FIDA
Invertir en la población rural

Junta Ejecutiva
146.º período de sesiones
Roma, 9 y 10 de diciembre de 2025

Informe del Presidente

Propuesta de préstamo

República de Botswana

Proyecto para la Comercialización del Ganado en Botswana

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Medida: Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 58.

Preguntas técnicas:

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Mapa de la zona del proyecto

IFAD

Las denominaciones empleadas y la forma en que aparecen presentados los datos en este mapa no suponen juicio alguno del FIDA respecto de la demarcación de las fronteras o límites que figuran en él ni acerca de las autoridades competentes.
Fuente: FIDA | 11-11-2025

Resumen de la financiación

Institución iniciadora:	FIDA
Prestatario/receptor:	República de Botswana
Organismo de ejecución:	Ministerio de Tierras y Agricultura
Costo total del proyecto:	USD 86,84 millones
Monto del préstamo del FIDA (Mecanismo de Acceso a Recursos Ajenos):	USD 31,52 millones
Condiciones del préstamo del FIDA:	Ordinarias: 20 años, incluido un período de gracia de 5 años, sujeto a un interés equivalente a la tasa de interés de referencia del FIDA, incluido un diferencial variable.
Cofinanciadores:	Fondo de Adaptación, Fondo para el Medio Ambiente Mundial (FMAM), cooperación Sur-Sur y triangular
Monto de la cofinanciación:	Fondo de Adaptación: USD 20 millones FMAM: USD 5 millones Donación en el marco de la cooperación Sur-Sur y triangular: USD 0,25 millones
Condiciones de la cofinanciación:	Donaciones
Contribución del prestatario/receptor:	USD 5,09 millones
Contribución de los participantes en el proyecto:	USD 1,50 millones
Déficit de financiación:	USD 23,48 millones
Monto de la financiación del FIDA para el clima:	USD 13,87 millones
Institución cooperante:	Supervisado directamente por el FIDA

I. Contexto

A. Contexto nacional y justificación de la actuación del FIDA

1. **Contexto político.** La República de Botswana es ampliamente considerada como una democracia estable, respaldada por instituciones sólidas. Tiene el récord de ser la democracia multipartidista más antigua de África[1]. En 2024, la coalición Umbrella for Democratic Change logró vencer al Partido Demócrata de Botswana, que había gobernado el país durante 58 años. El nuevo gobierno ha prometido una serie de reformas, entre las que destacan la diversificación de la economía, la reducción de la tasa de desempleo y la reforma de varios programas sociales[2].

2. **Contexto económico.** El descubrimiento de uno de los yacimientos de diamantes más grandes del mundo ha convertido a Botswana en una de las economías de más rápido crecimiento. Los ingresos procedentes de la extracción de diamantes se han destinado al desarrollo de infraestructuras y al desarrollo humano, de modo que se han hecho llegar servicios básicos como la electricidad, el agua y el saneamiento a una porción mayor de la población. Dado que el ingreso per cápita ha crecido en las últimas tres décadas, habiendo aumentado de USD 2 427 en 1989 a unos USD 7 696 en 2024[3], Botswana ha pasado de ser un país subdesarrollado a un país de ingreso mediano alto y aspira a convertirse en un país de ingreso alto para 2036.

3. **Pobreza.** Según el *Informe mundial sobre el desarrollo sostenible*, los avances de Botswana en el Objetivo de Desarrollo Sostenible (ODS) 1 se están estancando, teniendo en cuenta que un 21,37 % de la población del país vive por debajo del umbral de pobreza de USD 3,00 al día y que un 27 % se encuentra por debajo del umbral de pobreza de USD 3,65 al día[4]. La proporción de la población que se encuentra por debajo del umbral de pobreza de los países de ingreso mediano alto, fijado en USD 6,85, es del 61,5 %. Estas cifras ponen de relieve los retos a los que se enfrenta el país para erradicar la pobreza[5]. En 2022, tomando como referencia el umbral nacional de pobreza, la pobreza urbana se situaba en el 4,7 % y la rural en el 25,4 %, lo que destaca la disparidad entre las zonas rurales y urbanas del país[6].

4. **Seguridad alimentaria y nutrición.** Las tasas de subalimentación e inseguridad alimentaria son elevadas en Botswana. Entre 2021 y 2023, la prevalencia de la inseguridad alimentaria moderada o grave en la población fue del 55,4 %, y la prevalencia de la desnutrición, del 22 %[7]. Botswana ocupó el puesto 90 de 127 países en el Índice Global del Hambre 2024. Su puntuación, de 20,7, pone de manifiesto que el nivel de hambre es grave[8]. En el *Informe mundial sobre el desarrollo sostenible* se señala que la puntuación de Botswana en el ODS 2 está disminuyendo en lo que respecta a la prevalencia de la subalimentación; el nivel actual de desnutrición es 10 veces superior al objetivo a largo plazo del país, que es del 2,5 %.

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[1] Bertelsmann Stiftung (2024): “BTI 2024 Country Report – Botswana”, Gütersloh (Alemania).
[2] The Economist Group (2025): Economist Intelligence Unit, “One Click Report: Botswana” , https://login.ifad.idm.oclc.org/login?qurl=https://viewpoint.eiu.com%2fanalysis%3futm_source%3dpdf-report%26utm_medium%3dOne%2520click%2520per%2520cent20report%2520per%2520cent20%3a%2520per%2520cent20Botswana%26utm_campaign%3dcover-page-link.
[3] Banco Mundial (2024): PIB per cápita (US$ a precioa actuales) - Botswana https://datos.bancomundial.org/indicador/NY.GDP.PCAP.CD?locations=BW.
[4] Banco Mundial (2022): *Inequality in Southern Africa: An Assessment of the Southern African Customs Union*, Washington D. C..
[5] *Ibid*.
[6] Statistics Botswana (2024): *Advancing Botswana Poverty Estimates: Introducing the Survey of Well-Being Via Instant and Frequent Tracking (SWIFT),* Gaborone.
[7] Organización de las Naciones Unidas para la Alimentación y la Agricultura (FAO) (2024): Datos de Seguridad Alimentaria, https://www.fao.org/faostat/es/#data/FS.
[8] Miriam Wiemers y otros (2024): *Global Hunger Index 2024*, https://www.globalhungerindex.org/pdf/en/2024.pdf.

Aspectos específicos relativos a las esferas transversales prioritarias del FIDA

5. En consonancia con los compromisos transversales asumidos por el FIDA, el Proyecto para la Comercialización del Ganado en Botswana (BoLCoP) ha recibido las clasificaciones que se detallan a continuación:

☒ Abarca la financiación para el clima

☒ Incluye una perspectiva transformadora de género

☒ ☒ Tiene en cuenta la capacidad de adaptación

6. **Mujeres.** A pesar de que Botswana es un país de ingreso mediano alto, las mujeres rurales siguen viéndose afectadas de manera desproporcionada por la pobreza, la inseguridad alimentaria y el acceso limitado a los recursos productivos. Entre las dificultades a las que se enfrentan las mujeres cabe citar el acceso limitado a la tierra y a los derechos de pastoreo; un acceso insuficiente a la financiación; la ausencia de mecanismos que tengan en cuenta las cuestiones de género para la prestación de servicios de extensión; la baja participación en las organizaciones de productores; la pobreza de tiempo, derivada del trabajo de cuidados no remunerado; las normas culturales restrictivas, y la violencia de género.

7. **Juventud.** A pesar del potencial del subsector de la ganadería menor[9] para el desarrollo económico rural de Botswana, las personas jóvenes (de entre 18 y 35 años) constituyen una minoría entre los ganaderos de ese tipo de animales; la mayoría de los productores son adultos mayores (de 50 años o más). Según los datos circunstanciales, la gente joven tiene interés en los agronegocios, pero se enfrenta a obstáculos sistémicos para entrar y participar plenamente, entre ellos los obstáculos relacionados con los mercados y el acceso limitado a la tierra, la financiación y los conocimientos.

8. **Otros grupos vulnerables.** Para lograr la comercialización sostenible del subsector de la ganadería menor será necesario realizar esfuerzos deliberados con el fin de apoyar a todos los grupos vulnerables. Para garantizar que nadie se quede atrás, el proyecto proporcionará apoyo adaptado, garantizará el acceso equitativo a los servicios y creará alianzas entre las partes interesadas con miras a apoyar a los grupos vulnerables y marginados[10].

Razones que justifican la intervención del FIDA

9. Botswana es un país de ingreso mediano alto, pero sigue teniendo una alta incidencia de inseguridad alimentaria y pobreza multidimensional[11], desempleo y desigualdad, incluida la desigualdad de género[12]. Es, asimismo, muy vulnerable a la variabilidad del clima y al cambio climático debido a su gran dependencia de la agricultura de secano.

10. El desarrollo del subsector de la ganadería menor es una prioridad estratégica para la diversificación económica de Botswana. Se ha confirmado la existencia de oportunidades en el mercado nacional y de exportación, pero no se están aprovechando adecuadamente. El subsector de la ganadería menor en Botswana consume menos recursos y genera menos emisiones que el sector ganadero,

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[9] Por “animales pequeños” se entienden cabras y ovejas, mientras que el ganado menor comprende las cabras, las ovejas, los cerdos, las aves de corral y las abejas (apicultura).

[10] Pequeños agricultores con pocos recursos; personas con discapacidad; hogares encabezados por personas de edad; hogares afectados por el VIH/sida, y comunidades de zonas remotas.

[11] Unión Africana (2023): *Dakar 2: Botswana Country Food and Agriculture Delivery Compact*.

[12] Banco Mundial (2023) *Botswana: Systematic Country Diagnostic: At a Crossroads – Reigniting Efficient and Inclusive Growth*.

ampliamente asentado en el país, lo que ofrece una vía natural para aumentar los beneficios económicos, la resiliencia al clima y la erradicación de la pobreza en las comunidades rurales.

11. El FIDA tiene una pericia considerable en la región en lo tocante a ayudar a la población rural pobre a aumentar sus ingresos, diversificar sus medios de vida y participar en las decisiones que afectan a sus vidas. También ha adquirido experiencia específica en el subsector de la ganadería menor en Botswana a través de su apoyo técnico al Gobierno para el desarrollo de la Estrategia del Sector de los Animales Pequeños de Botswana. El Fondo aprovechará las enseñanzas extraídas de los proyectos ganaderos en toda la región de África Oriental y Meridional como medio para integrar más enfoques específicos que puedan dar respuesta a las necesidades del país.

B. Enseñanzas extraídas

12. El Proyecto para la Comercialización del Ganado en Botswana (BoLCoP) es la primera inversión con garantía soberana desde la finalización del Proyecto de Apoyo a los Servicios Agrícolas y se basa en las enseñanzas extraídas de esa inversión y de una intervención de asistencia técnica reembolsable en la cadena de valor de los animales pequeños y un examen final de la nota sobre la estrategia en el país. Las enseñanzas guardan relación con una amplia gama de esferas, entre ellas los retrasos en la puesta en marcha y las estructuras de gestión de proyectos —que tienen una capacidad insuficiente—, la falta de un sentido de apropiación constante por parte del Gobierno, los prolongados procesos de adquisiciones y contrataciones, las deficiencias de los sistemas de seguimiento y evaluación (SyE) y los problemas relacionados con la gestión financiera. Esas enseñanzas también sacan a la luz que prestar atención al género y la inclusión social contribuye al desarrollo inclusivo, y que prestar atención a los peligros climáticos puede ser decisivo para la sostenibilidad y la ejecución eficaz del proyecto. El diseño del proyecto incluye medidas con las que se pretende abordar los problemas relacionados con las enseñanzas conocidas y garantizar una ejecución eficaz y eficiente del proyecto.

II. Descripción del proyecto

A. Objetivos, zona geográfica de intervención y grupos objetivo

13. La finalidad del proyecto es contribuir al objetivo del Gobierno de mejorar de manera inclusiva y sostenible la productividad y la comercialización en el subsector de la ganadería menor. El objetivo de desarrollo del proyecto es mejorar los ingresos y la resiliencia de los hogares rurales mediante cadenas de valor de la ganadería menor más inclusivas y sostenibles y con un mayor impulso por parte de la tecnología.

14. La ejecución del proyecto se centrará en los nodos siguientes: i) nodo del Gran Gaborone; ii) nodo de Lobatse/Comisión de la Carne de Botswana; iii) nodo del matadero de Tsabong, y iv) nodo central, que, en sentido amplio, puede comprender los siguientes distritos: Molepolole, Mogoditshane, Ramotswa, Kgatleng, Tlokweng, Letlhakeng, Good Hope, Kanye, Tsabong, Ghanzi, Charleshill, Hukuntsi, Mabutsane, Mahalapye, Palapye, Serowe, Noreste, Tonota, Boteti y la región de Ngamiland. Las intervenciones en la región de Ngamiland se centrarán principalmente en los vínculos con los mercados, la conservación y la mejora de los medios de vida.

15. El proyecto tiene como objetivo beneficiar a 50 000 hogares (lo que equivale a 200 000 personas). Los grupos objetivo incluyen a agricultores de subsistencia (un 20 %, 10 000 hogares); agricultores semicomerciales (un 60 %, 30 000 hogares); agricultores comerciales incipientes (un 15 %, 7 500 hogares) y pequeñas y medianas empresas (un 5 %, 2 500 hogares).

B. Componentes, efectos directos y actividades

16. El proyecto tendrá los componentes siguientes:

17. **Componente 1: Aumento de la producción y la productividad de la ganadería menor resiliente al clima.** Este componente tiene dos subcomponentes:

- Subcomponente 1.1. Mejora del acceso a servicios de calidad para la ganadería menor y la salud animal, y
- Subcomponente 1.2. Mejora de la capacidad de los ganaderos para adoptar prácticas de producción y gestión resilientes al clima.

18. **Componente 2: Fortalecimiento e inclusividad de las cadenas de valor de la ganadería menor.** Este componente tiene tres subcomponentes:

- Subcomponente 2.1. Fortalecimiento de la agrupación y la creación de capacidad de los actores de la cadena de valor;
- Subcomponente 2.2. Mejora del acceso a los mercados de insumos y productos, y
- Subcomponente 2.3. Mejora del acceso a servicios financieros inclusivos para los actores de la cadena de valor.

19. **Componente 3: Mejora del entorno propicio para un mayor desarrollo de la ganadería menor.** Este es un componente transversal que presta apoyo a los componentes técnicos y tiene dos subcomponentes:

- Subcomponente 3.1. Fortalecimiento institucional y apoyo en el ámbito de las políticas, y
- Subcomponente 3.2. Servicios de gestión de proyectos y apoyo a la ejecución.

20. **Componente 4: Respuesta ante emergencias y desastres.** Este componente ayudará a establecer mecanismos para mitigar y gestionar las perturbaciones que afectan negativamente a la ganadería menor, como las inundaciones, las emergencias relacionadas con las sequías y los brotes de enfermedades del ganado.

C. Teoría del cambio

21. La teoría del cambio se basa en el hecho de que, aunque el subsector de la ganadería menor de Botswana tiene el potencial de diversificar la economía rural del país, aún se enfrenta a numerosos retos. Entre ellos se incluyen la escasa adopción de tecnologías climáticamente inteligentes, el deficiente acceso a servicios veterinarios y de extensión, los elevados costos de producción, la escasez de infraestructuras y el insuficiente acceso a la tierra, la financiación y los mercados. Las intervenciones del proyecto abordarán estas limitaciones de manera integrada para fortalecer simultáneamente los sistemas de producción y comercialización. El resultado del proyecto será un subsector de la ganadería menor más inclusivo, productivo y resiliente al cambio climático. La teoría del cambio parte del supuesto de que las prácticas inclusivas e inteligentes frente al clima y la mejora de la gobernanza de los ecosistemas mejorarán la productividad, el acceso a los mercados y la igualdad de género, al tiempo que reducirán la vulnerabilidad a los efectos del clima.

D. Armonización, sentido de apropiación y asociaciones

22. La ejecución satisfactoria del proyecto contribuirá al logro de los siguientes ODS: ODS 1 (fin de la pobreza), ODS 2 (hambre cero), ODS 5 (igualdad de género), ODS 8 (trabajo decente y crecimiento económico), ODS 13 (acción por el clima) y el ODS 17 (alianzas para lograr los objetivos). El proyecto está en consonancia con diversas políticas nacionales y contribuirá directamente al logro de los objetivos de dichas políticas, así como a las prioridades, planes y estrategias nacionales.

También contribuirá al logro de los objetivos de la nueva nota sobre la estrategia en el país para 2025-2027, en particular de los objetivos estratégicos 1 y 2 (mejora de los sistemas agrícolas en pequeña escala y comercialización más sólida e inclusiva de las cadenas de valor de la ganadería menor).

23. El proceso de diseño del proyecto buscó garantizar el sentido de apropiación por parte del país mediante amplias consultas con una variedad de partes interesadas. Este enfoque consultivo seguirá garantizando un sólido sentido de apropiación del Gobierno, el ajuste a las prioridades nacionales y la participación del sector privado. El proyecto se ejecutará por conducto de las estructuras descentralizadas de Botswana, lo que también contribuirá a un sólido sentido de apropiación por parte del país.

