
تقرير رئيس الصندوق
بشأن قرض مقترح تقديمه إلى
جمهورية رواندا
من أجل مشروع تنمية صناعة الألبان في رواندا - المرحلة الثانية
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للموافقة

الإجراء: المجلس التنفيذي مدعو إلى الموافقة على التوصية الواردة في الفقرة 55.

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Sengul James	موظفة المالية:
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Ebrima Ceesay	موظف الشؤون القانونية:

موجز التمويل

الصندوق	المؤسسة المبادرة:
جمهورية رواندا	المقترض/المتلقي:
وزارة الزراعة والموارد الحيوانية	الوكالة المنفذة:
100.37 مليون دولار أمريكي	التكلفة الكلية للمشروع:
7.76 مليون يورو (ما يعادل 8.44 مليون دولار أمريكي)	قيمة القرض 1 المقدم من الصندوق:
شروط فائقة التيسيرية: مدة القرض 50 سنة، بما في ذلك فترة سماح مدتها 10 سنوات، ويتحمل رسم خدمة قدره 0.10 في المائة سنوياً (تعديلات للقروض بعملة واحدة)	شروط القرض 1 المقدم من الصندوق:
1.94 مليون يورو (ما يعادل 2.11 مليون دولار أمريكي)	قيمة القرض 2 المقدم من الصندوق:
تيسيرية للغاية: مدة القرض 40 سنة، بما في ذلك فترة سماح مدتها 10 سنوات، ويتحمل رسم خدمة قدره 0.75 في المائة سنوياً (تعديلات للقروض بعملة واحدة)	شروط القرض 2 المقدم من الصندوق:
9.2 مليون يورو (ما يعادل 10 ملايين دولار أمريكي)	قيمة القرض 3 المقدم من الصندوق:
شروط عادية: مدة القرض 30 سنة، بما في ذلك فترة سماح مدتها 9 سنوات، ويخضع لسعر فائدة يساوي سعر الفائدة المرجعي الذي يطبقه الصندوق، بما في ذلك فرق متغير في سعر الفائدة	شروط القرض 3 المقدم من الصندوق:
صندوق الأوبك للتنمية الدولية، الصندوق الأخضر للمناخ، مصرف Equity Bank، منظمة Heifer International	الجهات المشاركة في التمويل:
قرض صندوق الأوبك للتنمية الدولية: 20 مليون دولار أمريكي	قيمة التمويل المشترك:
قرض ومنحة الصندوق الأخضر للمناخ: 8.5 مليون دولار أمريكي	
قرض مصرف Equity Bank: 10 ملايين دولار أمريكي	
منحة منظمة Heifer International: 6 ملايين دولار أمريكي	
قروض؛ منح	شروط التمويل المشترك:
16.24 مليون يورو (ما يعادل 17.64 مليون دولار أمريكي)	مساهمة المقترض/المتلقي:
9.52 مليون دولار أمريكي	مساهمة المستفيدين:
8.16 مليون دولار أمريكي	فجوة التمويل:
7.16 مليون دولار أمريكي	قيمة التمويل المناخي الذي يقدمه الصندوق:
بإشراف مباشر من الصندوق	المؤسسة المتعاونة:

أولا- السياق

ألف - السياق الوطني ومسوّغات مشاركة الصندوق

السياق الوطني

- 1- جمهورية رواندا (رواندا من الآن فصاعدا) هي إحدى الاقتصادات التي تنمو بسرعة في أفريقيا، والتي تتطلع لأن تحصل على وضع البلد المتوسط الدخل بحلول عام 2050. وعلى الرغم من التباطؤ الاقتصادي العالمي في السنوات الأخيرة، زاد الناتج المحلي الإجمالي لرواندا بنسبة 8.2 في المائة في عام 2022، مدفوعا بشكل رئيسي باتساع قطاع الخدمات، بينما أعاقَت الظروف المناخية غير المواتية قطاع الزراعة.
- 2- ويعتمد الاقتصاد الريفي لرواندا إلى حد كبير على الزراعة التي تساهم بثلاث الناتج المحلي الإجمالي للبلد، وتشغل ثلثي سكانه. ويتأثر قطاع الزراعة على نحو خاص بتغير المناخ، الذي قد يكلف البلد ما بين 50 مليون دولار أمريكي و300 مليون دولار أمريكي سنويا بحلول عام 2030 إذا لم تجر معالجته.
- 3- ويملك القطاع الفرعي للثروة الحيوانية في رواندا إمكانات كبيرة للتخفيف من حدة الفقر وتعزيز الحالة التغذوية للأسر المعيشية. وفي عام 2021، أنتج البلد حوالي مليار لتر من الحليب، جرى تسويق نسبة 86 في المائة منها. ويقوم مزارعو الألبان من أصحاب الحيازات الصغيرة (الذين يملكون من بقرة واحدة إلى 5 بقرات) بتزويد أكثر من 80 في المائة من الحليب المستهلك محليا. ويتوقع أن يزداد استهلاك الفرد من الحليب من 75.3 ليتر في عام 2021 إلى 115 لترا بحلول عام 2032.

الجوانب الخاصة المتعلقة بأولويات التعميم المؤسسي في الصندوق

- 4- تماشيا مع التزامات التعميم في الصندوق، صُوِّف المشروع على أنه:
 - ☒ يشمل التمويل المناخي؛
 - ☒ يراعي التغذية؛
 - ☒ يراعي الشباب؛
 - ☒ يشمل أنشطة متعلقة بالقدرة على التكيف.
- 5- الضعف في وجه تغير المناخ. وفقا لمصفوفة مبادرة نوتردام العالمية للتكيف، تحتل رواندا المرتبة 32 بالنسبة للتعرض للمخاطر، والمرتبة 88 بالنسبة للقدرة على الصمود في وجه تغير المناخ. وتشمل أوجه التعرض للمخاطر قلة الاستعداد للصدمات المناخية، ومحدودية توافر المياه والأعلاف، وضعف إدارة النفايات ومرافق التخلص من المواد الكيميائية، وارتفاع كثافة الانبعاثات والبصمة الكربونية ضمن سلسلة قيمة منتجات الألبان. وسوف يُعتمد نهج ذكي مناخيا لتكثيف إنتاج الألبان يشمل تحسين تربية الحيوانات، والأعلاف الحيوانية، والوصول إلى المياه، وزيادة كفاءة الطاقة على طول سلسلة قيمة منتجات الألبان.
- 6- التغذية. يكشف التحليل الشامل للأمن الغذائي ومواطن الضعف (2022) عن معدل وطني للتقزم نسبته 32.4 في المائة، حيث يعاني 24 في المائة من الأطفال دون سن الخامسة من التقزم المعتدل، و8.4 في المائة من التقزم الشديد. ويساهم المدخول الغذائي غير الكافي، ولا سيما الاستهلاك القليل للأغذية ذات المصدر الحيواني، بصورة مباشرة في سوء التغذية، وبشكل خاص بين المجموعات التي تعاني من انعدام الأمن الغذائي والدخل المنخفض. وبما يتماشى مع مبادرات التغذية التي تقودها الحكومة، سيوفر المشروع الدعم للتثقيف التغذوي، وللتواصل من أجل تغيير الأنماط الاجتماعية والسلوكية.

