been widely adopted by farmers in their production systems as sources of energy, fodder, honey, and protein. These include: <i>Prosopis juliflora</i> (Algaroba), <i>Apis mellifera</i> ("Europe" bee) and <i>Oreochromys</i> spp (Tilapia).</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>Mitigations: Measures to address the risk of invasive species will be included in the Project's safeguard instruments, procurement plans (negative list) and capacity building. The Project will not finance the introduction of exotic species with invasive potential and will not purchase GMO crops or support their introduction. The purchase of seeds and seedlings will preferably be made from local sources, prioritizing native and creole species.</p> <p>The Project will promote the strengthening of production chains with local socio-biodiversity species for the production of fruit, fodder, honey, oils, extracts, etc. Some of the species already identified are: Xique xique, Mandacaru, Juazeiro, Umu-cajá, Faveleira, Marmeleiro, Jucá, Jurema-preta, Oiticica, Aroeira, Sabiá, Feijão bravo, Catingueira, Emburana and Jandaíra (bee).</p>		
Stakeholders	Moderate	Low

Stakeholder Grievances	Moderate	Low
<p><b>Risk:</b></p> <p>The risk that the Project has ineffective grievance/complaint redress processes (including allegations of non-compliance with IFAD's E, S, C standards, fraud, corruption or SEA), leading to unaddressed stakeholder grievances that may jeopardize the Project implementation and the achievement of the Project's development objectives.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The project will raise awareness among stakeholders about the complaints and grievance mechanisms available, including those of IFAD. It will also include this information as part of IFAD missions, as well as part of the training of technical assistance teams that will work with beneficiaries.</p>		
Stakeholder Engagement/Coordination	Low	Low
<p><b>Risk:</b></p> <p>There is a low risk that the key stakeholders invited to take part in the project will show little interest in or commitment to the project's objectives and activities. The engagement and active involvement of stakeholders are essential to the project's success.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>The SDA will coordinate the participation of stakeholders during the Project design and implementation. At the community and family level, the Project will implement a participatory process in defining activities that meet the needs and aspirations of the beneficiaries. The Project will also establish continuous communication, awareness-raising, and coordination with the various partners at all levels (local, regional, and state), starting at the Project design stage, and will foster visibility activities to publicize and clarify questions regarding the Project's activities and results, both for the target groups and for the partners involved in implementation. It is essential to promote the awareness and participation of local communities, farmers, and other key players to ensure adherence and commitment to the proposed activities.</p>		