24. Para aumentar la eficacia, el BoLCoP se ejecutará en coordinación con los proyectos en curso financiados por el Gobierno de Botswana y sus demás asociados para el desarrollo que apoyan esferas temáticas relacionadas con el objetivo de desarrollo del proyecto.

E. Costos, beneficios y financiación

25. El déficit de financiación de USD 23,48 millones podrá cubrirse en ciclos posteriores del Sistema de Asignación de Recursos basado en los Resultados (PBAS) o a través del Mecanismo de Acceso a Recursos Ajenos (BRAM) (con arreglo a condiciones financieras que habrán de determinarse y con sujeción a los procedimientos internos y la posterior aprobación de la Junta Ejecutiva) o mediante cofinanciación obtenida durante la ejecución.

26. Los tres componentes del proyecto se contabilizan parcialmente como financiación para el clima. De conformidad con las metodologías que emplean los bancos multilaterales de desarrollo en el seguimiento de la financiación para la adaptación al cambio climático y la mitigación de sus efectos, se calcula que el monto total de la financiación para el clima concedida por el FIDA a este proyecto asciende a USD 13,87 millones.

Costos del proyecto

27. Los costos totales del proyecto, incluidos los costos básicos y los imprevistos por alza de precios, se estiman en USD 86,84 millones para un período de ejecución de ocho años. Se calcula que la inversión ascenderá a USD 76,97 millones (el 89 % de los costos básicos) y que los gastos recurrentes serán de USD 9,86 millones (el 11 % de los costos básicos). Se han estimado unos imprevistos por alza de precios de USD 1,14 millones.

Cuadro 1
Costos del proyecto, desglosados por componente y subcomponente y entidad financiadora
(en miles de dólares de los Estados Unidos)

	Préstamo del FIDA		*Déficit de financiación*		*FMAM*		*Fondo de Adaptación*		*Donación en el marco de la cooperación Sur-Sur y triangular*		*Prestatario/ receptor*		*Participantes en el proyecto (en especie)*		*Total*	
Componente/subcomponente	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*
1. Aumento de la producción y la productividad de la ganadería menor resiliente al clima																
1.1. Mejora del acceso a servicios de calidad para la ganadería menor y la salud animal	6 833	31	7 791	35	-	-	4 989	22	-	-	1 977	9	643	3	22 232	26
1.2. Mejora de la capacidad de los ganaderos para adoptar prácticas de producción y gestión resilientes al clima	3 902	19	1 911	9	4 750	24	7 132	35	-	-	1 690	8	857	4	20 241	23
2. Fortalecimiento e inclusividad de las cadenas de valor de la ganadería menor																
2.1. Fortalecimiento de la agrupación y la creación de capacidad de los actores de la cadena de valor	2 401	62	1 236	32	-	-	-		-	-	229	6	-	-	3 866	5
2.2. Mejora del acceso a los mercados de insumos y productos	5 557	47	4 468	38	-	-	810	7	-	-	940	8	-	-	11 776	14
2.3. Mejora del acceso a servicios financieros inclusivos para los actores de la cadena de valor	2 967	46	2 762	42	-	-	781	12	-	-	-		-	-	6 510	8
3. Mejora del entorno propicio para un mayor desarrollo de la ganadería menor																
3.1. Fortalecimiento institucional y apoyo en el ámbito de las políticas	2 374	29	636	8	-	-	4 721	59	250	3	95	1	-	-	8 076	9
3.2. Servicios de gestión de proyectos y apoyo a la ejecución	7 086	54	4 077	31	250	2	1 567	12	-	-	157	1	-	-	13 136	15
4. Respuesta ante emergencias y desastres (suma fija que se asignará en caso de emergencia)	400	40	600	60	-	-			-	-			-	-	1 000	1
Total	31 520	36	23 480	27	5 000	6	20 000	23	250	0,3	5 088	6	1 500	2	86 839	100

Cuadro 2
Costos del proyecto, desglosados por categoría de gastos y entidad financiadora
(en miles de dólares de los Estados Unidos)

	Préstamo del FIDA		*Déficit de financiación*		*FMAM*		*Fondo de Adaptación*		*Donación en el marco de la cooperación Sur-Sur y triangular*		*Prestatario/ receptor*		*Participantes en el proyecto (en especie)*		*Total*	
Categoría de gasto	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*	*Monto*	*%*
Costos de inversión																
A. Obras públicas	5 480	22	7 502	30	-	-	8 915	35	-	-	2 750	11	721	3	25 368	29
B. Equipo y materiales	5 104	55	1 562	17	-	-	1 607	17	17	0,2	1 001	11	-	-	9 291	11
C. Bienes, servicios e insumos	4 137	23	3 259	18	4 750	26	4 151	23	-	-	1 096	6	779	4	18 172	21
D. Asistencia técnica	5 620	49	2 508	22	-	-	3 030	26	112	1	241	2	-	-	11 511	13
E. Capacitación	4 436	58	2 347	31	-	-	730	10	121	2	1	-	-	-	7 634	9
F. Línea de crédito	2 250	45	2 750	55	-	-	-	-	-	-	-	-	-	-	5 000	6
Total de costos de inversión	**27 027**	**35**	**19 928**	**26**	**4 750**	**6**	**18 433**	**24**	**250**	**0,3**	**5 088**	**7**	**1 500**	**2**	**76 976**	**89**
Gastos recurrentes																
A. Sueldos y prestaciones	3 287	48	2 927	43	250	4	407	6	-	-	-	-	-	-	6 871	8
B. Operaciones y mantenimiento	1 206	40	626	21	-	-	1 160	39	-	-	-	-	-	-	2 992	3
Total de gastos recurrentes	**4 493**	**46**	**3 553**	**36**	**250**	**3**	**1 567**	**16**	**-**	**-**	**-**	**-**	**-**	**-**	**9 863**	**11**

Cuadro 3
Costos del proyecto, desglosados por componente y subcomponente y año del proyecto
(en miles de dólares de los Estados Unidos)

	Primer año	*Segundo año*	*Tercer año*	*Cuarto año*	*Quinto año*	*Sexto año*	*Séptimo año*	*Octavo año*	*Total*
Componente/subcomponente	*Monto*	*Monto*	*Monto*	*Monto*	*Monto*	*Monto*	*Monto*	*Monto*	*Monto*
1. Aumento de la producción y la productividad de la ganadería menor resiliente al clima									
1.1. Mejora del acceso a servicios de calidad para la ganadería menor y la salud animal	621	2 184	7 027	6 066	3 954	1 321	985	76	22 232
1.2. Mejora de la capacidad de los ganaderos para adoptar prácticas de producción y gestión resilientes al clima	300	751	4 895	4 856	4 833	3 173	914	520	20 241
2. Fortalecimiento e inclusividad de las cadenas de valor de la ganadería menor									
2.1. Fortalecimiento de la agrupación y la creación de capacidad de los actores de la cadena de valor	397	617	457	467	607	467	457	397	3 866
2.2. Mejora del acceso a los mercados de insumos y productos	755	1 951	2 085	2 030	1 579	1 513	1 269	594	11 776
2.3. Mejora del acceso a servicios financieros inclusivos para los actores de la cadena de valor	565	419	1 364	578	822	754	1 004	1.004	6 510
3. Mejora del entorno propicio para un mayor desarrollo de la ganadería menor									
3.1. Fortalecimiento institucional y apoyo en el ámbito de las políticas	921	472	3 538	1 037	757	545	430	376	8 076
3.2. Servicios de gestión de proyectos y apoyo a la ejecución	2 780	1 480	1 371	1 521	1 676	1 388	1 474	1.446	13 136
4. Respuesta ante emergencias y desastres (suma fija que se asignará en caso de emergencia)	-	-	200	200	200	200	200	-	1 000
Total	**6 338**	**7 873**	**20 937**	**16 755**	**14 428**	**9 361**	**6 733**	**4.413**	**86 839**

Estrategia y plan de financiación y cofinanciación

28. El proyecto se financiará de la siguiente manera: préstamo del FIDA (BRAM) en el marco de la Decimotercera Reposición de Recursos del FIDA: USD 31,52 millones (el 36 % del costo total); FMAM: USD 5 millones (el 6 %); Fondo de Adaptación: USD 20 millones (el 23 %); Gobierno de Botswana: USD 5,09 millones (el 6 %), y contribuciones de los participantes en el proyecto (en especie) y donación en el marco de la cooperación Sur-Sur y triangular: USD 1,75 millones (USD 1,5 millones y USD 0,25 millones, respectivamente) (el 2 %).

29. Se proporcionará financiación paralela a través de una operación sin garantía soberana (USD 10 millones) y mediante una donación de la iniciativa "Innovación Inteligente para el Desarrollo a través de la Investigación en Agricultura", financiada por la Unión Europea, que apoyará los sistemas integrados de ganadería y horticultura, aprovechando las inversiones del proyecto. La donación del FIDA al Proyecto de Capitalización de la Observación de la Tierra (CAPEO) apoyará la monitorización de la salud de los ecosistemas y los pastizales mediante la observación de la Tierra. La contribución del sector privado del Banco Gaborone para complementar el proyecto ascenderá a USD 5,1 millones.

Desembolsos

30. El desembolso del proyecto comprende las siguientes categorías: obras públicas; equipo y materiales; bienes, servicios e insumos; asistencia técnica; capacitación; línea de crédito; sueldos y prestaciones, y operaciones y mantenimiento. Los gastos recurrentes totales se estiman en un 11 % para el conjunto del proyecto; esta cifra se sitúa dentro de los límites aceptables. La capacitación se considera una categoría de gastos de alto riesgo y se supervisará de cerca para garantizar que cuente con el apoyo suficiente y que los gastos se realicen de acuerdo con los procedimientos.

Resumen de los beneficios y análisis económico

31. El proyecto beneficiará a 50 000 hogares, lo que equivale a 200 000 personas, con un costo estimado de USD 1 742 por hogar y USD 435 por persona. Se prevé que el proyecto genere una tasa económica de rendimiento del 32 %, con un valor actual neto positivo de USD 280 millones (equivalentes a 3 920 millones de pulas de Botswana). Del análisis económico se desprende que el proyecto es viable. Se llevó a cabo un análisis de sensibilidad para comprobar la solidez de la inversión cuando se somete a los riesgos enumerados en la matriz integrada de los riesgos del proyecto. Los resultados indican que el proyecto es viable desde el punto de vista económico y financiero, teniendo en cuenta los distintos supuestos examinados.

Estrategia de salida y sostenibilidad

32. El proyecto es una iniciativa liderada *de facto* por la comunidad. Mediante un enfoque ascendente, el proyecto se pondrá en contacto con las comunidades objetivo, a través de los agentes de extensión de los distritos, para involucrarlas en el proceso de preparación del plan operacional anual y presupuesto correspondiente (AWPB), en la supervisión de la ejecución de las actividades y en el seguimiento de los progresos realizados. Las organizaciones de productores participarán activamente en la planificación de las diversas intervenciones y recibirán apoyo para la creación de capacidad que les permitirá gestionar la infraestructura desarrollada por el proyecto y proporcionar servicios de producción y comercialización a sus miembros. De este modo, podrán seguir prestando servicio a los miembros tras la salida sin contratiempos del proyecto. El enfoque de ejecución del proyecto por conducto de las instituciones gubernamentales existentes a nivel nacional y, sobre todo, de distrito, representa una estrategia de salida incorporada. En el marco del subcomponente 3.1 se reforzarán las capacidades de las respectivas instituciones gubernamentales para garantizar su eficacia. Por otro lado, los agricultores y sus organizaciones recibirán apoyo destinado a fortalecer su capacidad para servir a sus miembros y promover sus intereses. Este será un pilar fundamental de la estrategia de salida.

III. Gestión de riesgos

A. Riesgos y medidas de mitigación

33. Existen ciertos riesgos que podrían repercutir negativamente en la ejecución del BoLCoP y en el logro de su objetivo de desarrollo. Entre los riesgos destacados se encuentran la incidencia de sequías prolongadas que afectasen a la disponibilidad de agua para el ganado y las comunidades, lo que incidiría de manera desproporcionada en las mujeres y las niñas, ya que son ellas las que se encargan de recoger el agua. Este riesgo se mitigará mediante pozos de perforación con energía solar para la extracción de agua, reservas de forraje y razas resilientes al calor. Las deficiencias en la infraestructura relacionadas con el cambio climático (como fugas en estanques de evaporación o averías en pozos de perforación) plantean otro riesgo. Entre las medidas de mitigación figuran los diseños resistentes al clima, la financiación para el mantenimiento y la evaluación ambiental en el marco de la gestión ambiental y social. La deficiente capacidad institucional para la gobernanza ambiental también entraña un riesgo, que se abordará mediante el despliegue de personal, la capacitación de formadores y herramientas de planificación descentralizadas, lo que se acompañará de la participación activa de las mujeres y la gente joven en las estructuras de gobernanza y los procesos de toma de decisiones.

34. En el apéndice III se presenta una descripción detallada del perfil de los riesgos y las medidas de mitigación conexas. A continuación se presenta la sinopsis general.

Cuadro 4
Calificación general de los riesgos

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

B. Categoría ambiental y social

35. El riesgo en la categoría ambiental y social se ha clasificado como considerable. El marco de gestión ambiental y social se ha confeccionado para orientar la labor de ejecución y prevenir los efectos negativos para el medio ambiente y los sistemas sociales. La clasificación de los riesgos se vio influida por cuestiones relacionadas con la posible contaminación derivada de la producción ganadera y el manejo de los desechos (norma 2 de los Procedimientos de Evaluación Social, Ambiental y Climática (PESAC)), las condiciones laborales y las modalidades de empleo informal (norma 5 de los PESAC), los riesgos relacionados con la violencia de género y la salud y la seguridad de las comunidades vinculados a la manipulación y el procesamiento de productos ganaderos (norma 6 de los PESAC), la propiedad limitada de la tierra que afecta a la solvencia (norma 7 de los PESAC) y la necesidad de establecer un sistema de gestión ambiental y social y un mecanismo de reclamaciones para las instituciones financieras y los proveedores de servicios asociados (norma 8 de los PESAC).

C. Clasificación del riesgo climático

36. Se ha determinado que el riesgo climático es considerable debido a las sequías prolongadas, el estrés térmico y la variabilidad de las precipitaciones, que se prevé que afecten negativamente a la producción ganadera, la disponibilidad de pastos, los recursos hídricos y la productividad general del sector. Aunque Botswana va por buen camino para responder eficazmente al cambio climático, sigue siendo necesario aumentar la adaptación y la acción, dado que el país es muy vulnerable a las perturbaciones extremas.

D. Sostenibilidad de la deuda

37. Del análisis de la sostenibilidad de la deuda llevado a cabo más recientemente por el Fondo Monetario Internacional (FMI)[13] se desprende que Botswana presenta un riesgo bajo de tensión de la deuda soberana, lo que refleja menores niveles de vulnerabilidad a medio y largo plazo. La deuda pública es baja, pues se sitúa en el 20 % del producto interno bruto (PIB). Desde 2018, un porcentaje creciente de la deuda de Botswana está en manos de bancos y otros acreedores nacionales (por ejemplo, fondos de pensiones), mientras que la proporción de acreedores externos oficiales ha disminuido. La estabilización proyectada de la deuda pública en porcentaje del PIB depende del éxito en la aplicación de la consolidación fiscal prevista, bastante ambiciosa pero posible según los patrones internacionales. El escenario de referencia apunta a unas perspectivas de riesgo a largo plazo bajas, aunque las perturbaciones que afectan negativamente a los ingresos por productos básicos podrían intensificar la presión para emitir deuda. Para reducir los riesgos que puedan derivarse del descenso de la producción de diamantes a largo plazo, será necesario acelerar las reformas orientadas a la diversificación.

IV. Ejecución

A. Marco organizativo

Gestión y coordinación del proyecto

38. La ejecución del Proyecto para la Comercialización del Ganado en Botswana se incorporará al sistema del Gobierno tanto a escala nacional como distrital. El Ministerio de Tierras y Agricultura será el principal organismo del proyecto, pero delegará su funcionamiento diario en una dependencia nacional de gestión y coordinación, que responderá directamente ante el secretario permanente del ministerio. En los distritos, aparte de recurrir al personal y las estructuras existentes, el Proyecto para la Comercialización del Ganado en Botswana contará con el apoyo de cuatro oficiales encargados del seguimiento y la evaluación (SyE) con miras a reforzar la coordinación y el SyE en cada nodo. Bajo la dirección del Ministerio de Tierras y Agricultura, se creará un comité directivo que se ocupará de ofrecer orientación general estratégica y en materia de políticas en relación con el proyecto.

39. En el ámbito distrital, el proyecto se apoyará en las estructuras y equipos ya existentes para su ejecución e incluirá capacitación y servicios de facilitación al personal distrital asignado. Para permitir la coordinación de las actividades del proyecto a escala grupal y distrital, así como una relación fluida con la Dependencia Nacional de Gestión y Coordinación, el proyecto contratará a un coordinador y a un responsable de SyE para cada una de las cuatro agrupaciones geográficas, excepto la de Lobatse, que estará a cargo del personal de la agrupación de Gran Gaborone.