7- **مشاركة الشباب في قطاع إنتاج الألبان.** يشارك أكثر من 50 في المائة من الشباب الريفيين في الزراعة، ولكن 5 في المائة منهم فقط مسجلون كأعضاء شباب في مراكز تجميع الحليب. وبدلاً من ذلك، تشارك الأغلبية في أنشطة الخدمات غير الزراعية مثل نقل الحليب. وتعيق مشاركتهم بالدرجة الأولى عوامل تشمل الوصول المحدود إلى الأراضي، والقيود المالية، وعدم الجاذبية المتصورة لإنتاج الألبان. ويسعى مشروع تنمية صناعة الألبان في رواندا - المرحلة الثانية إلى تعزيز مشاركة الشباب من خلال توفير فرص لأنشطة مختلفة.

مسوغات مشاركة الصندوق

8- لقد أدخل مشروع تنمية صناعة الألبان في رواندا ديناميات سوق جديدة في قطاع إنتاج الألبان وحقق حصائل إيجابية مثل زيادة أصول أصحاب الحيازات الصغيرة، وتحسين تطوير البنية التحتية لمراكز تجميع الحليب ونقاط تجميع الحليب، إلى جانب التقدم المحرز في مجالي التلقيح الاصطناعي ومكافحة الأمراض. وقامت حكومة رواندا باستثمارات كبيرة تهدف إلى تعزيز إضافة القيمة للحليب، إدراكاً منها بالدور المحوري لقطاع صناعة الألبان في دفع التحول الاقتصادي الريفي.

9- وعلى الرغم من الأثر الإيجابي لمشروع تنمية صناعة الألبان في رواندا على قطاع منتجات الألبان الفرعي ومجموعاته المستهدفة، لا تزال عدة تحديات تعيق التحقيق الكامل لإمكانات سلسلة القيمة واستدامتها. وتشمل هذه التحديات ما يلي: (1) مستويات إنتاجية الحليب دون المستوى الأمثل بين الأبقار بسبب محدودية الحصول على الأعلاف والمياه؛ (2) انخفاض قدرة المنتجين والتعاونيات عبر سلاسل القيمة؛ (3) ضعف المعلومات والبنية التحتية المتعلقة بالأسواق؛ (4) ضعف القدرة على الصمود في وجه الصدمات الاقتصادية.

10- وبما يتماشى مع نهج الصندوق في تنمية سلاسل القيمة المناصرة للفقراء، سيزيد مشروع تنمية صناعة الألبان في رواندا - المرحلة الثانية التحديث القطاعي من خلال توسيع نطاق التدخلات التي تركز على الممارسات الذكية مناخياً، وتعزيز الوصول إلى الخدمات المالية عن طريق التعاون مع القطاع الخاص، ودمج الرقمنة في سلسلة القيمة.

باء- الدروس المستفادة

11- يسترشد مشروع تنمية صناعة الألبان في رواندا - المرحلة الثانية بإنجازات مشروع تنمية صناعة الألبان في رواندا والدروس المستفادة من تنفيذه. وسوف يدعم المشروع الآثار ويوسع النطاق في مقاطعات جديدة، مع إيلاء اهتمام خاص للجوانب التالية:

(أ) ممارسة "تقديم بقرة كهديّة" تناسب السياق الرواندي وتسمح بتوسيع نطاق توزيع الأبقار في إطار برنامج بقرة واحدة لكل أسرة فقيرة بأقل تكلفة. وتعتمد استدامتها على التعاون مع السلطات المحلية والتنفيذ ضمن مجموعات مدارس المزارعين الحقلية الخاصة بالثروة الحيوانية، والاستفادة من الروابط الاجتماعية القوية؛

(ب) الإنتاج المحلي للأعلاف لا يرقى إلى مستوى الطلب. ومن الضروري توسيع إنتاج البذور عن طريق مساعدة المزيد من المنتجين وإنشاء سلسلة قيمة تجارية مخصصة لزيادة فرص الوصول إلى الأسواق وتوافرها للمزارعين؛

(ج) عزز إنشاء وتنشيط مراكز تجميع الحليب ونقاط تجميع الحليب إمداد الحليب. ومع ذلك، تواجه 19 في المائة من مراكز تجميع الحليب مشاكل تتعلق بمعدات التبريد مما يحد من الكفاءة. ومرد هذا في الأغلب إلى سوء الإدارة، مما يؤدي إلى افتقار 67 في المائة من مراكز تجميع الحليب إلى الاستدامة الذاتية واعتمادها على الدعم الخارجي؛

(د) خلّفت المنح المطابقة اعتماداً كبيراً على المنح دون تعزيز خيارات التمويل المستدام مثل الائتمان أو

مشاركة القطاع الخاص. وقد أعاققت التحديات على كل من جانبي العرض والطلب الخدمات المالية الشاملة ضمن سلسلة قيمة منتجات الألبان.

ثانيا- وصف المشروع

ألف- الأهداف والمنطقة الجغرافية للتدخل والمجموعات المستهدفة

- 12- تتمثل غاية المشروع في الحد من مستوى فقر الأسر المعيشية الريفية المستهدفة وتخفيف أثر قطاع إنتاج الألبان على تغير المناخ. ويتمثل الهدف الإنمائي للمشروع في تحسين دخل، وتغذية الأسر المعيشية الريفية، وقدرتها على الصمود من خلال تطوير قطاع إنتاج ألبان أكثر شمولاً، واستدامة، ورقمنة، وتنافسية.
- 13- وسينفذ المشروع في 27 من مقاطعات رواندا الثلاثين، المقسمة إلى مجموعتين. وستستفيد الفئة 1، التي تضم 14 مقاطعة تُفذ فيها مشروع تنمية صناعة الألبان في رواندا، من الإنجازات كي تعزز تحويل القطاع بابتكارات وتكنولوجيات جديدة، مع الاستفادة من آفاق الأسواق الناشئة. أما الفئة 2، فتغطي 13 مقاطعة جديدة، بينما يمكن استهداف المقاطعات الحضرية وشبه الحضرية الثلاث المتبقية من أجل أنشطة تجهيز وتسويق الحليب.
- 14- وسيعود المشروع بالفائدة على 175 000 من الأسر المعيشية التي تعاني من الفقر وانعدام الأمن التغذوي، 100 000 منها من المرحلة الأولى، وستكون محط التركيز الرئيسي للتدخلات الواسعة النطاق. وسيجري اختيار الأسر المعيشية الـ 75 000 الإضافية الجديدة من الفئة 1 (25 000 أسرة معيشية) والفئة 2 (50 000 أسرة معيشية). وستوجه آليات الاستهداف من خلال النظام الوطني لتصنيف أصحاب الثروات (Ubudehe)، وبما يتواءم مع استراتيجية الاستهداف في الصندوق. وسيولي المشروع معاملة تفضيلية للنساء (45 في المائة) والشباب (25 في المائة).