Gestión financiera, adquisiciones y contrataciones, y gobernanza

40. El Ministerio de Tierras y Agricultura supervisará la gestión financiera del proyecto a través de una Dependencia de Gestión y Coordinación especializada. Esta dependencia liberará los fondos conforme a un AWPB refrendado por el comité directivo del proyecto, tras su presentación al FIDA para que lo examine y dé su

[13] Fondo Monetario Internacional (2024): *Botswana: 2024 Article IV Consultation-Press Release and Staff Report*.

conformidad. Los distritos participantes seguirán procedimientos normalizados de gestión financiera que requieren el visto bueno del Fondo. Entre las modalidades de desembolso cabe destacar los anticipos a cuentas denominadas en dólares de los Estados Unidos y, excepcionalmente, los pagos directos previa aprobación de un Oficial de Finanzas del FIDA. Cada entidad financiadora mantendrá una cuenta designada independiente, mientras que las contribuciones del Gobierno se desembolsarán a través de una cuenta bancaria del Ministerio de Tierras y Agricultura. Las contribuciones en especie serán supervisadas por la Dependencia de Gestión y Coordinación del Proyecto, y el AWPB especificará las fuentes de financiación por actividad.

41. Las adquisiciones y contrataciones en el marco del BoLCoP se realizarán de conformidad con el marco nacional en la materia. Para las adquisiciones y contrataciones en situaciones no contempladas en ese marco, se aplicarán las Directrices del FIDA para la adquisición de bienes en el ámbito de los proyectos y los documentos de licitación normalizados. El Ministerio de Tierras y Agricultura será responsable de gestionar las adquisiciones y contrataciones que se efectúen dentro del proyecto. Todas las actividades de adquisición y contratación de alto valor y carácter complejo se coordinarán desde la Dependencia Nacional de Gestión y Coordinación del Proyecto, mientras que las de bajo valor se llevarán a cabo a escala de distrito. Se registrarán en el Sistema integral de adquisiciones y contrataciones en línea del FIDA (IFAD OPEN) las actividades de planificación y ejecución de las adquisiciones y contrataciones en el marco del BoLCoP, incluyendo su examen previo y visto bueno por parte del Fondo.

42. Se prevé que las entidades encargadas de la ejecución se ciñan a las directrices del FIDA en materia de lucha contra la corrupción para prevenir el fraude y la corrupción.

Participación y observaciones del grupo objetivo y resolución de reclamaciones

43. La Dependencia Nacional de Gestión y Coordinación del Proyecto se encargará de poner en marcha el proceso de participación y recopilación de opiniones sobre la base del plan de participación de las partes interesadas. El BoLCoP contará con la participación activa del grupo objetivo en el proceso de desarrollo, garantizando de ese modo la eficacia, la inclusividad, la accesibilidad, la transparencia y la sostenibilidad. El proceso de participación y recopilación de opiniones posibilitará el establecimiento de canales de comunicación formales con los grupos objetivo y otras partes interesadas, lo que fomentará la participación en todas las fases de cada intervención.

Resolución de reclamaciones

44. Para atender las reclamaciones que surjan durante la ejecución del proyecto, el equipo de diseño ha desarrollado un mecanismo de resolución de reclamaciones compuesto por tres sistemas paralelos: un sistema comunitario, el sistema formal del BoLCoP y el procedimiento de reclamación del FIDA. Las partes interesadas suelen preferir el sistema comunitario, ya que permite resolver las controversias con mayor rapidez y tiene la ventaja de estar disponible localmente.

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

45. El ciclo de planificación del proyecto seguirá el ciclo de planificación y presupuestación del Gobierno. Comenzará con la preparación del AWBP correspondiente mediante un proceso de planificación participativa ascendente. El AWPB se someterá a todos los procedimientos de aprobación necesarios antes de su puesta en marcha.

46. El marco lógico sentará las bases para el sistema de SyE del proyecto. Contiene un conjunto de indicadores específicos e indicadores básicos seleccionados a partir de los indicadores básicos de efectos directos del FIDA para orientar la evaluación continua de los resultados. El sistema de SyE estará gestionado por la Dependencia Nacional de Gestión y Coordinación del Proyecto, que coordinará la recopilación, el análisis y la comunicación de datos a través de un sistema de información de gestión. Corresponderá a los asociados y el personal sobre el terreno realizar un seguimiento rutinario mediante el uso de instrumentos normalizados y la presentación de informes periódicos. En el marco lógico se ha concedido prioridad a los indicadores que tienen en cuenta las cuestiones de género para efectuar un seguimiento del progreso equitativo de las mujeres, la gente joven y los grupos marginados. La Dependencia de Gestión y Coordinación elaborará informes semestrales y anuales sobre la marcha del proyecto para presentarlos al Gobierno. Una vez aprobados por el comité directivo, estos se someterán al examen y visto bueno del FIDA.

47. La estrategia de evaluación del BoLCoP se basará en métodos cuantitativos y cualitativos para determinar cómo ha contribuido el proyecto a mejorar los medios de vida del grupo objetivo, mediante la realización de encuestas en la fase inicial y anualmente, a mitad de período y al cierre del proyecto. Se encuestará a un grupo de control con arreglo a las directrices de evaluación de los indicadores básicos de efectos directos del FIDA.

48. El BoLCoP integrará un componente de gestión de los conocimientos en su sistema de SyE para facilitar la gestión adaptable, así como la formulación de políticas y la adopción de decisiones sobre una base empírica. En las primeras etapas de la ejecución se elaborará una estrategia de gestión de los conocimientos y comunicación. Se generarán conocimientos mediante el análisis sistemático de los datos de seguimiento y las observaciones de los participantes en el proyecto, los cuales se difundirán de diversas maneras entre las diferentes partes interesadas. El BoLCoP promoverá el aprendizaje inclusivo para enriquecer su base de conocimientos y fomentar la innovación.

Innovación y ampliación de escala

49. A continuación se enumeran algunas de las características innovadoras BoLCoP: la introducción de la gestión y la rehabilitación de pastizales en superficies de pasto comunal, en particular mediante herramientas digitales, como el balance forrajero y el seguimiento por teledetección, gracias a la subvención del Proyecto de Capitalización de la Observación de la Tierra; la instalación de unidades de desalinización para el ganado de gestión comunitaria, alimentadas con energía solar; la construcción de *kraales* antidepredadores con cercado en distintos niveles y otros elementos disuasorios, para reducir los conflictos entre los seres humanos y la fauna silvestre; la utilización de sistemas de gestión del ganado habilitados para dispositivos móviles; la ampliación de los servicios de extensión por medios electrónicos a través de las plataformas de datos del servicio suplementario sin estructurar, respuesta vocal interactiva y WhatsApp, y el uso de herramientas digitales de asesoramiento climático para mejorar los sistemas de alerta temprana y la gestión de pastizales, junto con el de una herramienta digital de notificación de las emisiones de gases de efecto invernadero (Modelo Interactivo de Evaluación Ambiental de la Ganadería Mundial).

50. La ampliación de escala se verá impulsada por el compromiso del Gobierno de difundir las ganancias en eficiencia del subsector de la ganadería menor a otras partes del país. El BoLCoP, que abarcará 21 distritos del país, se ejecutará en determinados subdistritos de cada uno de ellos. Los encargados de la ejecución del proyecto documentarán las enseñanzas extraídas y las mejores prácticas observadas durante la ejecución del proyecto, con el fin de que sirvan de orientación para lograr ampliar con éxito la escala de las intervenciones a otras partes del país, ya sea por parte del Gobierno o de sus asociados para el desarrollo.

C. Planes para la ejecución

Preparación para la ejecución y planes para la puesta en marcha

51. Entre las medidas destinadas a garantizar la preparación para la ejecución cabe destacar las siguientes: la elaboración del AWPB, del plan de adquisiciones y contrataciones y de un manual de ejecución del proyecto; el establecimiento de los perfiles de los puestos que deben cubrirse en la Dependencia de Gestión y Coordinación del Proyecto; el compromiso de la oficina del FIDA en el país de brindar el apoyo necesario al Gobierno para garantizar la puesta en marcha oportuna de las actividades, y el compromiso asumido por el equipo encargado del diseño del proyecto de colaborar con el Gobierno y coordinar la realización de múltiples talleres secuenciados de puesta en marcha (un taller nacional en Gaborone y otros en los distritos participantes), en los que se explicará el diseño del proyecto. El Gobierno se ha comprometido a llevar a cabo las siguientes actividades: localizar un espacio de oficinas destinado al BoLCoP; finalizar la elaboración de los perfiles de los puestos de trabajo del proyecto para la contratación de personal en la Dependencia de Gestión y Coordinación, y designar a los firmantes autorizados. Por lo tanto, el BoLCoP deberá estar listo para su puesta en marcha al momento de la firma del convenio de financiación.

Supervisión, examen de mitad de período y planes de finalización

52. **Supervisión.** El BoLCoP será supervisado conjuntamente por el FIDA y el Gobierno, que evaluarán los logros, documentarán las enseñanzas extraídas y, cuando sea necesario, prestarán apoyo en materia de ejecución, con el objetivo de garantizar la ejecución eficaz del proyecto y aumentar la probabilidad de que alcance su objetivo.

53. **Examen de mitad de período.** El Gobierno y el FIDA llevarán a cabo de forma conjunta una examen a mitad del período de ejecución del BoLCoP. Este examen evaluará si el proyecto va bien encaminado para alcanzar sus objetivos, además de determinar las limitaciones predominantes que pudiera haber y recomendar las correcciones que sean necesarias para retomar el rumbo correcto.

54. **Finalización del proyecto.** El examen final se realizará después de la finalización del proyecto, pero antes de su cierre. Será dirigido por el FIDA, con aportaciones clave del Gobierno, de conformidad con las directrices del Fondo para la elaboración de los informes finales de los proyectos.

V. Instrumentos jurídicos y facultades

55. Un convenio de financiación entre la República de Botswana y el FIDA constituye el instrumento jurídico para la concesión de la financiación propuesta al prestatario. Se adjunta una copia del convenio de financiación negociado como apéndice I.

56. La República de Botswana está facultada por su legislación para recibir financiación del FIDA.

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

VI. Recomendación

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

> RESUELVE: que el Fondo conceda un préstamo en condiciones ordinarias a la República de Botswana por un monto de treinta y un millones quinientos veinte mil dólares de los Estados Unidos (USD 31 520 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario
Presidente

Negotiated financing agreement

(Negotiations concluded on 19 November 2025)

Loan No: __________

Project name: Botswana Livestock Commercialisation Project ("the Project")

Republic of Botswana (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, the Fund has agreed to provide financing for the Project;

NOW THEREFORE, the Parties hereby agree as follows:

Section A

1. This Agreement comprises the following: the Main Document (The Preamble and Sections A-E), the Project Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).

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

Section B

1. The amount of the loan is thirty-one million five hundred and twenty thousand United States Dollars (USD 31 520 000) (the "Loan").

2. The Loan is granted on ordinary terms and shall be subject to interest on the principal amount outstanding of the Loan at a rate equal to the IFAD Reference Interest Rate including a variable spread, payable semi-annually in the Loan Service Payment Currency, and have a maturity period of twenty (20) years, including a grace period of five (5) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.

3. The Loan Service Payment Currency shall be in United States Dollars.

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

5. Payments of principal and interest shall be payable on 15 May and 15 November of each year.
6. There shall be a Designated Account in USD, for the exclusive use of the Project opened with the Bank of Botswana. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.

7. There may be a Project Operational Account in Botswana Pula for the benefit of the Project in Bank of Botswana or any other commercial Bank acceptable to the Fund.

8. The Borrower shall provide counterpart financing for the Project in the amount of five million and eighty-eight thousand United States Dollars (USD 5 088 000). For the avoidance of doubt, all Project related taxes will be covered by the Borrower as part of counterpart financing.

9. Reporting: The Project will be required to prepare quarterly and annual financial statements in accordance with the requirements of the Public Financial Management Act 2013 (Chapter 54:01) of the laws of Botswana and IFAD's requirements.

10. Auditing: The Project will be audited by the office of the Auditor General of Botswana. The internal Audit Function for the Project would be performed by the internal auditors of the Ministry of Lands and Agriculture.

11. Any income earned by contractors, consultants and experts using the project funds shall be subject to income tax in accordance with the applicable tax laws in Botswana.

Section C

1. The Lead Project Agency shall be the Ministry of Lands and Agriculture (MoLA).

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 eighth (8th) anniversary of the date of entry into force of this Agreement and the Financing Closing Date shall be 6 months later, or such other date as the Fund may designate by notice to the Borrower.

4. Procurement of goods, works and services financed by the Financing shall be carried out:

(a) in accordance with the provisions of the Borrower's procurement laws, to the extent such are consistent with the IFAD Procurement Guidelines; and

(b) in accordance with any other measures identified by IFAD.

Section D

1. The Fund will administer the Loan and supervise the Project.

Section E

1. The following is designated as additional grounds for suspension of disbursements:

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

2. The following is designated as an additional grounds for cancellation of disbursements:

(a) In the event that the Borrower did not request a disbursement of the Financing for a period of at least twelve (12) consecutive months without justification subsequent to the first eighteen (18) months from the entry into force of the Agreement.

3. The following are designated as additional specific conditions precedent to withdrawal:

(a) The IFAD no objection to the Project Implementation Manual (PIM) shall have been obtained;

(b) The IFAD no objection on the first Annual Work Plan and Budget (AWPB) and the Procurement Plan (PP) shall have been obtained;

(c) Key Project staff have been appointed: (i) Project Director; (ii) Finance Manager; (iii) Procurement Specialist; and (iv) Monitoring, Evaluation and Knowledge Management Specialist;

(d) A set up of the project accounting system within the Government Accounting and Budgeting System (GABS) software of the Ministry of Finance to satisfy the international Accounting Standards and financial reporting requirements of IFAD; and

(e) Designated Account shall have been opened by the Borrower.

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

For the Borrower:

Minister of Finance
Khama Crescent
Block 25
State Drive
Gaborone, Botswana
mof-ps-secretary@gov.bw

For the Fund:

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

Copy to: Country Director, Botswana
International Fund for Agricultural Development
1 Eglin Road, Sunhill Park, Building 1, Sunninghill, Sandton 2157,
Johannesburg,
South Africa

e.kirumba@ifad.org

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

This Agreement, [dated _____][14], has been prepared in the English language in two (2) original copies, one (1) for the Fund and one (1) for the Borrower.

THE REPUBLIC OF BOTSWANA

____
"[Authorised Representative Name]"
"[Authorised Representative title]"

Date: ____________[15]

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

____
Alvaro Lario
President of IFAD

Date: ______________

[14] To be kept only if the FA is signed by both parties the same date in the same location.
[15] In case the FA is not signed in IFAD HQ.

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population*. The Project shall benefit fifty thousand (50,000) households, equivalent to two hundred thousand (200,000) people.

2. *Project area.* The Project will focus on the following 20 districts: the following clusters, namely: (i) Greater Gaborone Cluster; (ii) Lobatse BMC Cluster; (iii) Tsabong abattoir Cluster; and (iv) Central Cluster, which may broadly comprise of the following districts: Molepolole, Mogoditshane, Ramotswa, Kgatleng, Tlokweng, Letlhakeng, Good hope, Kanye, Tsabong, Gantsi, Charleshill, Hukuntsi, Mabutsane, Mahalapye, Palapye, Serowe, North East, Tonota, Boteti, and Ngamiland For Ngamiland, the primary focus will be on market linkages, livelihood and conservation related interventions(the "Project Area").

3. *Goal.* The goal of the Project is to contribute to the Government of Botswana's objective of inclusively and sustainably improving productivity and commercialization of the small livestock subsector.

4. *Objectives.* The objective of the Project is to enhance incomes and resilience of rural households through more inclusive, sustainable and technology-driven small livestock value chains.

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

5.1 Component 0: **Response to emergencies and disasters.** This component will facilitate setting up of mechanisms to mitigate and manage shocks that negatively impact small livestock, such as floods, drought-related emergencies, and livestock disease outbreaks. The activation of the RED component will follow an official government request to IFAD and be based on the following triggers: (a) official declaration of emergency, extreme weather events, natural disasters (particularly drought and floods), and/or livestock disease outbreaks by the relevant government authorities; and (b) when assessments conducted by local authorities, NGOs, or community-based organizations identify more than fifty per cent (50%) damage loss to livestock assets linked to the emergency.

5.2 Component 1: **Increased climate-resilient small livestock production and productivity.** It has two subcomponents

5.2.1 *Sub-Component 1.1:* Enhanced access to quality small livestock, and animal health services. This sub-component seeks to support climate-resilient production and productivity enhancement in the small livestock sector, ensuring the active participation and equitable benefit of the target group through the following interventions.

5.2.2 *Sub-Component 1.2:* Improved capacity of farmers to adopt climate resilient production and management practices. This sub- component aims at making the target beneficiaries more resilient to environmental and climatic challenges.

5.3 Component 2: **Strengthened and inclusive small livestock value chains**. It has three subcomponents

5.3.1 Sub-Component 2.1: Strengthened clustering and capacity building of value chain actors. This sub-component aims at improving organisation of farmers within the target value chains. The services of competent service providers will be secured to promote organisation of farmers and build capacities of clusters.

5.3.2 Sub-component 2.2: Improved access to input and output markets. This sub-component seeks to address challenges faced by farmers in accessing inputs (especially feed, fodder and medicines) and output markets. A priority under the Project will be the establishment of formal market structures between producers, abattoirs and off-takers (supermarkets, hotels/restaurants and institutional buyers.