باء- المكونات والحاصلات والأنشطة

- 15- سيتضمن المشروع المكونات التالية: (1) زيادة إنتاجية نظم إنتاج الألبان الخاصة بأصحاب الحيازات الصغيرة وقدرتها على الصمود؛ (2) زيادة كفاءة سلسلة قيمة منتجات الألبان من خلال توسيع نطاق الاستثمارات وتحسين الوصول إلى الأسواق؛ (3) دعم السياسات وإدارة المشروعات، والرصد والتقييم، وإدارة المعرفة.
- 16- **المكون 1: زيادة إنتاجية نظم إنتاج الألبان الخاصة بأصحاب الحيازات الصغيرة وقدرتها على الصمود،** سيستهدف بالدرجة الأولى جانب الإنتاج من خلال استخدام نهج ذكي مناخياً في قطاع الثروة الحيوانية. ويمزج هذا الجهود لتعزيز الإنتاجية وتكثيف الثروة الحيوانية مع تغير المناخ، مع تنفيذ تدابير للحد من انبعاثات غازات الدفيئة المتصلة بالأنشطة الحيوانية. وسوف يتحقق هذا من خلال مكونين فرعيين: يركز أحدهما على تعزيز القدرات، والأصول المنتجة، والتنظيم المجتمعي لصغار مزارعي صناعة الألبان، بينما يركز الآخر على تحسين الوصول إلى الخدمات، والمدخلات، والابتكارات التي تزيد من توافر الأعلاف والمياه ذات الجودة، مما يعزز القدرة على الصمود في وجه تغير المناخ.
- 17- **المكون 2: زيادة كفاءة سلسلة قيمة منتجات الألبان من خلال توسيع نطاق الاستثمارات وتحسين الوصول إلى الأسواق.** يركز هذا المكون على تحقيق المستوى الأمثل من الكفاءة التشغيلية لسلسلة قيمة منتجات الألبان. ويستلزم هذا دمج نظم الطاقة الذكية مناخياً والتكنولوجيات الرقمية لتيسير تتبع المعاملات الخاصة بالحليب عبر سلسلة القيمة، بهدف توجيه الحليب من خلال سبل السوق الرسمية. ويتألف هذا المكون من ثلاثة مكونات فرعية مترابطة: تعزيز كفاءة سلسلة قيمة منتجات الألبان؛ وتعزيز سلاسل قيمة أقصر عن طريق صقل جميع وتوزيع الحليب من خلال نظم رقمية؛ وتعزيز الوصول المالي الشامل والمبتكر من خلال توفير منتجات مالية مخصصة متاحة ومستدامة بالشراكة مع مقدمي الخدمات المالية. وسوف يدعم المشروع التواصل من أجل

تغيير الأنماط الاجتماعية والسلوكية، وحملات التوعية التغذوية، وإنشاء الروابط بين السوق وبرامج التغذية المدرسية.

18- **المكون 3: دعم السياسات وإدارة المشروعات، والرصد والتقييم، وإدارة المعرفة.** وسوف يركز هذا على المشاركة في السياسات وتنسيق أصحاب المصلحة لتحقيق الهدف المتمثل في "تعزيز السياسات والبيئة المؤسسية من أجل النمو الشامل والمستدام لقطاع إنتاج الألبان". وستعزز جهود التدخل في السياسات وصياغتها من خلال نظم قوية لرصد وتقييم المشروع، ومنتجات معرفية قائمة على الأدلة. وسوف ييسر المشروع مشاركة أصحاب المصلحة في حوار السياسات من خلال منصات إنتاج الألبان على المستوى الوطني ومستوى المقاطعات.

جيم- نظرية التغيير

19- يهدف المشروع إلى التصدي للتحديات ضمن سلسلة قيمة منتجات الألبان من خلال تحقيق المستوى الأمثل من كفاءة الإنتاج وتعزيزات التسويق الاستراتيجي. وسيبدأ المشروع بتشكيل المجموعات، وبناء الأصول، وتحسين البنية التحتية. وسيرافق هذا إجراء تدريبات على الممارسات الذكية مناخياً وبناء قدرات منظمات المزارعين. وسوف يعزز تحسين الصحة الحيوانية وخدمات تربية الحيوانات، المصحوب بتحسين الوصول إلى المياه والأعلاف، إنتاجية الحليب ويقلل من كثافة الانبعاثات. كما سيدعم المشروع التسويق الجماعي من خلال الشراكات المنتجة.

20- وسيعزز المشروع دمج التكنولوجيات الرقمية، مما ييسر الوصول إلى التمويل وإنشاء سياسة مواتية وإطار مؤسسي. وبتعزيز التحسينات المستدامة في إنتاج الحليب وتحسين ممارسات التسويق، يهدف المشروع إلى زيادة المداخل بشكل مستدام. ويمكن إعادة استثمار هذه الزيادات في الدخل لاحقاً في الإنتاج المستدام، مما ينشئ حلقة حميدة تعزز قدرة القطاع على الصمود. وعلاوة على ذلك، من المتوقع أن تعزز زيادة الدخل واستهلاك الحليب الأمن الغذائي والتغذية من خلال حملات التوعية والتواصل من أجل تغيير الأنماط الاجتماعية والسلوكية.

21- وتستند نظرية التغيير للمشروع إلى الافتراضات التالية: (1) اعتماد كبير على ممارسات الإنتاج المحسنة؛ (2) إمداد ما يكفي من الحليب عالي الجودة لتلبية احتياجات السوق؛ (3) هياكل تنفيذ كفؤة؛ (4) إدارة تعاونية قادرة وحوكمة رشيدة؛ (5) ظروف عمالة وعمل مناسبة للنساء والشباب في المقاطعات المستهدفة.

دال- المواعمة والملكية والشراكات

22- يتواءم المشروع جيداً مع الإطار الاستراتيجي للصندوق للفترة 2016-2025، وبرنامج الفرص الاستراتيجية القطرية 2018-2024. وسوف يساهم التنفيذ الناجح للمشروع في تحقيق أهداف التنمية المستدامة التالية: 1: القضاء على الفقر؛ 2: القضاء التام على الجوع؛ 5: المساواة بين الجنسين؛ 8: العمل اللائق والنمو الاقتصادي؛ 13: العمل المناخي؛ 15: الحياة على الأرض. وهذه الأهداف مدمجة في الأطر الاستراتيجية الوطنية، وإطار الأمم المتحدة للتعاون في مجال التنمية المستدامة لرواندا.

23- وسوف يوسع المشروع الآثار من خلال الاستفادة من الشبكات وأوجه التآزر القائمة مع الشركاء الاستراتيجيين الرئيسيين، بما في ذلك الوكالات الحكومية المتخصصة، والحكومات المحلية، والشركاء الإنمائيين الآخرين. وستنفذ أنشطة الوصول إلى التمويل لتعزيز الروابط بين أصحاب المصلحة والمؤسسات المالية.

24- سيُدمج المشروع في البرنامج الإقليمي مسارات للوصول بالانبعاثات إلى مستوى الصفر في قطاع الألبان الذي يجري إعداده للموافقة على تمويل الصندوق الأخضر للمناخ، والمتوقعة في عام 2024.

هاء- التكاليف والفوائد والتمويل

تكاليف المشروع

25- يُقدّر إجمالي تكاليف المشروع، بما في ذلك الطوارئ السعرية والمادية، بمبلغ 100.37 مليون دولار أمريكي على مدى فترة تنفيذ المشروع الممتدة لست سنوات. وتمثل التكاليف المتكررة الإجمالية 5.55 في المائة من إجمالي تكاليف المشروع، وتكاليف الاستثمار 94.5 في المائة من إجمالي تكاليف المشروع.

26- ويُحسب المكونان 1 و2 من المشروع جزئياً على أنهما تمويل مناخي. ووفقاً لمنهجيات المصارف الإنمائية المتعددة الأطراف لتتبع تمويل التكيف مع تغير المناخ والتخفيف من آثاره، يُقدر المبلغ الكلي للتمويل المناخي المقدم من الصندوق لهذا المشروع بمبلغ 7.16 مليون دولار أمريكي، وهو ما يمثل 34.8 في المائة من إجمالي تكاليف المشروع للصندوق.

الجدول 1
تكاليف المشروع حسب المكون والجهة الممولة
(بآلاف الدولارات الأمريكية)

																								صندوق الأوليك للتنمية		مصرف									
المكون		قرض الصندوق 1		قرض الصندوق 2		قرض الصندوق 3		Equity Bank		منظمة Heifer		الدولية		الصندوق الأخضر للمناخ		المستفيدين		المقترض/المتلقي		فجوة التمويل		المجموع													
المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	نقدا	عينيا	%	نقدا	عينيا	%	المبلغ	%												
41 438	5.2	2 160	8.8	-	3 671	22.5	7 699	1 617	13.1	5 417	15.3	6 330	14.5	6 000	-	-	6.3	2 607	2.9	1 187	11.4	4 750													
1- زيادة إنتاجية نظم إنتاج الألبان الخاصة بأصحاب الحيازات الصغيرة وقدرتها على الصمود																																			
48 410	3.7	1 803	28.2	10 785	2 888	0.4	-	200	5.5	2 658	26.2	12 670	-	-	20.7	10 000	15.3	7 393	-	3	-	10													
2- زيادة كفاءة سلسلة قيمة منتجات الألبان من خلال توسيع نطاق الاستثمارات وتحسين الوصول إلى الأسواق																																			
10 523	39.9	4 201	2.9	-	300	-	-	-	4.0	425	9.5	1 000	-	-	-	-	-	-	8.7	919	35.0	3 678													
3- دعم السياسات وإدارة المشروعات، والرصد والتقييم، وإدارة المعرفة																																			
100 371	8.1	8 164	17.5	10 785	6 859	9.5	7 699	1 817	8.5	8 500	19.9	20 000	6	6 000	10	10 000	10	10 000	2.1	2 109	8.4	8 438	المجموع												

الجدول 2
تكاليف المشروع حسب فئة النفقات والجهة الممولة
(بآلاف الدولارات الأمريكية)

									صندوق الأخصر		صندوق الأوبك للتنمية					مصرف									
المجموع			فجوة التمويل			المقرض/المتلقي			المستفيدين			للمناخ		منظمة Heifer		Equity Bank		قرض الصندوق 3		قرض الصندوق 2		قرض الصندوق 1			
المبلغ	%	المبلغ	%	عينيا	نقدا	%	عينيا	نقدا	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%		
تكاليف الاستثمار																									
38 948	4.1	1 584	9.6	38	3 702	17.8	6 751	200	8.3	3 228	21.5	8 375	8.9	3 481	9.8	3 824	11.8	4 585	1.7	636	6.5	2 544			
10 928	19.3	2 106	-	-	-	-	-	-	2.8	301	27.5	3 002	17.4	1 904	-	-	13.8	1 514	3.8	420	15.4	1 681			
والاجتماعات																									
911	-	-	-	-	-	12.3	-	112	42.1	384	-	-	-	-	-	-	12.3	112	6.6	60	26.7	243			
13 830	-	-	17.3	-	2 395	17.7	948	1 505	14.6	2 022	42.8	5 923	3.7	511	3.8	526	-	-	-	-	-	-			
2 965	4.8	144	1.7	-	50	-	-	-	-	-	-	-	-	-	90.7	2 687	-	-	0.5	17	2.3	67			
17 670	0.9	161	64.9	10 747	712	-	-	-	3.6	635	7	1 231	0.5	91	16.7	2 963	4.9	866	0.3	53	1.2	211			
9 541	25.1	2 397	-	-	-	-	-	-	15.8	1 505	4.9	469	0.1	13	-	-	30.6	2 923	4.8	447	18.7	1 787			
والاستشاريون																									
94 793	6.7	6 392	18.6	10 785	6 859	10	7 699	1 817	8.5	8 075	20	19 000	6.3	6 000	10.6	10 000	10.6	10 000	1.8	1 633	6.9	6 533			
التكاليف المتكررة																									
4 864	36.4	1 771	-	-	-	-	-	-	0.6	29	20.5	999	-	-	-	-	-	-	8.5	413	34	1 652			
714	0.1	1	-	-	-	-	-	-	55.5	396	0.1	1	-	-	-	-	-	-	8.9	63	35.4	253			
5 578	31.8	1 772	-	-	-	-	-	-	7.6	425	17.9	1 000	-	-	-	-	-	-	8.5	476	34.2	1 905			
100 371	8.1	8 164	17.5	10 785	6 859	9.5	7 699	1 817	8.5	8 500	19.9	20 000	6	6 000	10	10 000	10	10 000	2.1	2 109	8.4	8 438			
المجموع																									

الجدول 3
تكاليف المشروع حسب المكون وسنة المشروع
(بآلاف الدولارات الأمريكية)

البيانات المالية (بالدينار الليبي)													
المكون	السنة الأولى		السنة الثانية		السنة الثالثة		السنة الرابعة		السنة الخامسة		السنة السادسة		المجموع
	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	المبلغ	%	
1- زيادة إنتاجية نظم إنتاج الألبان الخاصة بأصحاب الحيازات الصغيرة وقدرتها على الصمود	5 082	12.3	8 938	21.6	8 935	21.6	6 776	16.4	6 709	16.2	4 998	12.1	41 437
2- زيادة كفاءة سلسلة قيمة منتجات الألبان من خلال توسيع نطاق الاستثمارات وتحسين الوصول إلى الأسواق	6 032	12.5	15 917	32.9	15 318	31.6	6 743	13.9	2 514	5.2	1887	3.9	48 411
3- دعم السياسات وإدارة المشروعات، والرصد والتقييم، وإدارة المعرفة	1 745	16.6	1 347	12.8	1 679	16	1 887	17.9	1 859	17.7	2 005	19.1	10 522
المجموع	12 859	12.8	26 202	26.1	25 932	25.8	15 406	15.3	11 082	11	8 890	8.9	100 371

استراتيجية وخطة التمويل والتمويل المشترك

27- يبلغ إجمالي التزامات الصندوق المالية 20.55 مليون دولار أمريكي، مع 9.7 مليون يورو (ما يعادل 10.55 مليون دولار أمريكي) من نظام تخصيص الموارد على أساس الأداء لفترة التجديد الثاني عشر لموارد الصندوق، و9.2 مليون يورو (ما يعادل 10 ملايين دولار أمريكي) من موارد آلية الحصول على الموارد المقترضة. وسيقدم صندوق الأوبك للتنمية الدولية تمويلاً مشتركاً بقيمة 20 مليون دولار أمريكي، بينما يتعهد مصرف Equity Bank Rwanda بتقديم 10 ملايين دولار أمريكي على الأقل، وتقدم منظمة Heifer International منحة بقيمة 6 ملايين دولار أمريكي. ومن المتوقع أن تشارك الحكومة بتمويل 16.24 مليون يورو (ما يعادل 17.64 مليون دولار أمريكي) من خلال مساهمات عينية ونقدية، بينما يتوقع أن يساهم المستفيدون بما قيمته 9.52 مليون دولار أمريكي، و1.82 مليون دولار أمريكي منها كمساهمة نقدية، و7.70 مليون دولار أمريكي كمساهمة عينية. وسيستقطب المشروع تمويلاً من برنامج مسارات للوصول بالانبعثات إلى مستوى الصفر في قطاع الألبان التابع للصندوق الأخضر للمناخ، مع تخصيص مبلغ أولي بقيمة 8.5 مليون دولار أمريكي. ويمكن سد فجوة التمويل البالغة 8.16 مليون دولار أمريكي من خلال دورات لاحقة لنظام تخصيص الموارد على أساس الأداء، أو من خلال تمويل مشترك يحدد خلال التنفيذ.

الصرف

28- تشمل فئات المشروع المعدات والمواد، والسلع، والخدمات والمدخلات، والاستشارات، والمنح والإعانات، والرواتب والبدلات.