5.3.3 Sub-component 2.3: Improved access to inclusive financial services for value chain actors. This sub-component aims to complement the other Project activities by addressing access to finance constraints for beneficiaries—with tailored options for each of the four targeting categories—thus enabling them to invest further in activities of relevance to the other sub-components with a primary focus on climate resilient practices such as improved water management and use of solar energy.

5.4 Component 3: **Enhanced enabling environment for improved small livestock development.** This component is a cross-cutting component servicing the technical components and has two subcomponents:

5.4.1 Subcomponent 3.1: Institutional Strengthening and Policy Support. This sub-component will have a dual focus: institutional strengthening and policy support. The sub-component will seek to facilitate the process of ensuring that a supportive policy environment is put in place for effective activity implementation during and after BoLCoP's implementation.

5.4.2 Subcomponent 3.2: Project Management and Implementation Support Services.

II. Implementation Arrangements

6. *Lead Project Agency*. The Ministry of Lands and Agriculture (MoLA) will serve as the lead implementing agency of the Project. It will however, delegate day-to-day operations of the Project to a National Project Management and Coordination Unit (NPMCU) reporting directly to MoLA's Permanent Secretary.

7. *Project Steering Committee*. A project steering committee (PSC), under the chairmanship of the MoLA Permanent Secretary, will be set up to provide overall policy and strategic guidance to the Project. The other members will be Permanent Secretaries from ministries and parastatals whose mandates have a direct linkage to the effective implementation of the Project. These include among others Ministry of Finance, Ministry of Environment and Tourism; Ministry of Local Government and Traditional Affairs; Ministry of Water and Human Settlement; Ministry of Trade and Entrepreneurship; Ministry of Youth and Gender Affairs etc.. The NPMCU will serve as a secretariat to PSC with the Project Coordinator being its secretary.

8. *National Project Management Coordination Unit*. A National Project Management Coordination Unit (NPMCU) will be established comprising a team of officers either recruited through a competitive process or seconded to the NPMCU by the Government of Botswana on a fulltime basis to fully focus on Project implementation. The following is the NPMCU composition: a) Project Director; b) Monitoring, Evaluation and Knowledge Management Specialist; c) Financial Management Specialist; d) Procurement Specialist; e) Livestock Specialist; f) Agribusiness and Marketing Specialist; g) Gender, Youth and Social Inclusion Specialist; h) Environmental Climate and Safeguards Specialist; i) M&E/KM Assistant; j) Accountant; k) Procurement Analyst; l) Project Assistant; m) Information Technology Analyst; n) 4 Cluster Level Monitoring and Evaluation Specialists;. The NPMCU will be located in Gaborone and will be housed by the Government of Botswana as part of its counterpart contribution to BoLCoP. The Project will avail the NPMCU will the equipment, including logistical, needed for effective coordination of Project activities.

9. *Project Parties*. Key project parties will include, but not be limited to:

(i) Smart Botswana;

(ii) Ministry of Trade and Entrepreneurship and relevant Parastatals (e.g. Botswana Investment and Trade Centre, Local Enterprise Authority, Department for Cooperatives Development, Department of Trade and Consumer Affairs, Citizen Entrepreneurial Development Agency and Botswana Trade Commission etc.);

(iii) National Agricultural Research and Development Institute (NARDI);

(iv) National Development Bank (NDB);

(v) Botswana University of Agriculture and Natural Resources (BUAN);

(vi) Botswana Meat Commission;

(vii) Ministry of Local Government and Traditional Affairs;

(viii) Ministry of Youth and Gender Affairs;

(ix) Ministry of Environment and Tourism

(x) Service providers; and

(xi) Bank Gaborone.

10. *Monitoring and Evaluation*. The project will set up a structured, participatory, and results-based approach aligned with IFAD's Core Outcome Indicator (COI) guidelines. Managed by the NPMCU, it will coordinate data collection, analysis, and reporting through a Management Information System (MIS). Routine monitoring will be conducted by partners and field staff using standardized tools and regular reporting. A baseline study will be conducted in the first year to establish reference values for key outcome and impact indicators, including income, employment, access to services, and empowerment. Indicators will be disaggregated by sex, age, and household type. A midline survey will be completed and approved two months before fielding of the MTR mission. Also, an end-line survey will be completed and approved two months prior to the PCR Mission.

11. *Knowledge Management*. The project will integrate a comprehensive KM framework aligned with its M&E system to support adaptive management, institutional learning, and evidence-based policy and decision-making. A Monitoring and Evaluation and Knowledge Management Specialist, supported by implementation partners, will coordinate KM activities, with the MIS serving as the central platform for data storage, tracking, and dissemination. Knowledge will be generated through systematic analysis of monitoring data, impact assessments, thematic studies, and beneficiary feedback. It will subsequently be disseminated through digital platforms, learning events, policy briefs, case studies, toolkits, and stakeholder networks.

12. *Project Implementation Manual*. A comprehensive project implementation manual (PIM) has been developed as part of the design package. The PIM contains detailed terms of reference of project staff, details on implementation arrangements and relevant project details which should facilitate implementation readiness. Any revisions to the PIM will have to be shared with the Fund to ensure alignment in approaches.

Schedule 2

Allocation Table

1. *Allocation of Loan Proceeds.* (a) The Table below sets forth the Project Components to be financed by the Loan and the allocation of the amounts to each Component of the Financing and the percentages of expenditures for items to be financed in each Component:

Component	IFAD Loan Amount Allocated (expressed in USD)	Percentage (net of taxes)
A. Increased Climate-Resilient Small Livestock Production and Productivity	9,370,000	100% net of taxes
B. Strengthened Small Livestock Value Chains	10,130,000	100% net of taxes
C. Enhanced Enabling Environment	8,500,000	100% net of taxes
D. RED (Emergency and Disaster Relief)	370,000	100% net of taxes
Unallocated Costs	3,150,000	100% net of taxes
TOTAL	**31,520,000**	

2. *Disbursement arrangements*

(a) *Start-up Costs*. Withdrawals in respect of expenditures for start-up costs incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of five hundred thousand United States dollars (USD 500,000) the following amounts per category. Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

(b) *Auditing*: The Project will be audited by the office of the Auditor General of Botswana. The internal Audit Function for the Project would be performed by the internal auditors of the Ministry of Lands and Agriculture.

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 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 twelve (12) months of entry into force of the Financing Agreement, the Project will enter into appropriate arrangements (such as service level agreements or partnership agreements), as acceptable to IFAD, with implementing partners that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting.

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 women-headed households will be given due consideration, and young men and women from poor households will be offered skills development for labour market, value chain participation and off-farm enterprises. Of direct beneficiaries, forty per cent (40%) shall be women, thirty per cent (30%) youth and five per cent (5%) vulnerable groups.

4. Indigenous People Concerns. The Borrower shall ensure that the concerns of IPs are given due consideration, where relevant, 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 relevant IP national legislation;
(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[16]; and
(f) The Project will not involve encroachment on traditional territories used or occupied by indigenous communities.

5. *Land tenure security.* The Borrower shall ensure that any land rights pertaining to possession and use are consistent with the Borrower’s national laws.

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

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

[16] Refer to ILO 169, 1989 when ratified.

8. Use of Project Vehicles and Other Equipment. The Borrower shall ensure that:

(a) all vehicles and other equipment procured under the Project are allocated to the Lead Project Agency for Project implementation;

(b) The types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and

(c) All vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.

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

10. The Key Project Personnel are: (i) Project Director; (ii) Finance Manager; (iii) Procurement Specialist; and (iv) Monitoring, Evaluation and Knowledge Management Specialist. In order to assist in the implementation of the Project, the NPMCU, unless otherwise agreed with IFAD, shall employ or cause to be employed, as required, key staff whose qualifications, experience and terms of reference are satisfactory to IFAD. Key Project Personnel shall be seconded to the NPMCU 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 recruitment of Key Project Personnel is subject to IFAD's prior review as is the dismissal of Key Project Personnel. Key Project Personnel are subject to annual evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations or the International Labour Standards[17] (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Project's circumstances.

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 in accordance with the measures and requirements set forth in the Environmental and Social Impact Assessments (ESIAs)/Environmental, Social and Climate Management Frameworks (ESCMFs) and Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIAs and ESCMPs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

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).

[17] As published by the International Labour Organisation from time to time.

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

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

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

(i) has direct or potential material adverse effect;

(ii) has substantially attracted material adverse attention of outside parties or create material adverse national press/media reports; or

(iii) gives rise to material potential liabilities.

In the occurrence of such event, the Borrower shall:

- 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 the Project or within the Borrower's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the 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) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

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

6. 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, SECAP studies and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage, 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.

7. In the event of a contradiction/conflict between the Management Plan(s), if any, and the Financing Agreement, the provision providing greater safeguards shall prevail.

Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	**1 Persons reached by project-supported activities**				Project Reports	Annually	PCMU	Small livestock producer groups will be willing to register and participate in project-supported services.
	Total number of persons receiving services - Number of people		35000	50000				
	1.a Corresponding number of households reached				Project Reports	Annually	PCMU	
	Households - Households		35000	50000				
	1.b Estimated corresponding total number of households members				Project Reports	Annually	PCMU	
	Household members - Number of people		140000	200000				
Project Goal Contribute to the Government of Botswana's objective of inclusively and sustainably improving productivity and commercialisation of the small livestock subsector	**Households reporting an increase in income**				Project and Government Reports, Impact Assessments, COI surveys	Baseline, Mid-Term, Completion	PCMU	Beneficiary households report increased income directly linked to project interventions.
	Households - Percentage (%)		40	80				
Development Objective Enhance the incomes and resilience of rural households through more inclusive, sustainable and technology-driven small livestock value chain	**2.2.1 Persons with new jobs/employment opportunities**				Project and Government Reports, Impact Assessments, COI surveys	Baseline, Mid-Term, Completion	PCMU	CI 2.2.1: The project will create new full-time jobs, including self-employment and positions in micro, small, and medium enterprises, excluding temporary jobs. CI 2.2.2: Project-supported rural enterprises will increase profits, and public/private services will effectively meet the needs of target groups in production, business, employment, and livelihoods. S.F.2.2: Project-supported groups will empower participating households to influence decisions within the project.
	Total number of persons with new jobs/employment opportunities - Number of people		4000	10000				
	2.2.2 Supported rural enterprises reporting an increase in profit				COI survey at Baseline, mid & end line survey, programme reports	Baseline, Mid-Term, Completion	PCMU	
	Percentage of enterprises - Percentage (%)		40	70				
	SF.2.1 Households satisfied with project-supported services				COI survey at Baseline, mid & end line survey, programme reports	Baseline, mid-term, completion	PCMU	
	Households - Percentage (%)		36	90				
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				COI survey at Baseline, mid & end line survey, programme reports	Baseline, mid-term, completion	PCMU	
	Households - Percentage (%)		40	90				
Outcome Outcome 1. Increased Climate-Smart Small Livestock Production	**1.2.4 Households reporting an increase in production**				COI survey at Baseline, mid & end line survey, programme reports	Baseline, mid-term, completion	PCMU	CI 1.2.4: Households will receive project-supported activities (e.g. trainings, input provision, and climate-smart practices. CI 3.2.2: Project beneficiaries will be trained in environmentally sustainable practices and/or the management of climate-related risks, and will claim that: (a) they have fully mastered these practices; and (b) they are now routinely using these technologies and practices. CI 2.2.1: The project will create new full-time
	Households - Percentage (%)		25	80				
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				COI survey at Baseline, mid & end line survey, programme reports	Baseline, mid-term, completion	PCMU	
	Households - Percentage (%)		40	80				
	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered				FAO GLEAMi Assessment	Ex-Ante (baseline),	FAO, IFAD	

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
	tCO2e/20 years - Number		0	35.71		Ex-Post (end line)		jobs, including self-employment and positions in micro, small, and medium enterprises, excluding temporary jobs. CI 2.2.2: Project-supported rural enterprises will increase profits, and public/private services will effectively meet the needs of target groups in production, business, employment, and livelihoods. S.F.2.2: Project-supported groups will empower participating households to influence decisions within the project.
	IE.2.1 Individuals demonstrating an improvement in empowerment				COI survey at Baseline, mid & end line survey, programme reports	Baseline, mid-term, completion	PCMU	
	Total persons - Percentage (%)		6	20				
Output Output 1.1. Enhanced access to quality feed, fodder and animal health services	**1.1.3 Rural producers accessing production inputs and/or technological packages**				Project M&E	Annual	PCMU	CI 1.1.3: Small livestock producers will receive free or partly subsidized production inputs and technologies through the project, while stakeholders commit to supporting national livestock breeding plans.
	Total rural producers - Number of people		20000	50000				
	Number of small livestock national breeding plans improved and operationalized (breeding/multiplication of preferred small livestock breeds)				Project M&E	Annually	PCMU	
	Small Livestock Breeding Plans - Number		1	1				
Output Output 1.2. Improved capacity of farmers to adopt climate-resilient production and management practices	**3.1.1 Groups supported to sustainably manage natural resources and climate-related risks**				Project M&E	Annual	PCMU	CI 3.1.1: Beneficiaries receive training and equipment to sustainably manage natural resources and adapt to climate change. CI 3.1.2:Households will receive climate-related livestock advice through extension workers, community teams, or SMS to improve decision-making and risk management; mass media outreach is excluded. CI 3.1.3: Groups, formal or informal, will participate in managing natural resources like rangelands and pastures for livestock production.
	Total size of groups - Number of people		14000	20000				
	3.1.2 Persons provided with climate information services				Project M&E	Annual	PCMU	
	Persons provided with climate information services - Number of people		25000	50000				
Outcome Outcome 2. Strengthened small livestock value chains	**2.2.6 Households reporting improved physical access to markets, processing and storage facilities**				Project M&E	Annual	PCMU	CI 2.2.6: Beneficiary households reported improved access to fully functional livestock-related market, processing, or storage facilities compared to before the project. CI 1.2.5: Beneficiary households reported being fully satisfied with and actively using project-supported financial services for productive or income-generating activities. CI 2.2.3:With project support, small livestock producer organizations established contracts or partnerships with value chain stakeholders and/or public entities, including input supply and product sales arrangements.
	Size of households - Number of people		80000	160000				
	1.2.5 Households reporting using rural financial services				Project M&E	Annual	PCMU	
	Households - Percentage (%)		50	100				
	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities				Project M&E	Annual	PCMU	
	Percentage of POs - Percentage (%)		25	60				
Output Output 2.1. Strengthened	**2.1.3 Rural producers' organizations supported**				Project M&E	Annual	PCMU	CI 2.1.3: First-level groups of small livestock producers formed or strengthened with project
	Rural POs supported - Organizations		10	15				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
clustering and capacity building of value chain actors	**2.1.1 Rural enterprises accessing business development services**				Project M&E	Annual	PCMU	support during the reporting period to improve production, processing, marketing, or service provision, excluding groups focused on natural resource management. CI 2.1.1: Rural processing and marketing enterprises, both formal and informal, accessed project-supported business development services during the reporting periods.
	Rural enterprises - Enterprises		35	70				
	Policy 2 Functioning multi-stakeholder platforms supported				Project M&E	Annual	PCMU	
	Number - Platforms		2	3				
Output Output 2.2. Improved access to input and output markets	**2.1.6 Market, processing or storage facilities constructed or rehabilitated**				Project M&E	Annual	PCMU	Construction or rehabilitation of market, processing, and storage facilities completed during the reporting period.
	Total number of facilities - Facilities		95	191				
Output Output 2.3. Improved access to inclusive and green financial services for value chain actors	**1.1.5 Persons in rural areas accessing financial services**				Project M&E	Annual	PCMU	CI 1.1.5: Direct beneficiaries will access affordable, project-supported financial services (e.g., credit, e-insurance) at least once per year. Digital platforms like e-vouchers and repayment tools will be used to improve access and connect small livestock producers with value chain actors. CI 1.17: Rural individuals will be trained in financial literacy to build skills in saving, budgeting, credit use, and managing household finances, enabling better financial decisions and greater economic resilience.
	Total persons accessing financial services - savings - Number of people		25000	50000				
	Persons in rural areas accessing financial services - BoLCoP LoC/ NSO credit							
	Total persons accessing financial services - NSO credit - Number of people		500	1000				
	Total persons accessing financial services - LOC through BoLCoP credit - Number of people		9500	19000				
	Grants Disbursed to Small livestock Groups				Project M&E	Annual	PCMU	
	Groups (number) - Number		100	200				
	MSEs Financed				Project M&E	Annual	PCMU	
	MSEs (total number) - Number		40	90				
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services				Project M&E	Annual	PCMU	
	Persons in rural areas trained in financial literacy and/or use of financial products and Services (total) - Number of people		25000	50000				
Outcome Outcome 3. Enhanced enabling environment for improved small livestock development	**Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment**				COI survey at Baseline, mid & end line survey, programme reports	Baseline, mid-term, completion	PCMU	
	Number – Number		1	3				
Output Output 3.1. Institutional Strengthening and Policy Support	**Policy 1 Policy-relevant knowledge products completed**				Project M&E	Annual	PCMU	Policy analyses, research papers, working papers, studies, strategies, pieces of legislation, by-laws or other policy-related material produced as part of the project's policy goals will be developed.
	Number - Knowledge Products		1	3				
Output Output 3.2. Project Management and Implementation Support Services	**Policy 2 Functioning multi-stakeholder platforms supported**				Project M&E	Annual	PCMU	Supported platforms with rural producers, private sector, government, and financial institutions facilitated policy dialogue and
	Number – Platforms		3	8				

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsi bility	
								improved rural investment during the reporting period.