29- وستندفق الأموال إلى حسابين معينين باليورو لدى بنك رواندا الوطني – أحدهما لتلقي قروض الصندوق من نظام تخصيص الموارد على أساس الأداء/آلية الحصول على الموارد المقترضة، والآخر لتلقي تمويل الصندوق الأخضر للمناخ من خلال الصندوق. وبالمثل، سيحتفظ المشروع بحسابين للمشروع بالفرنك الرواندي لتلقي الموارد من الحسابين المعيّنين. كما سيحتفظ المشروع بحساب مصرفي تشغيلي منفصل بالفرنك الرواندي لتلقي المساهمة النظرية لحكومة رواندا.

30- وستتلقى المشروع تمويلاً من صندوق الأوبك للتنمية الدولية، وسيبرم المقترض/المتلقي اتفاقية قرض منفصلة مع صندوق الأوبك للتنمية الدولية. وسيعقد الصندوق اتفاقية لإدارة القرض مع صندوق الأوبك للتنمية الدولية للعمل كمدير لتمويل صندوق الأوبك للتنمية الدولية المقدم للمشروع، وستتبع على أساسها طلبات السحب إجراءات/ضوابط الصندوق، وتقدم من خلال بوابة عملاء الصندوق. وسيقوم الصندوق بإبلاغ صندوق الأوبك للتنمية الدولية عن صلاحية أي طلب سحب مقدم. ثم يقوم صندوق الأوبك للتنمية الدولية بإصدار الصرف النهائي للمقترض/المتلقي إلى حساب معين يفتح بالعملة الصعبة لدى بنك رواندا الوطني. وسيحتفظ المشروع بحساب منفصل للمشروع بالفرنك الرواندي لدى بنك تجاري لتلقي الموارد من الحساب المعين لصندوق الأوبك للتنمية الدولية.

31- وستتلقى المشروع تمويلاً مشتركاً من منظمة Heifer International. وستندفق تمويل الصندوق من الحساب التشغيلي للمشروع إلى حساب مصرفي منفصل تفتحه منظمة Heifer International Rwanda بالفرنك الرواندي لدى بنك تجاري. وستسحب الأموال على أساس فصلي، بناءً على تقرير السلف السابقة (أي 70 في المائة)، والإيفاء بمتطلبات الإبلاغ المنصوص عليها في مذكرة التفاهم السنوية الموقع عليها بين الوكالة الرائدة ومنظمة Heifer.

32- وسيشارك مصرف Equity Bank Rwanda في المشروع بإتاحة موارد مالية بشكل مباشر للمستفيدين من المشروع في شكل قروض. ولن تندفق أية أموال من مصرف Equity Bank إلى حسابات المشروع.

تحليل موجز للفوائد والجوانب الاقتصادية

33- يُقدّر معدل العائد الاقتصادي للمشروع بنسبة 23.10 في المائة، بقيمة حالية صافية تبلغ 101.12 مليون دولار أمريكي. ويشير تحليل للحساسية إلى أن تجاوز محتمل للتكاليف سيؤدي إلى أثر متوسط. ويظهر التحليل المالي، المستمد من 16 نموذجاً مالياً، سلامة المشروع وجدواه الاقتصادية.

استراتيجية الخروج والاستدامة

34- إلى جانب ملكية الحكومة القوية المستندة إلى مواعمة المشروع مع الخطط الاستراتيجية الوطنية، تدور استراتيجية الخروج حول عناصر تعزيز الاستدامة، والتي تشمل: (1) سوق محلية ووطنية مزدهرة لمنتجات الألبان؛ (2) تعزيز قدرات وحوكمة إدارة الأعمال، وتمكين المؤسسات الموجهة نحو السوق؛ (3) تعاون القطاع الخاص من أجل المنصات الرقمية ونماذج الأعمال؛ (4) إقامة شراكات مع المؤسسات المالية التي تستفيد من علاقات سلاسل القيمة وتستثمر في تخفيض المخاطر لزيادة الوصول المستدام إلى الخدمات المالية.

ثالثاً - إدارة المخاطر

ألف - المخاطر وتدابير التخفيف منها

35- تُصنف المخاطر العامة المتأصلة والمتبقية على أنها متوسطة. وتُعرض المخاطر الرئيسية وتدابير التخفيف منها في مصفوفة مخاطر المشروع المتكاملة (الذيل الثالث).

الجدول 4

موجز عام المخاطر

مخاطر المخاطر	تصنيف المخاطر المتأصلة	تصنيف المخاطر المتبقية
السياق القطري	متوسطة	منخفضة
الاستراتيجيات والسياسات القطاعية	متوسطة	منخفضة
السياق البيئي والمناخي	كبيرة	متوسطة
نطاق المشروع	كبيرة	منخفضة
القدرة المؤسسية على التنفيذ وتحقيق الاستدامة	كبيرة	متوسطة
الإدارة المالية	متوسطة	متوسطة
التوريد في المشروع	متوسطة	منخفضة
الأثر البيئي والاجتماعي والمناخي	متوسطة	متوسطة
أصحاب المصلحة	كبيرة	متوسطة
المخاطر الإجمالية	متوسطة	متوسطة

باء - الفئة البيئية والاجتماعية

36- الفئة البيئية والاجتماعية كبيرة. وتشمل المخاطر المحتملة العنف الجنساني، والمستويات المتدنية للسلامة المهنية، وزيادة مخاطر الأمراض، وعمالة الأطفال، وبطالة الشباب. وسيولي المشروع الأولوية لإنشاء فرص عمل، والرصد الأسري من خلال نظام تعلّم العمل الجنساني، وتطبيق المبادئ التوجيهية لمنظمة العمل الدولية لتحسين ظروف العمل. وقد جرى إعداد إطار إدارة الشؤون البيئية، والاجتماعية، والمناخية، وخطة إدارة المبيدات، وخطة مشاركة أصحاب المصلحة، وإجراء الاكتشافات العرضية لمعالجة المسائل البيئية والاجتماعية.

جيم - تصنيف المخاطر المناخية

37- تصنف فئة المخاطر المناخية على أنها **متوسطة**. ويُنظر إلى صناعة الألبان على أنها مساهمة في تغير المناخ وضحية له. ويمكن للقطاع أن يتسبب بانبعاثات غازات الدفيئة من خلال عمليات مختلفة، وهو عرضة لظروف المناخ المتغيرة، بما في ذلك ارتفاع درجات الحرارة وأنماط هطولات الأمطار المتغيرة. وهذه العوامل تؤثر على توافر الأعلاف والمياه، والصحة الحيوانية، وبالتالي على إنتاج الحليب وجودته. ولمعالجة ذلك، سندمج استراتيجيات التكيف مع تغير المناخ والتخفيف من آثاره على طول سلسلة قيمة منتجات الألبان، وستشمل: (1) زيادة إنتاجية الحليب، بما يؤدي إلى تخفيض انبعاثات غازات الدفيئة لكل بقرة أو لتر من الحليب؛ (2) تحسين تربية الحيوانات، والأعلاف، وتوافر المياه في المزارع؛ (3) تعزيز مصادر الطاقة المتجددة؛ (4) تنفيذ احتساب كميات الكربون، ونظم إصدار شهادات الكربون المنخفض. وقد أعد استعراض لأدبيات تقييم المناخ.

دال- القدرة على تحمل الديون

38- وفقا **للبنك الدولي وصندوق النقد الدولي**، يشير تحليل قدرة رواندا على تحمل الديون إلى مخاطر متوسطة من مديونية حرجية عامة خارجية وإجمالية. والقدرة الحالية على تحمل الديون متسقة مع تصنيف "قوية". ويعكس سيناريو خط الأساس للاقتصاد الكلي التأثيرات السلبية لجائحة كوفيد-19 على النمو، والصادرات، والإيرادات، والتي زادت بشكل حاد الاحتياجات للتمويل الخارجي والمحلي في عام 2020. ومن المتوقع أن يؤدي الأثر الاقتصادي السلبي للجائحة، المصحوب بازدياد القروض، وإن كانت معظمها بشروط تيسيرية من الشركاء الثنائيين والمتعددي الأطراف، إلى وتيرة أسرع لتراكم الديون العامة والديون المضمونة من جهات عامة. وتظهر اختبارات القدرة على تحمل الضغوط أن رواندا أكثر عرضة للصدمات الخارجية مما كانت عليه في فترة ما قبل كوفيد-19، حتى بعد تبديد الأثر الأولي لجائحة كوفيد-19. ولم يكن لأزمة أوكرانيا سوى أثر متوسط على قطاع إنتاج الألبان نظرا لهيمنة النظم القائمة على الأعشاب، والاستهلاك المنخفض للمدخلات المستوردة مثل الأعلاف، والأسمدة، والمنتجات البيطرية.

رابعاً - التنفيذ

ألف - الإطار التنظيمي

إدارة المشروع وتنسيقه

39- سينفذ المشروع من قبل وحدة تنفيذ فرادى المشروعات تحت إشراف مجلس الزراعة برواندا، وهو كيان تابع لوزارة الزراعة والموارد الحيوانية. وستتبع إدارة المشروع إلى حد كبير هيكل تنفيذ مشروع تنمية صناعة الألبان في رواندا للسماح باستمرار إنجازات المشروع وآثاره المتراكمة. وستشكل لجنة توجيهية وطنية للمشروع تحت سلطة وزارة الزراعة والموارد الحيوانية لتوفير الإشراف العام على تنفيذ المشروع.

الإدارة المالية والتوريد والحوكمة

40- من المتوقع أن يستخدم المشروع ترتيبات الإدارة المالية المعتمدة من قبل حافظة الصندوق في رواندا، التي تتواءم كلياً مع النظم القطرية للإدارة المالية. وستجرى عملية تخطيط الميزانية من قبل فريق إدارة المشروع، وستدرج كل سنة في الميزانية المالية للمقترض/المتلقي.

41- وستدرج جميع الحسابات المصرفية للمشروع الممولة من المانحين في آلية الحساب الواحد المعمول بها في الخزنة. وبالتالي، ستتدفق الأموال المخصصة للمشروع من خلال حسابات معينة تفتح لدى بنك رواندا

الوطني، وتدار من قبل وحدة تنفيذ فرادى المشروعات. وستقدم تعليمات إضافية بشأن عمليات الصرف في خطاب الإدارة المالية وترتيبات الرقابة المالية.

42- وستجرى المحاسبة والإبلاغ من خلال نظام معلومات الإدارة المالية المتكاملة. وسوف تتبع المحاسبة في المشروع اللوائح الوطنية، التي تنتقل بالتدريج إلى المعايير القائمة على أساس الاستحقاق للمعايير المحاسبية الدولية للقطاع العام. وسيقدم المشروع تقارير مالية مرحلية فصلية ضمن 45 يوما من نهاية الفترة لدعم عمليات الصرف والتمكين من رصد التقدم المالي. وستُعد قوائم مالية سنوية وتراجع وفقا للمعايير الدولية ذات الصلة وبما يتسق مع كتيب الصندوق بشأن الإبلاغ المالي ومراجعة الحسابات.

43- وتعتبر مخاطر الإدارة المالية المتأصلة على المستوى القطري متوسطة. وسيتمتع تنفيذ الميزانية الضوابط الداخلية القائمة بالموافقة مع الإجراءات الحكومية المركزية/المحلية ومتطلبات الصندوق. وسوف يرفع المراجع الداخلي المعين من قبل وحدة تنفيذ فرادى المشروعات تقاريره إلى اللجنة التوجيهية للمشروع. وسيتولى مكتب المراجع العام مراجعة المشروع، عملا بالتكليف المحدد في قانون/مرسوم الحكومة.

44- **التوريد.** تُقدّر المخاطر المتأصلة للمشروع بأنها متوسطة. وسيتمثل المشروع لقانون التوريد العام واللوائح المرتبطة به، والتي تتواءم مع المعايير الدولية والمبادئ التوجيهية للتوريد في مشروعات الصندوق. وعلاوة على ذلك، سيستخدم نظام التوريد الشامل في الصندوق للتخفيف من المخاطر المحتملة المرتبطة بالاستخدام غير المناسب للطرق غير التنافسية.

مشاركة المجموعات التي يستهدفها المشروع وتعقيباتها ومعالجة التظلمات

45- كجزء من خطة مشاركة أصحاب المصلحة، سيجري إنشاء آلية لتيسير تبادل التعقيبات مع المجموعات المستهدفة من المشروع. وسوف يشمل هذا طرقا لرصد فعالية إجراءات المشاورات العامة، وتقييم حصائل المشاورات وتحديد المجالات التي قد تتطلب المزيد من المشاركة. وسوف يجمع المشروع باتساق آراء ووجهات نظر مجموعاته المستهدفة المتنوعة، لضمان المساءلة في تنفيذ استثماراته المعنية.

معالجة التظلمات

46- وتوفر آلية معالجة التظلمات، المرفقة بإطار إدارة الشؤون البيئية، والاجتماعية، والمناخية، إطارا للإجراءات والعمليات خلال تنفيذ المشروع. وستستخدم هيكل الحوكمة المحلية القائمة لمعالجة الشكاوى والتظلمات. وستعين وحدة تنفيذ فرادى المشروعات موظفا لإدارة القضايا والاحتفاظ بالسجلات للرجوع إليها. وقبل أي استثمار للمشروع قد يؤثر على المستفيدين، ستجرى عملية موافقة حرة ومسبقة ومستثيرة.

باء- الرصد والتقييم، والتعلم، وإدارة المعرفة والتواصل

47- سيتواءم نظام الرصد والتقييم في المشروع مع الإطار المنطقي، وستصنف جميع المؤشرات التي تتمحور حول الإنسان بحسب السن ونوع الجنس. وسيجري تحسين نظام معلومات الإدارة القائم المستخدم للمشروعات الممولة من الصندوق من خلال الرقمنة، ليتمكن من التجميع الدوري للبيانات، بما في ذلك البيانات الجغرافية المكانية بواسطة الأجهزة المحمولة.

48- وسيجري إعداد استراتيجية لإدارة المعرفة والتواصل محددة خصيصا للمشروع لتوثيق دروس المشروع بشكل منهجي وإنشاء إطار للتواصل الفعال. وسوف يولد المشروع منتجات معرفية تستند إلى الأدلة، وينشرها لتعزيز تقاسم أوسع للمعرفة، ودعم المشاركة في السياسات في نهاية المطاف.

الابتكار وتوسيع النطاق

49- وسيعتمد المشروع نهجا مدفوعا بالقطاع الخاص، مبتعدا عن النظم القائمة على المنح. ويتمثل الهدف الرئيسي

في ضمان الاستدامة الطويلة الأجل للتدخلات، مع التقليل إلى أدنى حد من المخاطر وتكاليف الأعمال للجهات الفاعلة من القطاع الخاص. وإضافة إلى ذلك، ستزيد الرقمنة الكاملة لسلسلة قيمة منتجات الألبان الكفاءة من خلال تحقيق المستوى الأمثل من إدارة البيانات والوصول إلى الأسواق. كما سيعزز المشروع الممارسات الناجحة المجربة في إطار مشروع تنمية صناعة الألبان لمواصلة توسيع النطاق، بما في ذلك بدء العمل بالولايات الصحية ونموذج مدارس المزارعين الحقلية الخاصة بالثروة الحيوانية.