Integrated project risk matrix

Risk categories and subcategories	Inherent	Residual
Country context	**Substantial**	**Substantial**
Political commitment	**Low**	**Low**
Risk(s): Botswana's enduring political stability, transparent institutions, and effective corruption control remain key national assets. In 2024, the country experienced a peaceful transition of power as the opposition coalition, the Umbrella for Democratic Change (UDC), won the general elections—ending the Botswana Democratic Party's (BDP) 58-year rule since independence. While the shift may bring changes in government priorities, agriculture remains central, particularly in driving commercialization and economic diversification. To reduce reliance on diamonds and beef, the Government of Botswana views BoLCoP as a catalyst for inclusive growth by unlocking the potential of the small livestock sector. The government has demonstrated strong commitment to co-financing BoLCoP and is working closely with IFAD on key arrangements, including establishing a pre-Project PMCU and groundwork to enable implementation by Q1 2026.		
Mitigations: The design of BoLCoP was initiated at the request of the Government of Botswana. To mitigate the risk of the Financing Agreement not being signed, IFAD Botswana and mission members have maintained continuous engagement with government counterparts from the outset. Regular updates were shared on progress, including outcomes from the previous Reimbursement Technical Assistance (RTA) for the Lobu Smart Farm Initiative. IFAD's technical expertise has been well received, and the design process has involved extensive consultations, including a Stakeholder Validation Workshop and farm visits alongside government focal points. A comprehensive feedback report was produced to guide Project refinement. This consultative approach will continue to ensure strong government ownership, alignment with national priorities, and support for climate finance mobilization and private sector engagement. IFAD has also proposed the formation of an inter-ministerial reference group, led by the Ministry of Lands and Agriculture, to further strengthen ownership and policy coherence.		
Governance	**Substantial**	**Substantial**
Risk(s): In 2024, the Transparency International's Country Corruption Perception Index (CPI) assessed Botswana at the moderate level of risk with a score of 57, ranking 43 out of 180 countries. According to the 2023 World Bank's Good Governance Indicator, Botswana is scored 62.75 percentile rank for Voice and Accountability; 87.2 for Political Stability and Absence of Violence/Terrorism; 66.98 for Government Effectiveness and Regulatory Quality; 61.32 for Rule of Law; and 73.58 for Control of Corruption, all of which points to the fact that Botswana has a reputation for strong, sound governance, with particular institutional strength in political stability and anti-corruption. There is room for further improvement given the CPI was rated as 65 in 2012.		
Mitigations: The Government of Botswana has dedicated increasing efforts to preventing corruption and strengthening governance across sectors. The Directorate on Corruption and Economic Crime (DCEC), established under the Corruption and Economic Crime Act (CECA) of 1994, plays a central role in investigating corruption and economic crimes within public institutions, including through regular audit processes. In a further		

Risk categories and subcategories	Inherent	Residual
effort to enhance transparency, the Government launched a Forensic Audit Initiative requiring in-depth audits of 30 state-owned enterprises (SOEs) to detect and prevent misappropriation of public resources. To promote accountability and efficiency in service delivery, Botswana's Decentralization Policy and Vision 2036 prioritize inclusive governance and poverty reduction through enhanced public sector performance. In this context, BoLCoP will contribute to improving governance in the small livestock sector by supporting the review and implementation of national policies and strategies, and establishment of Management Information System (MIS) while addressing regulatory gaps in small livestock quality, grading, and certification standards. BoLCoP will engage the Smallstock Industry Federation of Botswana (SIFB) to identify and address sector gaps, collaborating with key bodies such as the Meat Industry Regulatory Authority (MIRA) and the Botswana Bureau of Standards (BOBS) to develop and enforce standards, including food safety protocols (HACCP). Additionally, BoLCoP will partner with the Botswana Meat Commission, the Botswana Agricultural Marketing Board, and the Department of Animal Health and Production to strengthen small livestock operations. To promote inclusive governance in the sector and strengthen market transparency, the Ministry of Lands and Agriculture (MoLA), in collaboration with IFAD, will convene a consultative workshop with key stakeholders in the small livestock sector. The workshop will bring together suppliers and buyers to discuss pricing structures and explore differentiated pricing models based on production systems (e.g., open grazing, feedlot, etc.). Through this inclusive and consultative approach, BoLCoP will promote transparent governance, enhance coordination, fair systems and ensure shared ownership of the sector's development.		
Macroeconomic	**Substantial**	**Substantial**
Risk(s): According to the IMF's 2024 Article IV Consultation, Botswana's economic growth slowed to 1% in 2024, primarily due to weakened diamond demand and production. The World Bank projects a fiscal deficit of 9% of GDP for FY2024, driven by declining mineral revenues and rising capital spending. The Government of Botswana has announced an annual depreciation of the Pula, set at 2.6 per cent. Although public debt remains relatively low at 27.4% of GDP, government savings have notably declined over the past decade. Yet, its reliance on public revenues and the extractive sector makes it highly vulnerable to external shocks. These shocks have aggravated domestic fiscal pressures, particularly in light of rising costs for fertilizers, feed imports, veterinary supplies, agricultural equipment, and fuel, all of which have placed added pressure on farmers and disrupted supply chains. While some parts of Botswana's small livestock sector have been less affected by inflationary impacts—due to traditional, grass-fed grazing and browsing systems—the sector is not insulated. Rising costs still pose challenges, especially as access to feed, vaccines, and veterinary inputs remains essential to improving the productivity and quality of the small livestock value chains. These dynamics underscore the urgent need to strengthen resilience of rural livelihoods and promote a more diversified and shock-resistant agricultural economy.		
Mitigations: Botswana aspires to transition into a high-income, knowledge-based economy, as outlined in Vision 2036 and the forthcoming National Transformation Plan 12 (NTP 12), which prioritizes economic diversification, inclusive growth, and commercialisation of agriculture. Achieving these ambitions		

Risk categories and subcategories	Inherent	Residual
requires robust reforms in revenue mobilization, public expenditure efficiency, and debt management to create fiscal space for increased investment in priority social sectors and productive areas. Reducing dependence on mineral revenues and enhancing resilience to external shocks is essential. Within this framework, BoLCoP will contribute by promoting sustainable rural financing mechanisms—including public-private partnerships—to unlock investment in the small livestock sector and support the development of agribusinesses and micro, small, and medium-sized enterprises (MSMEs). The Project will support commercialisation pathways, especially for smallholder farmers, and strengthen value chains to boost productivity, market access, export and rural incomes through the engagement of the private sector. Social inclusion aspect will be considered extensively with a priority on vulnerable groups such as women and youth, addressing the triple challenge of inequality, poverty and unemployment. These efforts align with NTP 12's emphasis on commercialising agriculture and building an inclusive, and diversified economy resilient to external shocks.		
Fragility and security	**Substantial**	**Substantial**
Risk(s): Botswana faces a range of risks that threaten its stability, including its heavy reliance on diamond mining and growing environmental challenges like droughts, floods, and water shortages, all exacerbated by climate change. These climate-related issues threaten food security and economic stability, with an estimated 54.8% of the population experiencing moderate to severe food insecurity. Despite being classified as an upper-middle-income country, Botswana remains economically vulnerable, with 64% of its population living on less than US$6.85 per day, an unemployment rate of 27.6%, and youth unemployment at a concerning 45.6%. The Gini Index of 53.3 indicates significant income inequality. Social disparities, especially in rural areas, worsen fragility, as marginalized groups—such as women, youth, and small-scale farmers—have limited access to resources and opportunities. Issues like livestock theft and gender-based violence further disrupt small livestock farming, a sector that is predominantly managed by women, further exacerbating their vulnerabilities and hindering their economic empowerment and livelihood stability. External shocks, such as volatile global commodity prices and regional instability, add to the country's fragility. Additionally, Botswana's status as an upper-middle-income country reduces its access to grants while increasing the costs associated with certifications and registration for regional trade, which further weakens its resilience and heightens the risk of social unrest.		
Mitigations: Targeted strategies will be designed to strengthen the livelihoods ofdisadvantaged rural populations, including small livestock and subsistence farmers, poor households, youth, women, and women-headed households. Special focus will be placed on people with disabilities, unemployed youth, and women, who often lack access to productive resources, fostering greater social inclusion. Gender-based violence and farm-level insecurity will be addressed through community engagement, training, and sensitization, along with the principles of IFAD's Gender Action Learning System (GALS), which promotes women's empowerment by engaging both men and women as co-planners and decision-makers. BoLCoP will enhance farmers' capacity by tackling production and productivity challenges, ensuring sustained access to quality feed,		

Risk categories and subcategories	Inherent	Residual
veterinary supplies, animal health services, and climate-smart management practices. Farmers' associations and cooperatives will be strengthened and capacitated, allowing farmers to work collectively to influence market prices and consolidate products. The value chain will be strengthened through improved market access, better infrastructure (such as aggregation centres and marketing facilities), enhanced financial services, and stronger connections between farmers, MSMEs, and commercial farms. Additionally, BoLCoP will strengthen the resilience of rural people by providing farmers with climate-smart technologies, essential livestock inputs, and access to timely market and weather information to better adapt to external shocks including climate change.		
Sector strategies and policies	**Moderate**	**Moderate**
Policy alignment	**Low**	**Low**
Risk(s): The policy environment for small livestock development in Botswana is favourable and aligned with national priorities for economic diversification, food security, and inclusive rural development set under the National Transformation Plan 12 (NTP 12). Small livestock farming, particularly goat and sheep production, has been prioritised due to its adaptability to Botswana's semi-arid climate and its potential to uplift vulnerable groups, especially women and youth in rural communities. The National Transformation Strategy (NTS) and Vision 2036 emphasise the transformation of agriculture from subsistence-based to a modern, competitive, and market-driven sector. Within this framework, small livestock development is being promoted through commercialisation, improved productivity, and full integration into formal value chains. This includes breeding programmes, veterinary support, access to affordable finance – especially for the subsistence farmers (micro-scale) and the semi-commercial farmers (small-scale), and infrastructure investment such as improved abattoirs, feedlots, and cold storage facilities. Notably, a multi-species abattoir in Tsabong is set to operate, specialising in small livestock, in partnership with the Botswana Meat Commission. The National Agricultural Investment Plan (NAIP) further supports small livestock commercialisation through targeted support for farmer cooperatives, public-private partnerships, and increased access to domestic and export markets. Financial institutions such as the National Development Bank (NDB) have been supporting the implementation Government's flagship initiative such as Temo Letlotlo that provides loans and input subsidies for enhanced productivity and food security. NDB has also been supporting campaigns like Feed the Nation, encouraging youth and women to invest in small livestock farming and engage in value-added activities like meat processing, leather production, and packaged meat sales. In terms of youth entrepreneurship and MSME development in the agricultural space, the Citizen Entrepreneurial Development Agency administers loans, while the Local Enterprise Authority provides business development and training services. The Youth Development Fund (YDF) is administered by the Ministry of Youth and Gender Affairs (MoYGA). Despite such policy support, work needs to be done in terms of setting small livestock nutrition and health safety standards, value addition, marketing, and branding, given that much of the policy centres on beef. Food safety standards such as HACCP and certification traceability systems, and the capacity of farmers, should be strengthened to address compliance.		

Risk categories and subcategories	Inherent	Residual
Mitigations: To address gaps in policy implementation and monitoring and evaluation, BoLCoP will support strengthening its multi-ministerial coordination system and establishing an MIS to gather agriculture-related data across relevant line ministries. IFAD has requested the Ministry of Lands and Agriculture (MoLA) to take the lead in forming an interministerial reference group for Project design and will collaborate closely to ensure effective stakeholder consultation and engagement. Through BoLCoP, IFAD will support the government's policies and strategies, including reviewing and aiding the implementation of the National Breeding Plan. Additionally, IFAD will assist in the development of the national small livestock investment strategy, focusing on all targeted value chains, including marketing, branding, and value addition. In addressing gaps in the regulatory framework affecting market access, IFAD will work with the Government of Botswana to reinforce small livestock nutrition and health systems, certification and traceability standards, ensuring compliance with food safety, quality, and grading requirements. This will involve collaboration with the Meat Industry Regulatory Authority (MIRA) and the Botswana Bureau of Standards (BBS) to ensure industry-wide compliance. At the grassroots level, recognizing the fragmented nature of farmer organizations in Botswana, IFAD will partner with the SIFB to provide training and capacity building to farmers, encouraging them to work collectively to produce and supply bulk products and influence market prices. Further, collaboration with the MoLA's Department of Animal Health and Production, Department of Veterinary Services, and the Botswana Agricultural Marketing Board will ensure farmers have better access to essential veterinary services and livestock inputs. This integrated approach will help address existing gaps and support the growth and sustainability of Botswana's small livestock sector.		
Policy development & implementation	**Moderate**	**Moderate**
Risk(s): During the stakeholder validation workshop held as part of the Concept Note Design Mission, the team identified several critical areas where IFAD engagement with the Government of Botswana is required to strengthen policy development, review, and implementation. It was highlighted that policies inclusive of the small livestock sector and BoLCoP's target groups—particularly smallholder farmers, youth, and women—need to be developed or refined to ensure equitable participation in agricultural value chains. Key policy gaps were noted in areas such as financial and land access, regulations and strategic plans focused on small livestock production, marketing and branding, as well as standards and services related to animal health, nutrition, traceability, and certification. During the Project Design Mission, the IFAD team engaged with smallholders and small- to medium-scale farmers. Almost all the farmers consulted (particularly women and youth) identified limited access to land and water as key challenges. In particular, lack of secure land ownership restricts their ability to drill boreholes and also makes them ineligible for existing youth grants, which require land. In a meeting with the Land Board, the team was informed of ongoing land redistribution efforts, though currently only one-third of the redistributed land is being utilised. The discussions also highlighted the need to decentralize land application processes,		

Risk categories and subcategories	Inherent	Residual
as district offices must still travel to the Central Office for application review, creating delays and inefficiencies. Additional concerns raised throughout the stakeholder engagement process include farm-level insecurities, such as livestock theft, gender-based violence (GBV) and high youth unemployment, underscoring the need for collaborative efforts with the MoYGA and the Ministry of Local Government and Traditional Affairs (MoLGTA). These partnerships are essential for the development of targeted policy documents, including youth-in-agriculture strategies, extension service guidelines, and grievance redress mechanisms (GRM). Despite the availability of numerous evidence-based policy and research documents, there are persistent gaps in information dissemination and uptake at the farmer level. This highlights the urgent need for robust knowledge management, extension and outreach systems, and strengthened monitoring and evaluation (M&E) frameworks to ensure that policies translate into tangible benefits for farmers on the ground.		
Mitigations: To mitigate the risks associated with policy development and implementation in Botswana's small livestock sector, IFAD will support the formulation and review of targeted sector strategies, an investment plan, and regulatory frameworks. These will include provisions for grading systems, food safety, environmental sustainability on farms, quality standards, and certification protocols. In addition, IFAD will assist in refining the official definition of smallholder farmers to enhance the targeting and effectiveness of policies and programs. In response to fragmented data systems and limited interministerial coordination, IFAD will support the development of a comprehensive ICT strategy and digital roadmap tailored for the small livestock sector. This will include the design of a harmonised MIS that aggregates and streamlines small livestock-related data across key ministries. Improved data management will support evidence-based decision-making, facilitate performance monitoring, and enhance policy coherence across the agriculture sector. Given the concerns raised during stakeholder consultations regarding women's safety and livestock theft at the farm level, IFAD will work with local authorities and communities to promote community-based livestock theft prevention models. In parallel, a Gender-Based Violence (GBV) Prevention Plan will be developed to address the risks faced by women involved in small livestock production. Additionally, a Grievance Redress Mechanism (GRM) will be designed to help farmers—especially vulnerable groups—seek redress for losses and damages arising from climate shocks and other external disruptions. To further support equitable access to productive resources, IFAD will collaborate with relevant line ministries to review the Land Use Policy, focusing on increasing access to land for youth, women, and emerging farmers. The issue of idle or underutilized agricultural land will be addressed through policy intervention and incentive structures to encourage more efficient land use and investment. Lastly, to ensure alignment with national priorities and institutional sustainability, IFAD will work closely with the Government of Botswana to integrate BoLCoP into the national budget cycle and existing government initiatives, such as Thuo Letlotlo and the NTP12. This will enhance Project complementarity, promote coherence with ongoing programs, and support long-term government ownership and policy continuity.		
Environment and climate context	**Substantial**	**Substantial**
Project vulnerability to environmental conditions	**Substantial**	**Substantial**