جيم - خطط التنفيذ

الاستعداد للتنفيذ وخطط الاستهلاك

50- سيبني المشروع على الهياكل والقدرات القائمة لمشروع تنمية صناعة الألبان في رواندا، لتيسير استهلاك سريع وسلس. وخلال المرحلة الختامية لمشروع تنمية صناعة الألبان في رواندا، سيجري الاحتفاظ بالموظفين الرئيسيين ذوي التقييمات المرضية للمساهمة في الاستهلاك، وضمان انتقال سلس من مشروع تنمية صناعة الألبان في رواندا إلى مشروع تنمية صناعة الألبان في رواندا - المرحلة الثانية. وسوف يحافظ هذا على زخم المشروع ويمكن من تنفيذ المشروع في الوقت المناسب.

الإشراف واستعراض منتصف المدة وخطط الإنجاز

51- سيقوم الصندوق وحكومة رواندا ببعثات إشراف مشتركة لتقييم التقدم الشامل وتقديم مساعدة تقنية لمعالجة التحديات السائدة. وعلاوة على ذلك، ستجرى استعراضات عند منتصف المدة وعند إنجاز المشروع لقياس التقدم الذي يحرزه المشروع نحو تحقيق هدفه الإنمائي. وسيتم إيلاء اهتمام خاص لتقييم استدامة وتنفيذ استراتيجية الخروج.

خامسا - الوثائق القانونية والسند القانوني

52- ستشكل اتفاقية التمويل بين جمهورية رواندا والصندوق الدولي للتنمية الزراعية الوثيقة القانونية التي يقوم على أساسها تقديم التمويل المقترح إلى المقترض/المتلقي. وترفق نسخة من اتفاقية التمويل المتفاوض بشأنها في الذيل الأول.

53- وجمهورية رواندا مخولة بموجب القوانين السارية فيها سلطة تلقي تمويل من الصندوق الدولي للتنمية الزراعية.

54- وإني مقتنع بأن التمويل المقترح سيتفق مع أحكام اتفاقية إنشاء الصندوق الدولي للتنمية الزراعية وسياسات التمويل المقدم من الصندوق ومعايير.

سادسا - التوصية

55- أوصي بأن يوافق المجلس التنفيذي على التمويل المقترح بموجب القرار التالي:

قرر: أن يقدم الصندوق إلى جمهورية رواندا قرضا بشروط فائقة التيسيرية بقيمة سبعة ملايين وسبع مائة وستين ألف يورو (7 760 000 يورو)، على أن يخضع لأية شروط وأحكام تكون مطابقة على نحو أساسي للشروط والأحكام الواردة في هذه الوثيقة.

وقرر أيضا: أن يقدم الصندوق إلى جمهورية رواندا قرضا بشروط تيسيرية للغاية بقيمة مليون وتسعمائة وأربعين ألف يورو (1 940 000 يورو)، على أن يخضع لأية شروط وأحكام تكون مطابقة على نحو أساسي للشروط والأحكام الواردة في هذه الوثيقة.

وقرر أيضا: أن يقدم الصندوق إلى جمهورية رواندا قرضا بشروط عادية بقيمة تسعة ملايين ومائتي ألف يورو (9 200 000 يورو)، على أن يخضع لأية شروط وأحكام تكون مطابقة على نحو أساسي للشروط والأحكام الواردة في هذه الوثيقة.

ألفرو لاريو

رئيس الصندوق الدولي للتنمية الزراعية

Negotiated financing agreement

LOAN NO. _____
LOAN NO. _____
LOAN NO. _____

FINANCING AGREEMENT

Rwanda Dairy Development Project – Phase 2 (RDDP-2)

between the

REPUBLIC OF RWANDA

and the

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Signed in Kigali, Rwanda and Rome, Italy

on _____

FINANCING AGREEMENT

Loan No: _____
 Loan No: _____
 Loan No: _____

Project name: Rwanda Dairy Development Project – Phase 2 ("RDDP2"/ "the Project")

The Republic of Rwanda (the "Borrower")

and

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

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

WHEREAS

- A. At its 118th session held on 22 September 2016, IFAD's Executive Board (the "EB") approved the Rwanda Dairy Development Project (RDDP) and the relevant financing agreement between IFAD and the Borrower was signed on 4 November 2016, with an effective date of 19 December 2016;
- B. Following a successful review of RDDP coupled with the idea to consolidate its positive impacts achieved and the need to scale up in new districts, it was determined that a second phase to RDDP was required to be implemented;
- C. Consequently, the Borrower requested a loan from the Fund for the purpose of financing the Project described in Schedule 1 to this Agreement;
- D. The Project is expecting to receive co-financing from the OPEC Fund for International Development, Equity Bank Rwanda, Heifer International and the Green Climate Fund.

NOW THEREFORE, the Parties hereby agree as follows:

Section A

1. The following documents collectively form this Agreement: this document, the Project Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).
2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.
3. The Fund shall provide three Loans (the "Financing") to the Borrower, which the Borrower shall use to implement the Project in accordance with the terms and conditions of this Agreement.

Section B

1. The amount of the Loan eligible to super highly concessional terms (SHCT Loan) is seven million seven hundred sixty thousand Euros (EUR 7 760 000).
2. The amount of the Loan eligible to highly concessional terms (HCT Loan) is one million nine hundred forty thousand Euros (EUR 1 940 000).
3. The amount of the Loan eligible to ordinary terms (OT Loan) is nine million two hundred thousand Euros (EUR 9 200 000).
4. In relation to the SHCT Loan:
 - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
 - (ii) it shall have a maturity period of fifty (50) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
 - (iii) it will be repaid at 2.5 per cent (%) of the total principal per annum for years eleven (11) to fifty (50).
5. In relation to the HCT Loan:
 - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
 - (ii) it shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
 - (iii) it will be repaid at two per cent (2%) of the total principal per annum for years eleven (11) to twenty (20), and four per cent (4%) of the total principal per annum for years twenty-one (21) to forty (40).
6. In relation to the OT Loan:
 - (i) The Loan granted on ordinary terms (OT Loan) 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 thirty (30) years, including a grace period of nine (9) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.
7. The Loan Service Payment Currency shall be in EUR.
8. The first day of the applicable Fiscal Year shall be 1 July.
9. Payments of principal and service charge shall be payable on each 1 April and 1 October.
10. There shall be one segregated Designated Account, denominated in EUR at the National Bank of Rwanda (NBR), to receive the proceeds of the Financing. The

Borrower shall inform the Fund of the officials authorized to operate the Designated Account.

11. There shall be one segregated Project Operational Account to receive the proceeds of the Financing from the Designated Account, for the exclusive benefit of the Project.
12. The Borrower shall provide counterpart financing for the Project, in-cash and/or in-kind, in the amount of sixteen million two hundred thirty five thousand one hundred and fifty Euros (EUR 16 235 150) mainly for taxes and duties, as well as to cover costs relating to Project activities.
13. The Borrower shall open a segregated project bank account to receive the counterpart financing from the Government of Rwanda.

Section C

1. The Lead Project Agency shall be the Rwanda Agriculture and Animal Resources Development Board, an implementing agency of the Ministry of Agriculture and Animal Resources (the "MINAGRI"), as further detailed in Schedule 1 to this present Agreement.
2. Additional Project Parties are described in Schedule 1, Section 9 of this Agreement.
3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Project.
4. The Project Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement and the Financing Closing Date will be established as specified in the General Conditions.
5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines.