Risk categories and subcategories	Inherent	Residual
Risk(s): The key environmental and climate challenges facing the Project include increasing climate variability, characterized by erratic rainfall and a higher frequency of extreme weather events such as droughts, floods, and heatwaves. These impacts are felt most acutely by vulnerable groups—including women, who are often responsible for managing small livestock and securing water, fodder, and fuel for their households. Land degradation, driven by overgrazing, continues to threaten pasture quality and long-term agricultural productivity. Poor manure management is a significant concern, contributing to elevated greenhouse gas emissions—particularly methane and nitrous oxide—and posing risks to both soil and water quality when not properly handled. In rural areas, the heavy reliance on biomass for fuel contributes to deforestation, accelerating land degradation and increasing the risk of desertification. Invasive species and bush encroachment further compound the problem by reducing available grazing land, depleting soil nutrients, increasing erosion, and diminishing biodiversity. These environmental pressures collectively undermine the productivity and resilience of small livestock farmers.		
Mitigations: BoLCoP tackles environmental risks and vulnerabilities by incorporating climate-smart production and management practices, establishment of climate-resilient infrastructure, improved water management, early warning systems and capacity building including manure and rangeland management. These interventions will be designed to ensure the full participation of women, youth, and other marginalized groups, recognizing their critical roles in small livestock production and natural resource management. The Project prioritizes sustainable land management, reducing grazing pressure through improved breeding, livestock health, and feeding practices, alongside the introduction of drought-tolerant and multi-purpose crops and fodder, with support from national research institutions. Key actions include climate-resilient infrastructure, precision irrigation for efficient water use, and renewable energy solutions like biogas and solar power at the farm and value chain levels. Women-headed households and female farmers—who often have limited access to energy and technology—will be specifically targeted to ensure equitable access and benefits from these innovations. Community-level reforestation and bush clearing, especially replanting indigenous grass species, will enhance soil fertility, reduce erosion, and boost biodiversity, contributing to carbon sequestration and reducing greenhouse gas emissions. Finally, providing farmers with access to early warning systems for extreme weather events, including timely weather updates and insurance options, will strengthen their resilience to climate change. The capacity building targeted at the smallholders will include climate smart agriculture techniques that also ensure environmental sustainability such as indigenous seed harvesting, integrated soil fertility management and diversified fodder cropping systems. Training will be delivered in formats and languages that are inclusive and responsive to the needs of women and other vulnerable groups, including considerations for time constraints and caregiving responsibilities. Environmental Management Plans (EMPs) will be developed for the infrastructure sites articulating mitigation measures that account for differentiated environmental impacts on women and men. In		

Risk categories and subcategories	Inherent	Residual
addition, water use efficiency will be promoted in the in the sector and rainwater harvesting will be promoted, with specific efforts to ensure that women—who are often responsible for water collection—benefit from reduced labor burdens and improved water access. Environmental and Natural Resource Management (ENRM) in general will be promoted in the rangelands, ensuring the engagement of both women and men in resource planning and governance.		
Project vulnerability to climate change impacts	**Substantial**	**Substantial**
Risk(s): Botswana ranks 86th on the ND-GAIN Index with an overall score of 50, placing it in the quadrant of countries with high vulnerability but relatively high readiness to adapt to climate change. While Botswana has made progress in building institutional capacity and policy frameworks, it remains significantly exposed to climate risks. The country is particularly vulnerable to prolonged droughts, erratic rainfall, and rising temperatures—factors that directly impact water availability, rangeland health, and agricultural productivity, especially in the small livestock sector, which is critical for rural livelihoods. Prolonged droughts have occurred in the recent past leading to livestock and crop losses and negatively impacting agricultural dependent livelihoods. Water stress will also increase as a result of climate change as well as incidence of pests and diseases. These climate-related challenges have a disproportionate impact on women, who play a central role in small livestock farming and are often responsible for securing water, fodder, and fuel for their households. Notably, Botswana scores among the lowest on the ND-GAIN Vulnerability sub-index in areas such as dam capacity and disaster preparedness, underscoring the urgent need for investment in climate-resilient infrastructure and comprehensive disaster risk management.		
Mitigations: The climate change shifts in Botswana underscore the urgent need for climate-resilient infrastructure, improved water management, water harvesting and early warning systems. Climate change adaptation measures will be promoted through the climate smart agriculture approaches that are inclusive of both women and men, ensuring that gender-specific barriers and needs are addressed in all interventions Capacity building of the smallholders will also include measures such as integrated pest management and conservation agriculture techniques, with a focus on ensuring equitable access to training and resources for women, youth, and other marginalized groups who are often excluded from agricultural extension services The infrastructure rehabilitated or developed under BoLCoP will be climate resilient to improve water use efficiency and harvest rainwater for productive use. The climate risks will be mitigated by increasing the ability of the affected communities to adapt to environmental and economic variability, and long-term changes. As per IFAD requirements, a detailed desk-based Climate Risk Analysis will be undertaken during the pre-implementation, including details of mitigating actions. Some of the climate smart technologies to be promoted include a) rainwater harvesting; b) drought tolerant and early maturing fodder crop varieties; c) drought tolerant forage and agroforestry fodder species; d) watershed conservation and management; e) afforestation; and f) solar and other forms of renewable energy sources, and energy saving approaches etc.		
Project scope	**Substantial**	**Substantial**

Risk categories and subcategories	Inherent	Residual
Project relevance	**Substantial**	**Substantial**
Risk(s): The primary risk to BoLCoP's relevance lies in the inherent volatility of the small livestock value chain in Botswana. External factors such as climate variability, shifts in trade and export opportunities (often influenced by regional and global geopolitical developments) and major infrastructure investments can rapidly alter supply and demand dynamics. These factors may disproportionately affect women, who tend to have less access to resources, markets, and decision-making power within the value chain. In addition, the lack of quality standards, certification systems, and compliance mechanisms poses a significant challenge to maintaining competitiveness in domestic and export markets. These evolving conditions require BoLCoP to remain flexible and responsive, adapting its support strategies in a timely manner to align with emerging sectoral needs. Another key risk is the targeting of beneficiaries. While BoLCoP is designed to prioritise vulnerable smallholder farmers, Botswana's small livestock sector also includes larger commercial producers, some of whom fall outside IFAD's core target group. Without a refined and gender-responsive targeting strategy, there is a risk of elite capture, where better-resourced producers- who may be predominantly male - benefit disproportionately from concessional Project support.		
Mitigations: To mitigate the risks associated with the market dynamics, BoLCoP will adopt a market-responsive and adaptive programming approach. This includes establishing strong market information systems and conducting regular value chain and market assessments to monitor trends in production, prices, and consumer preferences both locally and regionally. These assessments will inform adjustments in Project interventions, allowing for timely and accessible support, particularly for women smallholders who may face more barriers to accessing market information and resources. To further stabilise supply, the Project will promote climate-resilient small livestock production systems and strengthen farmer resilience through improved access to climate-smart inputs, veterinary services, and feed. Support will also be provided to increase smallholders' productivity and compliance to quality standards through training, certification, and access to improved breeds. Gender-sensitive approaches in training and the provision of inputs will be employed to ensure that women are equally equipped to take advantage of these opportunities. On the demand side, BoLCoP will engage with private sector actors, including aggregators, traders, processors, and exporters, to create sustained demand for small livestock products and build stronger market linkages. Additionally, the Project will prioritise the strengthening of farmer associations and cooperatives to improve aggregation, quality control, and market readiness. Small livestock farmers organisations, including those led by women and youth, will play a key role in supplying their products to the newly established multi-species abattoir in Tsabong, ensuring that there are sufficient and consistent outputs to support its operations and long-term viability. BoLCoP will also support the development of contractual arrangements with buyers to create predictable demand and reduce market uncertainty across the value chain. To minimise any risk of elite capture, the Project will adopt a robust gender-responsive targeting strategy and details on how it		

Risk categories and subcategories	Inherent	Residual
should be implemented in the project implementation manual. The targeting strategy will include a description of the target groups and eligibility criteria and will include specific measures to ensure that women, youth, and other marginalized groups, such as people with disabilities, are prioritized and benefit equitably from the Project. Beneficiary selection results will be presented through the traditional and local governance structures in each location with the presence of parties to be identified at project design that can attest to the compliance between target groups and actual beneficiaries selected. Community members in target locations will be informed on the need to denounce any occurrences against these principles through the Project´s GRM. Additional measures to be explored at project design include the engagement of reputable organizations defending rural women's and youth's rights as well as organizations of PWDs to obtain information on the quality of targeting through their constituents.		
Technical soundness	**Moderate**	**Moderate**
Risk(s): The design of BoLCoP spans a broad set of multidisciplinary and interlinked areas, reflecting the multiple challenges faced across all levels of the small livestock value chain in Botswana, including production and productivity, input and service delivery, access to affordable finance – especially for the subsistence farmers (micro-scale) and the semi-commercial farmers (small-scale), market linkages, low adaptation to climate change, and policy and institutional gaps. In the absence of major development partners working comprehensively in the small livestock sector compared to the cattle/beef sector, BoLCoP is required to address these bottlenecks in a harmonised and integrated manner to ensure the Project delivers in the development, investment and full operationalisation of the sector. This integrated approach results in a moderate level of complexity in the Project design, which is, however, typical for value chain development interventions. While the number of components is limited to two, the scope of activities particularly under Component 2, which addresses both market access and access to affordable finance – especially for the subsistence farmers (micro-scale) and the semi-commercial farmers (small-scale), may result in a relatively high number of outputs and sub-activities. Strong coordination, Project management and monitoring under Component 3 will be essential to ensure smooth implementation, addressing policy and regulatory gaps.		
Mitigations: To address the moderate complexity of BoLCoP's design, the Project will adopt a streamlined implementation strategy, maintaining a limited number of components while ensuring clear, phased sequencing of activities. This approach will prioritise strengthening foundational elements—such as production systems, farmer organisations, and animal health services—through targeted training, capacity building, and sensitisation efforts before progressing to market access and financial inclusion interventions. Additionally, a phased geographic rollout will be employed, starting in selected areas and gradually scaling up to national coverage. A dedicated Project Management Office (PMO) staffed with qualified, full-time personnel will be established ahead of implementation to support early planning and effective Project preparation. To ensure robust cross-sectoral technical coordination, policy alignment and policy dialogue, an interministerial reference group will be formed among relevant ministries and stakeholders.		

Risk categories and subcategories	Inherent	Residual
Institutional capacity for implementation and sustainability	**Substantial**	**Substantial**
Implementation arrangements	**Substantial**	**Substantial**
Risk(s): IFAD's last Project in Botswana—the Agricultural Services Support Project (ASSP)—was implemented between 2012 and 2018, marking a 13-year gap before re-engagement through BoLCoP. According to the ASSP evaluation by IFAD's Independent Office of Evaluation (IOE), the Government of Botswana's performance in Project management and coordination was rated as moderately unsatisfactory. Inadequate staffing was found during the midterm review, where significant Project Management Team (PMT) positions had not been filled or were occupied on a part-time basis. Most staff were seconded from line ministries and continued to carry out their original responsibilities alongside Project duties. Compounding these challenges, the Project manager role changed three times before the midterm review, significantly disrupting implementation progress. The lack of dedicated and fully capacitated staff led to delays in following up on mission recommendations and executing activities effectively. Moreover, the recruitment of Project personnel through open-market procurement was time-consuming, further delaying the establishment of a fully functional PMT. Notably, the M&E officer was only appointed during the final three years of the Project. These lessons underscore the importance of early recruitment of Project staff through open-market processes, avoiding dual responsibilities for seconded government staff, and ensuring the early onboarding and training of the PMO. This will allow the team to have sufficient time to internalize Project objectives and prepare for timely and effective implementation.		
Mitigations: To enhance PMO capacity and ensure its early formation, IFAD has engaged with the Government of Botswana to establish an interministerial reference group for the Project design phase. Multiple meetings with key staff from the MoLA, including those responsible for procurement, HR, and M&E, have been held to ensure early planning. The issue of PMO capacity and full staffing will be addressed through proactive collaboration between IFAD and MoLA, where both parties have agreed to recruit PMO staff on a competitive basis. While some staff may be seconded by the Government, IFAD will request that these staff members commit fully to the Project, ensuring they do not face dual responsibilities, which could hinder effective Project management and execution. By recruiting PMO staff well before implementation, IFAD and Government aim to provide sufficient time for the team to internalise the Project 's objectives and prepare essential documents such as the M&E logframe, annual workplans and budget (AWPB) and procurement plan. This will allow PMO to implement operational activities in a timely manner, helping to fast-track and improve Project implementation. Clear ToRs, accountability frameworks, and performance monitoring systems will be put in place to ensure timely execution and continuous learning.		
M&E arrangements	**Substantial**	**Substantial**
Risk(s): Since 2022, IFAD has supported the small ruminant sector by providing Reimbursable Technical Assistance (RTA) to the Government's Lobu Smart Farm Transformation Initiative. With funding from the United Nations Economic Commission for Africa (UNECA), IFAD also supported the establishment of a semi-automated animal health monitoring system. Prior to the RTA, IFAD supported the Government through the ASSP from		

Risk categories and subcategories	Inherent	Residual
2012 to 2018. An evaluation of the ASSP found that the Project 's M&E system was largely non-existent, with poor data quality and limited availability—even at the output level. There was no outcome-level data collection, and no baseline survey was conducted. In addition to the absence of a robust M&E system, the quality of Project data was compromised due to a lack of mechanisms to verify field-level data provided by farmers and extension officers. M&E was treated as a low priority, and the M&E officer position was only filled in the last three years of the Project. Moreover, there was no end-of-Project survey conducted to assess Project impacts. During the Concept Note Design Mission for BoLCoP, the IFAD team observed the continued absence of a harmonised MIS across relevant line ministries. Data collection remains fragmented, with no unified indicators, underscoring the need for an interministerial system that supports evidence-based planning and decision-making. Issues such as the sampling of overlapping populations were also raised, pointing to the need for staff training in defining, monitoring, and evaluating output and outcome-level activities.		
Mitigations: BoLCoP's M&E system will integrate both IFAD's core outcome indicators and Project -specific output indicators, with gender-disaggregated data collected and analyzed to monitor the differential impacts of project activities on women, youth and other marginalized groups A dedicated M&E officer will be recruited within the Project Management Office (PMO) prior to implementation and will be responsible for developing the Project logframe and establishing an Excel-based results management system to regularly update and track data, ensuring alignment with IFAD's Operational Results Management System (ORMS). IFAD will provide extensive support to train the M&E officer in developing a reliable data verification framework and will also support the training of farmers and extension officers in using digital tools to collect high-quality, representative data aligned with Project targets. Given the lack of up-to-date data on IFAD's target groups and the small livestock value chains—particularly regarding market dynamics, investment gaps, and opportunities—IFAD will engage a local consultancy firm during the Project design phase to carry out baseline studies. These will include socioeconomic profiling of smallholder farmers and profitability analyses of relevant value chains to inform targeted and evidence-based investments.		
Procurement	**Moderate**	**Moderate**
Legal and regulatory framework	**Moderate**	**Moderate**
Risk(s): The Procurement Regulatory Framework is well structured and comprises the Public Procurement Act of 2021, the Public Procurement Regulations of 2023, and the Public Procurement Operations Manual of 2024, but minimum bid submission periods do not comply with IFAD guidelines. Open Domestic Bidding limits participation to Botswana-based bidders unless waived by the Minister, and national Standard Bidding Documents are limited and focus solely on price without technical or financial evaluation criteria. Additionally, the World Bank's 2023 report highlights procurement delays and weak contract management, while sustainable procurement is only briefly mentioned without evaluation methods for total cost of ownership.		

Risk categories and subcategories	Inherent	Residual
Mitigations: IFAD-funded projects shall be conducted in accordance with the National Procurement Framework to guide the approval processes and the governance structures, while the IFAD project Procurement Guidelines shall be used in lieu of National Framework to address the identified gaps. Procurement in IFAD-funded projects shall requires prior IFAD review for less competitive methods exceeding thresholds, adherence to IFAD procurement guidelines including minimum bidding periods, and allowance for foreign bidders in national competitive bids. Projects must use IFAD Standard Procurement Documents until national documents and contract management systems are fully developed, strengthen contract management capacity, appoint contract managers for large contracts, and incorporate SECAP standards in procurement documents and contracts		
Accountability and transparency	**Moderate**	**Moderate**
Risk(s): PPRA was established under the PPA 2021 from the former Public Procurement and Asset Disposal Board (PPADB). So far, PPRA doesn't provide sufficient public procurement opportunities and award decisions on its website. There is no evidence that the PPRA had directly engaged with the CSO for stakeholder consultations. The office of AG undertakes audit of various ministries and agencies and Procurement is also subject to audit. However, no co- ordination controls appear to exist. Latest OAG audit reports are not available in the public domain to ascertain their effectiveness. The PPRA has authority to undertake periodic procurement, contract and performance audits, but it doesn't appear to have been operationalised. There is no evidence of follow up on audit findings and implementation of their recommendations. No system of defining the qualification of staff and providing training to them to conduct procurement audits. There is no requirement for the auditors to have knowledge of procurement and there is no formal training program, and no technical support is provided to the auditors. The National SBDs doesn't elaborate on various provisions on prohibited practices. There seems to be no systematic detection, prevention, and enforcement of procurement-related corruption cases. Integrity training of stakeholders is absent. Civil society doesn't seem to influence to improve integrity of public procurement, there is no evidence that their views are used for strengthening the integrity of the system.		
Mitigations: IFAD project management units shall engage stakeholders including chambers of commerce and civil society organizations during procurement processes, ensuring transparency by publishing procurement information on Project and PPRA websites. They collaborate with PPRA to provide procurement audit training for AGO staff and monitor audit findings, reporting non-compliance to Project Steering Committees. Supervision missions review audit reports and follow-ups, with audit teams including qualified procurement specialists. IFAD ICO and SPO shall work with the government to provide integrity training and consult civil society to strengthen procurement frameworks. All procurement staff must sign a Declaration of Impartiality and confidentiality and avoid fraud and corruption.		
Capability in public procurement	**Moderate**	**Moderate**
Risk(s): The Public Procurement Act (PPA) mandates the preparation of a procurement plan aligned with its approved budget each financial year; however, a World Bank review highlighted several challenges including inadequate project		

Risk categories and subcategories	Inherent	Residual
budgeting, lack of operationalized centralized procurement for common items, absence of published bids or contract awards on the PPRA website, and no effective system for public procurement data access. Additionally, procurement has yet to be recognized as a profession, and compliance monitoring by the PPRA lacks publicly available reports to confirm its execution.		
Mitigations: IFAD projects shall prepare annual procurement plans (PP) in the OPEN system aligned with approved annual work plan and budget (AWPB), consolidate common item requirements for competitive bidding, and ensure transparency by publishing bids and contract awards on project websites. Project procurement staff shall receive procurement training during the project start-up and throughout project implementation and certification through the IFAD funded BUILDPROC certification programs, and projects shall comply with PPRA monitoring, audits, and IFAD supervision findings.		
Public procurement processes	**Moderate**	**Moderate**
Risk(s): Few Procuring Entities have published procurement plans on the PPRA website, with no publicly available procurement data or recent reports to verify compliance. The review identified weaknesses in project procurement performance, particularly in contract management. There is an absence of formal mechanisms for open dialogue with the private sector, and limited public availability of bid opportunities restricts market access. While the Public Procurement Act includes preference and reservation schemes for citizen contractors, their operational status remains unclear.		
Mitigations: IFAD projects shall publish their procurement plans and contract awards on both the Project and PPRA websites, while also developing contract management skills among project staff early on. Engagement with public and private sector stakeholders by PPRA through conferences is encouraged, and projects may apply domestic preference provisions within international competitive procurement methods as per the procurement arrangement letter (PAL) provisions.		
Financial management	**Moderate**	**Moderate**
Organization and staffing	**Moderate**	**Moderate**
Risk(s): The Ministry of Lands and Agriculture (MoLA), serving as the LPA, has a solid track record implementing donor-financed projects and possesses institutional structures and technical expertise established through prior engagements with World Bank and IFAD. While the core finance personnel at the national level are qualified and competent, most holding professional certifications such as CIMA, ACCA or accounting degrees from the University of Botswana, capacity constraints persist at the district level where staff often lack professional accounting qualifications. A key risk stems from the high staff turnover and inter-ministerial transfers, which can disrupt financial management continuity, especially at the district level. Although Botswana has a strong accounting profession with global links, challenges remain in recruiting suitably skilled staff for remote postings, aligning staff capacity with IFAD requirements, and ensuring continuity throughout the project cycle. Furthermore, fraud awareness training is not universally applied in all government projects, raising concerns given the anticipated decentralized structure of the new project.		

Risk categories and subcategories	Inherent	Residual
Mitigations: A tailored training plan will be developed, focusing on IFAD-specific disbursement, financial reporting, and anti-fraud procedures. Continuous fraud awareness training will be implemented throughout the project to ensure all staff, including new recruits, can detect and report fraud. To mitigate the effects of staff redeployment, the project will adopt staff retention agreements, enforce formal handover protocols, and build capacity across the entire finance team from PMCU to district level. IFAD and the Ministry of Finance will engage to secure commitments to retain key FM staff during critical phases. Finance personnel will be recruited early before project start-up. Selection will prioritize candidates with proven knowledge of IPSAS or IFRS, proficiency in accounting systems, and relevant qualifications such as ACCA or an MBA in Finance. MoLA will actively lead in project oversight, providing strategic direction. The Terms of Reference for the external auditor will include tracking the frequency and effectiveness of Project Steering Committee meetings as part of governance assurance. A clear staffing structure will be maintained, with dedicated project finance personnel at both national and district levels to ensure accountability, continuity, and compliance with IFAD financial management standards. These measures are expected to ensure the financial integrity, capacity continuity, and effective oversight of the new livestock project throughout its lifecycle		
Budgeting	**Moderate**	**Moderate**
Risk(s): The budgeting framework within the Government of Botswana, including MoLA, is generally sound and anchored in the Government Accounting and Budgeting System (GABS) and IFMIS platform. Budget preparation follows a structured, multi-tiered consolidation process, with final approvals by Parliament. However, the integration of donor-funded projects such as the proposed livestock project into the national budget cycle presents several implementation risks. While MoLA has the institutional capacity to prepare budgets aligned with IFAD's requirements, delays in submitting AWPBs could result in the exclusion of project allocations from national budget votes, potentially delaying disbursements. Although the budget is implemented within an effective internal control framework overseen by the MFED and the Accountant General's Department, delays and coordination gaps can limit the timely execution of activities. Previous IFAD-funded projects under MoLA demonstrated the ability to prepare detailed budgets, recent external audit reports noted low budget execution due to bottlenecks in project implementation. Lastly, the complex, multi-stakeholder budget process, ranging from national to district levels requires strong coordination to ensure timely approvals and responsiveness to implementation realities		
Mitigations: PMCU should prepare and submit detailed Annual Work Plans and Budgets to MoLA and MoFED in line with the national budget cycle to ensure inclusion in the parliamentary vote and avoid funding delays. The PMCU must adhere to Government-issued budget circulars to facilitate timely integration into the national budgeting process, a prerequisite for donor disbursements. A dedicated AWPB preparation calendar should be developed to track key deadlines, enhance coordination among stakeholders, and ensure all necessary inputs are consolidated in time. The PMCU should convene quarterly meetings to monitor budget execution, address implementation delays, and propose timely budget revisions to IFAD where necessary. The budgeting process should continue using the		

Risk categories and subcategories	Inherent	Residual
bottom-up approach, ensuring inclusive participation from district-level offices, department heads, PMCU component leads, and the steering committee, under the strategic oversight of the MoLA Permanent Secretary. These measures aim to ensure that project resources are properly planned, timely approved, and efficiently used in line with national procedures and IFAD's fiduciary requirements.		
Funds flow/disbursement arrangements	**Moderate**	**Moderate**
Risk(s): Botswana operates a well-functioning Single Treasury Account (TSA) supported by a robust GABS / IFMIS. For the new project, a separate Designated Account (DA) will be established within the TSA, managed by the PMCU under MoLA. While this arrangement aligns with IFAD's disbursement procedures and promotes autonomy, several operational risks persist. Despite MoLA's experience in managing disbursements from IFAD and other donors, past performance has highlighted capacity issues, including delays in the preparation and submission of Withdrawal Applications (WAs), Interim Financial Reports (IFRs), and annual audit reports. These delays can negatively affect project liquidity and compliance. There is also a risk of underperformance in documenting and reporting in-kind contributions, despite the existence of relevant guidelines. Moreover, while co-financing performance by the government has historically been strong, risks related to the timely availability of counterpart and beneficiary contributions may arise if coordination is not well managed.		
Mitigations: The project will maintain a dedicated DA within the TSA, complemented by sub-accounts with unique reporting codes in the IFMIS. This will enhance financial tracking, maintain alignment with national systems, and simplify financial reporting and audit trails. The project will address identified FM capacity gaps during the start-up phase through targeted training, process mapping, and intensified oversight. MFED's active involvement in designing and monitoring fund flow arrangements will be prioritized to ensure compliance and timely support. To mitigate exchange rate risks and optimize liquidity, it is recommended that funds remain in the foreign currency DA and only be converted into Botswana Pula in the operational accounts on a monthly, needs-driven basis. Annual audits will assess and confirm the appropriateness of fund flow practices. The PMCU will work closely with MoLA and MoFED to ensure that both government and beneficiary contributions are identified early and fully reflected in the AWPB. This will promote accountability and ensure timely co-financing availability. A dedicated committee comprising component heads and finance staff will be established to oversee the documentation and reporting of in-kind contributions. Specific tools, tracking templates, and verification procedures will be developed and integrated into the Project Implementation Manual. In-kind data will be reported through IFRs and included in the audit scope of the Office of the Auditor General (OAG). By institutionalizing these controls, the project will ensure timely disbursements, strengthen fiduciary compliance, and enhance transparency in the use of IFAD and government resources.		
Internal controls	**Moderate**	**Moderate**
Risk(s): Limited capacity at the district level to enforce expenditure controls, properly document transactions, and segregate financial functions due to staffing constraints. Weak		

Risk categories and subcategories	Inherent	Residual
linkages between internal and external audit recommendations, leading to recurring control lapses across project cycles. Operational gaps in document management, with delayed record updates, inadequate use of digital archiving tools, and poor inventory management in some district offices. Delays in transaction approvals caused by absent signatories and unclear delegation protocols. Inadequate anti-fraud controls at the operational level, despite the existence of national frameworks; fraud risks such as procurement irregularities, asset misuse, and staff claim abuse were flagged in past audits. Limited verification of service delivery, particularly for consulting and training services. Delayed reporting and follow-up on audit findings, especially around procurement, fixed asset management, and contract oversight.		
Mitigations: Strengthen financial management by training district finance officers on expenditure controls and compliance, and by deploying adequate finance and logistics staff to ensure segregation of duties. Update the Project Implementation Manual to include a dedicated Financial Management Manual aligned with national and donor standards, with provisions for annual reviews. Establish a robust Anti-Fraud and Corruption (AFC) framework, including annual conflict of interest declarations, fraud awareness training, and integration of fraud indicators into internal audit tools. Formalize the authorized signatory structure with clear thresholds, backup protocols, and periodic internal audit checks. Improve asset and inventory controls using digital checklists, regular stock-taking, and independent verification procedures. Assign a dedicated internal auditor to the PMCU, include the project in MoLA's annual audit plan, and conduct regular risk-based audits. Train internal auditors on donor procedures and digitize audit tracking. Strengthen overall governance by ensuring timely reporting, audit follow-up, and monitoring of steering committee effectiveness. These measures will strengthen fiduciary safeguards, enhance operational accountability, and ensure effective delivery of project results within the prescribed internal control frameworks.		
Accounting and financial reporting	**Moderate**	**Moderate**
Risk(s): MoLA currently applies a cash basis of accounting, aligned with national public financial management practices. Although Botswana is transitioning toward IPSAS standards, full adoption of accrual-based IPSAS has not yet occurred. Ongoing projects use the national IFMIS (GABS) for transaction recording, but the system cannot generate project-specific financial statements. Consequently, reports such as annual financial statements and IFRs are manually prepared and reconciled. While reliable at the national level, the district-level documentation is inconsistent, with issues like missing receipts and delayed filing. Additional concerns include delays in collecting financial data from districts, limited integration with results frameworks, and insufficient use of financial reports for decision-making.		
Mitigations: To address these challenges, the following actions are recommended: Adhere strictly to IPSAS cash-basis standards for all project financial reporting. Use the national IFMIS/GABS system for transaction processing, with a tailored chart of accounts capturing IFAD categories and components. Provide hands-on training to project finance staff on IFMIS use and IFAD reporting procedures. Digitize accounting records to improve accessibility and security, and establish clear filing protocols at both PMCU and district levels. Include detailed financial procedures and retention requirements in the PIM. Strengthen		

Risk categories and subcategories	Inherent	Residual
internal coordination between MoLA and the PMCU finance teams, and enhance reporting linkages with procurement and M&E. Improve timeliness and analytical quality of financial reporting by automating variance analysis and linking financial data with project results. These measures aim to improve reliability, timeliness, and usefulness of financial reports for effective project management and donor compliance.		
External audit	**Moderate**	**Moderate**
Risk(s): Botswana's Supreme Audit Institution (SAI), the Office of the Auditor General (OAG), has a solid legal mandate, experienced staff, and a history of auditing both public and donor-funded projects, including IFAD and World Bank projects. However, several weaknesses were identified. These include limited audit coverage at the district level, delays in the issuance of annual audit reports such as those for FY 2022/23 and 2023/24. Audit report time lag is more the 20 months. There is also slow follow-up on audit recommendations and Public Accounts Committee (PAC) resolutions. While the OAG applies ISSAIs and is a member of INTOSAI and AFOSAI, operational autonomy is somewhat constrained due to reliance on the Ministry of Finance for staffing and budgeting. The PEFA 2020 assessment gave the OAG a low score (D) for audit coverage, with less than 50% of public expenditure audited annually.		
Mitigations: Include OAG in the Financing Agreement as the designated auditor, with a provision that allows them to contract private audit firms (e.g., PwC) if internal capacity is limited. The World Bank projects are currently audit by private external auditors (Big 4) under the supervision of the OAG. Establish early engagement between the Project Management Unit (PMCU) and the OAG to ensure timely planning and scheduling of audits. Strengthen audit follow-up mechanisms, including quarterly monitoring of audit recommendations and PAC resolutions. Improve audit coverage at the district level and ensure risk-based audit planning that includes field-level activities. Request the latest assessment reports on the OAG's performance and independence, and maintain regular collaboration with the IFAD and World Bank fiduciary teams to monitor audit progress. Support the OAG with logistical or capacity-building assistance if needed, to facilitate timely completion of the project audit within the required six-month window after the end of the fiscal year. These measures aim to ensure timely, comprehensive, and high-quality external audit coverage, in line with fiduciary standards required by the IFAD.		
Environment, social and climate impact	**Substantial**	**Substantial**
Biodiversity conservation	**Moderate**	**Moderate**
Risk(s): If farmers' capacity building and training are not effectively implemented, BoLCoP could unintentionally increase the risk to biodiversity. Unsustainable practices in small livestock farming, such as overgrazing and improper manure disposal, would place additional pressure on natural ecosystems, hindering vegetation regeneration and accelerating desertification. These risks are further exacerbated by unequal access to training, information, and resources, particularly among women and marginalized groups who play a central role in small livestock management Land is already under significant pressure due to bush encroachment and the invasion of non-native species, which contribute to soil erosion and declining soil quality. Furthermore, escalating human-wildlife conflicts could arise, with wild animals		

Risk categories and subcategories	Inherent	Residual
threatening grazing and browsing small livestock, disrupting the balance between wildlife conservation and agricultural activities. The risks include Incentive for livestock production in view of agribusiness may create a risk of devastation of forest populated areas and reduce biodiversity. Some cultural practices and the desire for new land for production can destroy available trees and affect biodiversity. There are pressures on biodiversity due to population pressures. Also, smallholders may also reduce the diversity of their farms as they become integrated in specific value chains thus adversely impacting agro-biodiversity.		
Mitigations: To mitigate risks to biodiversity, BoLCoP will promote sustainable small livestock farming through targeted training and capacity building for farmers with deliberate efforts to ensure the inclusion and empowerment of women, youth, and other marginalized groups. This will include the adoption of grazing management techniques to prevent overgrazing, the implementation of proper manure management systems, and the integration of climate-smart agricultural practices that support ecosystem health and promote vegetation regeneration. Community sensitisation efforts will encourage de-bushing and the replanting of indigenous species to restore degraded landscapes. In response to rising human-wildlife conflicts, BoLCoP will work in close collaboration with the Ministry of Environment and Tourism, relevant wildlife authorities, and local communities to develop and implement wildlife management strategies, such as protective fencing, early warning systems, and other locally appropriate measures to safeguard small livestock from predation. Project area siting will create buffer zones and distance between project sites and protected areas within a district.		
Resource efficiency and pollution prevention	**Substantial**	**Substantial**
Risk(s): Inadequate access to clean and reliable water sources poses a significant risk to small livestock productivity, particularly during the dry season, with disproportionate impacts on women and other vulnerable groups who are often responsible for water collection and livestock care. Limited water availability can compromise animal health, reduce productivity, and negatively impact hygiene standards for both on-farm handling and downstream value chain processes such as slaughter and processing. Furthermore, without appropriate infrastructure and training, there is a risk of inefficient resource use and improper waste disposal, including unmanaged manure and wastewater, which can contribute to soil and water contamination and lead to environmental pollution. The use of artificial fertilizer and pesticides for enhanced fodder crop production can give room for pollution.		
Mitigations: To address the risks associated with inadequate water access, environmental pollution, and resource inefficiency, BoLCoP will invest in climate-resilient water infrastructure such as irrigation, rainwater harvesting systems, storage tanks, and solar-powered pumps - ensuring equitable access for women, men, and marginalized groups, particularly those who bear the burden of water collection and on-farm care. The Project will also improve water distribution at the farm level, with attention to gender-specific needs and constraints in infrastructure design and access Comprehensive and gender-responsive farmer training will be provided on efficient water use, proper manure and wastewater management, and hygiene practices across the farm and small livestock value chain. Importantly, BoLCoP will incorporate training on climate-smart feeding practices, including the use of		

Risk categories and subcategories	Inherent	Residual
locally available, drought-tolerant fodder and feed to enhance animal productivity while reducing pressure on natural resources. An Environmental and Social Management Plan (ESMP) will include materials on banned substances in terms of pesticides and herbicides, which are in any case being controlled by MoLA/Regulatory Services. The project will develop an integrated pest management plan to manage the risk of promoting increased pesticide use.		
Cultural heritage	**Low**	**Low**
Risk(s): BoLCoP poses a very low risk of degrading cultural heritage. The construction of animal sheds will be carried out at the household or farm level, ensuring minimal disruption to traditional practices. Additionally, the selection of locations for aggregation centres will involve comprehensive consultations with relevant stakeholders to prevent conflicts and safeguard indigenous ancestral practices and traditions. There is little reason to believe that the Project areas would be exposed to or put at risk in terms of any protected cultural heritage artifacts. However, during excavations for a construction, archaeological chance finds may occur. Also sacred places, graveyards and places of worship may be encountered.		
Mitigations: To mitigate the risk of degrading cultural heritage, IFAD's SECAP will be comprehensively applied to assess and address the social impacts of the Project. SECAP will guide the implementation of preventive measures, ensuring that cultural heritage is respected, and that any potential negative impacts on indigenous practices and traditions are effectively mitigated. Further training of Project team and stakeholders on SECAP procedures, and close monitoring by the country team will mitigate against cultural heritage damages. The Project will develop a chance finds procedure which will be implemented in case of any chance finds of archaeological artifacts in the process of construction or rehabilitation. The PMCU will include representatives from the Ministry of loval government and traditional affairs.		
Indigenous peoples	**Low**	**Low**
Risk(s): In Botswana, Indigenous Peoples are often referred to as Remote Area Dwellers (RADs), a term used in government policies, planning, and service delivery. These communities are typically located in climate-sensitive regions such as Gantsi District, Kgalagadi, Ngamiland, and Central District. Due to their geographical isolation, socio-economic marginalization, and limited access to infrastructure, basic services, and formal land tenure, these groups are at high risk of exclusion		
Mitigations: Given that BoLCoP is national in scope, Indigenous Peoples—particularly RDAs—may be eligible beneficiaries if they align with the Project 's targeting criteria. To ensure their equitable inclusion, representation and access to land, resilience to climate change, IFAD will work closely with the MoLGTA, integrating Indigenous knowledge systems and practices into Project planning and implementation. BoLCoP community mobilisers will be well versed with the communities to ensure that the Project targets group are reached and that there are no threats to or loss of resources for indigenous people. A grievance mechanism and strong feedback mechanisms will be put in place for reporting on targeting. Indigenous people will be engaged in a consultative and		

Risk categories and subcategories	Inherent	Residual
participatory process through Free, Prior, and Informed Consent (FPIC).		
Community health and safety	**Moderate**	**Moderate**
Risk(s): The potential community health and safety risks could arise from exposure to agro-chemicals, zoonotic diseases, pollution from Project interventions and from gender-based violence. There is a risk of animal-to-human diseases such as Rift Valley Fever, Bovine Brucellosis, and Tuberculosis, which can be transmitted from small livestock to humans. Gaps in the regulatory framework for small livestock health, safety, and standards, along with poor management of veterinary supplies, contaminated feed, and waste disposal, exacerbate the risk and public health concerns. Effective training and stronger regulations are needed to ensure compliance and improve farm hygiene. Additionally, social tensions arising from resource competition, such as land and water access, may lead to conflict, while food insecurity could result if small livestock productivity declines due to health or environmental issues. Food insecurity can be further exacerbated by limited access to markets, high food prices, and poor small livestock productivity, leading to nutritional deficits, particularly among children and vulnerable groups. Furthermore, small livestock theft poses a significant security risk, especially in rural areas affected by high poverty, as it is directly linked to farmers' livelihoods. Gender-based violence also remains a concern, with women often being more vulnerable, particularly in rural areas, where social safety nets are weak, compromising their safety and security.		
Mitigations: With BoLCoP prioritizing the commercialization of the small livestock sector, strengthening the policy framework around animal health, nutrition, and quality and safety standards is crucial to ensuring both product quality and consumer safety, which is key prerequisites for accessing export markets. IFAD's SECAP framework offers a comprehensive approach to identifying and mitigating risks related to production, compliance, and public health concerns (e.g., overuse of veterinary supplies, contaminated feed, improper waste disposal) through social safeguard mechanisms. IFAD will work to address regulatory gaps and enhance policy advocacy through extensive engagement at the country level, promoting sustainable practices and inclusive market access while offering technical support, including policy review. To address food insecurity, BoLCoP will focus on improving livestock productivity through training and supporting farmers with climate-resilient practices and better access to markets. In terms of farm-level insecurity, including gender-based violence and small livestock theft, BoLCoP will implement community consultation and sensitization mechanisms, including Kgotla meetings, and provide support for grievance redress to strengthen security and ensure safety for farmers. Additionally, BoLCoP will advocate for improved disease surveillance systems and stronger veterinary services to monitor and address zoonotic diseases, preventing their spread and safeguarding public health. The ESMP for each site will include measures to minimise the risks. Capacity building for smallholders will also include safe use and handling of agro-chemicals. Communities will access training on gender-based violence, reproductive health rights, child feeding and nutrition education as part of other mainstream topics, financial literacy etc. Labour and time saving technologies will improve the health and well-being of women.		
Labour and working conditions	**Moderate**	**Moderate**

Risk categories and subcategories	Inherent	Residual
Risk(s): The potential risk is that BoLCoP may cause an increase in gender-based violence, discriminatory and unsafe/unhealthy working conditions for people employed to work specifically in relation to the Project, including third parties and primary suppliers. There is a risk that zero grazing and intensified small livestock farming practices may increase the workload for women, children, and marginalized groups, who are often responsible for multiple roles, including domestic tasks. The added responsibilities related to animal care, such as collecting fodder and water, feeding, cleaning, and ensuring animal security, may overburden them. Furthermore, poor working conditions could affect youth and women, especially in areas where labour standards and occupational safety are inadequately addressed. This might lead to the exploitation of these groups, particularly if fair wages, health and safety measures, and access to training opportunities are not provided. There is also a risk of poor labour rights protection, insufficient formal contracts, and an absence of social protection for workers, resulting in increased vulnerability, reduced productivity, and social tensions within farming communities.		
Mitigations: To address risks related to labour and working conditions, BoLCoP will promote fair and equitable work practices by integrating labour safeguards into Project activities. The Project will support equitable workload distribution and ensure that intensified livestock practices, such as zero grazing, do not disproportionately burden women and children. This will be achieved through sensitisation, training, increasing access to social protection systems, and the introduction of IFAD's Gender Action Learning System (GALS) to empower women to engage in decision-making and share workloads equitably within households and communities. Capacity building and targeted training will also be provided to enable farmers to adopt time and labour-saving technologies (e.g., water harvesting and feed processing equipment) to reduce manual workloads. BoLCoP will collaborate with relevant ministries, including the Ministry of Labour and Home Affairs, the MoYGA, and the MoLGTA, to ensure compliance with national labour standards, particularly with respect to youth and women's employment. The Project will encourage the use of formal contracts, promote fair wage employment, and provide occupational health and safety training and appropriate PPE. Additionally, it will support the development of inclusive cooperatives and farmers' associations with strong governance systems to promote equitable benefit-sharing, improve working conditions, and ensure inclusive representation across small livestock value chains. Thus, BoLCoP will promote viable enterprises that generate enough income for decent labour practices. The Project will raise awareness against gender-based violence, and unsafe working conditions. Required clauses will be included in contracts with sector players, microenterprises and lead value chain enterprises. BoLCoP will also engage targeted households on the benefits of equitable sharing of labour through GALs. The contracts for infrastructure development will also include clauses to ensure decent working conditions.		
Physical and economic resettlement	**Low**	**Low**
Risk(s): BoLCoP will not promote activities that would result in the physical or economic resettlement of smallholder farmers. The construction sites for aggregation centres will be chosen through comprehensive consultations with stakeholders, including farmers and relevant line ministries such as the Ministry of Lands and		

Risk categories and subcategories	Inherent	Residual
Agriculture, the Ministry of Trade and Entrepreneurship (MoTE), and the MoLGTA. These consultations will ensure that the selected locations do not displace or negatively impact local communities or farmers' livelihoods		
Mitigations: To mitigate the risk of physical and economic resettlement, BoLCoP will ensure that the construction of aggregation centres and other infrastructure is carried out with full stakeholder engagement. This will include thorough consultations with local communities, farmers, and relevant government agencies to ensure that proposed sites for development do not displace or negatively impact the livelihoods of smallholder farmers. Additionally, the Project will adopt a "no-resettlement" policy, with careful consideration of land tenure and usage rights before selecting sites. Alternative solutions, such as utilizing existing public infrastructure or underused lands, will be explored to avoid any displacement. The Project will also develop a grievance redress mechanism to address any concerns or disputes arising during the site selection process.		
Financial intermediaries and direct investments	**Moderate**	**Moderate**
Risk(s): BoLCoP will provide a line of credit financed by PoLG to support its activities, managed through a financial intermediary—likely the National Development Bank (NDB), a government-owned institution. Preliminary assessments indicate that neither NDB nor similar national intermediaries currently operate Environmental and Social Management Systems (ESMS) equivalent to IFAD's SECAP 2021 standards. Existing practices are largely manual and ad hoc, with no formal exclusion list, and past loan portfolios commonly include high-risk sectors such as mining. This creates the risk of inadvertently financing activities that conflict with BoLCoP's environmental and social sustainability objectives.		
Mitigations: To mitigate risks associated with the use of a financial intermediary, BoLCoP has conducted a comprehensive assessment of the intermediary's Environmental and Social Management System (ESMS), ensuring its accessibility, transparency, and alignment with IFAD's SECAP exclusion list. Where gaps were identified during design, an Environmental and Social Action Plan (ESAP) was developed to identify and specify corrective measures and implementation timelines. To strengthen compliance, capacity-building efforts will be aligned with ESMS requirements, supported through targeted technical assistance and safeguard training and appointment of an E&S focal point. The intermediary will also be required to adhere to regulatory obligations set by the Non-Bank Financial Institutions Regulatory Authority (NBFIRA) and integrate these requirements into its operational policies. Furthermore, to promote accountability and transparency, the intermediary's safeguard policies will be made publicly accessible.		
Climate Change	**Substantial**	**Substantial**
Risk(s): Botswana is highly vulnerable to climate change due to its dependence on rain-fed agriculture, high reliance on natural resources, and widespread rural poverty. Key climate vulnerability hotspots include Kgalagadi District, Bobirwa Sub-District (Central District), Ngamiland (Okavango Delta region), Gantsi, and the Makgadikgadi Pans, where communities and ecosystems face heightened exposure to droughts, floods, heatwaves, and land degradation. The country's heavy reliance on imported cereals, including feed, heightens food system fragility. Prolonged heatwaves, droughts, and waterlogging—often accompanied by		

Risk categories and subcategories	Inherent	Residual
outbreaks of pests and diseases—further threaten crop yields and increase small livestock mortality. According to the World Bank, shifts in precipitation patterns are expected to intensify soil erosion and reduce soil fertility; the total annual cost of land degradation in Botswana is estimated at US$353 million, equivalent to 3.2% of the country's GDP, underscoring the economic impact of environmental stressors.		
Mitigations: To address the growing risks posed by climate change, BoLCoP will strengthen the agricultural extension system to equip farmers—especially women, youth, and marginalized groups— with the knowledge and tools needed to manage climate impacts, including pest and disease outbreaks. The Project will promote climate-resilient small livestock production and climate-smart management practices by improving access to drought-tolerant small livestock breeds, multi-purpose crops, drought-resistant fodder, and conservation agriculture technologies, supported by gender-sensitive extension services to ensure women and youth have equal access to improved genetics, husbandry practices, and input supply chains. BoLCoP will support community-based fodder systems, prioritizing women and youth cooperatives in cultivating drought-resilient forage species and Prosopis-based fodder processing. The Project will introduce composting systems for manure and agricultural waste as part of an integrated circular economy model, targeting women's and youth-led enterprises for organic fertilizer production and value addition. Conservation agriculture technologies will also include solar-powered systems, precision irrigation, and soil and water conservation techniques to maintain fodder production and reduce climate vulnerability. These include solar-powered systems, precision irrigation, and soil and water conservation techniques. BoLCoP will also seek opportunities to introduce weather-index insurance to enhance farmers' resilience against climate shocks. In close collaboration with the interministerial coordination reference group, BoLCoP will engage the Ministry of Environment and Tourism and the National Climate Change Committee to ensure climate adaptation interventions are effectively integrated into policy and implementation frameworks. A detailed climate risk study will be prepared, which will cover both the risks from the climate to the population and from the Project to the population in terms of climate vulnerability. The study will include sex-disaggregated data and a gender lens to assess differential vulnerabilities and coping capacities. Soil and water conservation structure will help reduce this effect and this will be compounded by small irrigation systems.		
Stakeholders	**Substantial**	**Substantial**
Stakeholder engagement/coordination	**Substantial**	**Substantial**
Risk(s): BoLCoP may face challenges in stakeholder engagement due to limited capacity of farmer groups and cooperatives, particularly at the local level. Many small livestock associations lack the technical and financial skills needed to manage infrastructure like aggregation centres and slaughter facilities, leading to inefficiencies, poor financial management and ineffective functionality, which works to weaken market linkages. Women-led and youth-led groups are particularly disadvantaged, as they often face additional barriers to accessing training, finance, and leadership opportunities. At the national level, while platforms like the SIFB exist, they often lack inclusive representation, with smallholder farmers, women, and youth underrepresented in key decision-making spaces.		

Risk categories and subcategories	Inherent	Residual
Many of these organisations also face financial sustainability issues, being heavily reliant on external funding. Additionally, fragmented coordination among government ministries and support agencies involved in small livestock development can lead to overlapping responsibilities and fragmented support, reducing the effectiveness of stakeholder engagement and service delivery.		
Mitigations: To mitigate stakeholder engagement and coordination risks under BoLCoP, the Project will strengthen the capacity of small livestock farmer groups and cooperatives—particularly those led by women and youth— through targeted training in governance, financial management, and infrastructure operation. It will promote inclusive representation by supporting platforms like the SIFB to better involve smallholders, women, and youth in decision-making. A structured stakeholder engagement framework will be established to enable continuous dialogue between farmers, lead enterprises, and government. Coordination will be improved through a multi-stakeholder reference group involving key ministries, ensuring alignment with national strategies. To enhance sustainability, the Project will support institutional self-reliance by encouraging income-generating services and integrating support into existing government programmes.		
Stakeholder grievances	**Substantial**	**Substantial**
Risk(s): As BoLCoP prioritises the inclusion of smallholder farmers, particularly women and youth, by linking them to commercial or lead enterprises through contractual arrangements or wage employment, several potential risks of stakeholder grievances may arise. These arrangements, which include engaging smallholders as service providers for small livestock inputs or in off-farm value chain activities, can create power imbalances and expose vulnerable groups to exploitation if not carefully managed. Key risks include delays in payments, unfavourable input-output arrangements, and disagreeable pricing structures that may disadvantage smallholders. In some cases, contract breaches or lack of transparency in agreements can further erode trust. There is also the risk of elite capture, where better-connected individuals disproportionately benefit from commercial linkages, sidelining more vulnerable producers. Additionally, inequitable representation of women, youth, and remote farmers in decision-making processes may lead to feelings of exclusion and dissatisfaction, especially if they lack the means to voice concerns or seek redress.		
Mitigations: In recognition of the potential for stakeholder grievances, BoLCoP will prioritise inclusive consultation processes during the design and implementation of key interventions. Targeting strategies will be refined through the clear definition of small livestock producers, subsistence farmers, and associated value chain actors, with a strong emphasis on preventing elite capture and ensuring inclusive and equitable representation, especially for women, youth, and other vulnerable groups. BoLCoP will establish clear and fair contractual frameworks for engaging smallholder farmers including women, youth and PWDs, particularly in service provision, input supply, off-farm activities, and wage employment. It will promote transparent pricing mechanisms to ensure that smallholder producers receive fair compensation for their small livestock, preventing market exclusion of the Project 's intended beneficiaries. Mechanisms will also be put in place to support		

Risk categories and subcategories	Inherent	Residual
women and youth in overcoming barriers related to land access, livestock ownership, and farm-level security, including theft prevention and gender-responsive interventions. To strengthen smallholder engagement in commercialisation, BoLCoP will promote equitable benefit-sharing models and fair contract terms. This will be complemented by efforts to build robust grievance redress systems that address disputes and protect the rights of all stakeholders. Continuous support will be provided to capacitate and organise farmer organisations and associations, empowering them to negotiate better terms, monitor contract compliance, and collectively bargain for better market conditions. Furthermore, the Project will support increased access to sovereign line of credit that provides affordable finance – especially for the subsistence farmers (micro-scale) and the semi-commercial farmers (small-scale). . The sovereign LoC will be operationalized in (i) parallel with other state-supported rural/smallholder financing mechanisms that will be receiving TA from BoLCoP (for example, the Thuo Letlotlo Livestock Management System (TLMS) that provides grants, matching grants and subsidized loans to qualified value chain actors and the e-voucher system also within the TLMS that helps channel the government subsidies through the financial system to qualified farmers to access inputs, and including access to other services such, as insurance; and (ii) complement the NSO (non-sovereign/private sector-based LoC) that will finance the emerging commercial farmers (medium scale) and the small and medium enterprises ((SMEs), on-farm and off-farm SMEs)). This dual approach will incentivize inclusive procurement from smallholders while enabling value addition and profitable market integration.		