Section D

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

Section E

1. The following are designated as additional grounds for suspension of this Agreement:
 - (a) The Project Implementation Manual (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.
 - (b) The Project Manager or other key Project staff (Heads of Finance and Fiduciary Aspects, Procurement) have been removed from the Project without prior consultation with the Fund.
2. The following is designated as an additional ground for cancellation of this Agreement:
 - (a) In the event that the Borrower did not request a disbursement of the Financing for a period of at least 12 months without justification.

3. The following are designated as additional (general/specific) conditions precedent to withdrawal:

- (a) The IFAD no objection to the PIM shall have been obtained. The PIM shall also include project financial management and procurement arrangements.
- (b) The Project Steering Committee (the "PSC") established for RDDP-2 is fully functional and will be used for the duration of the Project.
- (c) The RDDP-2 Project Operation Manager and key Project staff have been appointed as indicated in Schedule 3 of this Agreement.
- (d) A suitable project Accounting and Reporting System shall have been customised and implemented through the national IFMIS, and the chief accountant (Head of Finance) and Finance Specialist shall have been duly trained in its use.
- (e) The complete settlement of outstanding unjustified amounts relating to previous PASP.

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

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

For the Borrower:

The Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
12 KN 3 Avenue, P.O Box 158, Kigali
Republic of Rwanda

Email: info@minecofin.gov.rw

For the Fund:

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

Copy to: The Country Director, Rwanda

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

REPUBLIC OF RWANDA

Dr. Uzziel Ndagijimana
Ministry of Finance and Economic Planning

Date: _____

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

Alvaro Lario
President

Date: _____

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project shall benefit 175,000 poor and nutrition-insecure rural households of whom 100,000 from the 14 initial RDDP districts will be targeted with scaled-up interventions such as Artificial Insemination services, fodder development, water facilities, digitalization of Milk Collection Centres (MCCs), and access to finance. The additional 75,000 new households will be selected from the RDDP districts (25,000 households) and the 13 new districts (50,000 households) belonging to Ubudehe category C, D, and E. Beneficiaries will be selected among those who are currently involved in or willing to participate in dairy sector. RDDP-2 will give preferential attention to women (45 per cent) and youth (25 per cent).

2. *Project area.* RDDP-2 will be implemented in 27 of the 30 districts of Rwanda, categorized into two (2) groups (*the "Project Area"*). Category 1 will cover the 14 districts where RDDP was implemented, in which RDDP-2 will build on achievements to further enhance transformation of the sector with new innovations, technologies and take advantage of new market opportunities. Category 2 will cover 13 new districts under the following criteria: (i) high incidence of poverty, food insecurity, malnutrition; (ii) high impact of climate change; (iii) high potential for women and youth to get involved in the dairy value chain; (iv) concentration of schools and density of school children; and v) potential for dairy value chain development, including markets for dairy products. The 3 remaining urban and peri-urban Districts (Gasabo, Kicukiro and Nyarugenge) could be targeted but only for activities related to milk processing and marketing.

3. *Goal.* The goal of the Project is to reduce the poverty level of targeted rural households and mitigate the impact of the dairy sector on climate change.

4. *Objectives.* The objective of the Project is to enhance income, nutrition and resilience of rural households through a more inclusive, sustainable, digitalized and competitive dairy sector through three project outcomes: i) increased climate-smart productivity and resilience of dairy smallholder production systems; ii) increased dairy value chain efficiency investments, market access, and consumption of dairy products; and iii) strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector. Increased climate adaptation and mitigation will be considered as a transversal objective which cuts across the three project outcomes.

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

5.1 **Component 1: Increasing productivity and resilience of dairy smallholder production systems** will primarily target the production aspect by employing a climate smart livestock approach. This blends efforts to increase productivity and adapting livestock to climate change, while implementing measures to curtail Green House Gas (GHG) emissions linked to livestock activities. This will be achieved through two sub-components:

5.1.1 *Sub-Component 1.1: Strengthening capacities, production assets and community organization of smallholder dairy farmers,* will build assets (Girinka) and technical capacities of smallholder farmers in the domains of animal husbandry, animal welfare, as well as in fodder production, milk hygiene, and manure management. It also intends to foster community organization through forming Livestock Farmer Field Schools (L-FFS) and Self Help Groups, enabling farmers to access financial services, markets and production support, with the potential for these groups to transition into cooperatives. These efforts

are expected to boost productivity, increase household incomes, and contribute to GHG reduction.

5.1.2 Sub-Component 1.2: Access to services, inputs and technical innovations enhancing availability of quality feed and water to strengthen climate resilience. This sub-component will focus on improving smallholder farmers' access to essential production services that can increase productivity and strengthen their resilience to climate change. It encompasses three major activities: i) improving the availability of high-quality feed, fodder (seeds) through promoting a more market-oriented value chain and water at household and community levels; ii) enhancing delivery of animal health and breeding services (e.g. roll out of sanitary mandate, disease contingency fund, digitalized cattle registration system, etc); and iii) disseminating technical, digital, and climate-smart innovations.

5.2 Component 2: Increasing dairy value chain efficiency, through scaled-up investments, improved market access, and consumption of dairy products. This component focuses on optimizing the operational efficiency of the dairy value chain. This entails integrating climate-smart energy systems and digital technologies to facilitate the tracing of milk transactions across the value chain, with the goal of channelling milk through formal market avenues. This component has three interlinked sub-components:

5.2.1 Sub-Component 2.1: Increasing the dairy value chain efficiency. This sub-component aims to address the challenges related to the limited amount of milk marketed through formal channels and milk losses resulting from inadequate transportation and collection. It involves the promotion of shorter dairy value chains through the training and capacity building of MCCs and local dairy processors, along with the provision of processing and packaging equipment, leveraging renewable energy sources. Additionally, a digitalized monitoring system will be implemented to streamline milk production, aggregation, transportation, and marketing processes, ultimately improving the overall efficiency of the dairy value chain.

5.2.2 Sub-Component 2.2: Promotion of inclusive and innovative access to finance, will facilitate access to suitable, accessible and sustainable financial services (e.g. credit, savings, co-financing, leasing, insurance, and risk management tools) for all actors in the dairy sector. It employs a value chain financing approach tailored for both the demand and supply sides: i) providing trainings on business management and financial literacy; ii) promoting uptake of livestock insurance; iii) developing financial products that enhance returns and competitiveness.

5.2.3 Sub-Component 2.3: Improving milk consumption and nutrition awareness, will be achieved through nutrition education and 'Social and Behaviour Change Communication (SBCC)'. RDDP-2 will establish market linkages between MCCs and school feeding programme to support milk consumptions in schools. This will include facilitating marketing campaigns in collaboration with private sectors and cooperatives.

5.3 Component 3: Policy support and project management, monitoring & evaluation and knowledge management. This component will focus on policy engagement and stakeholder coordination to achieve the objective of 'strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector'. Policy intervention and formulation efforts will be reinforced by robust project M&E systems and evidence-based knowledge products. RDDP-2 will facilitate the engagement of stakeholders in policy dialogue via both national and district level dairy platforms.

II. Implementation Arrangements

6. *Lead Project Agency.* Rwanda Agriculture and Animal Resources Development Board (RAB), an implementing agency of MINAGRI, will have the overall responsibility for the coordination and execution of the Project.

7. *Project Oversight Committee.* In line with the standard practice for IFAD-funded projects in Rwanda, a Project Steering Committee (PSC) will be established for RDDP-2. The Committee will be made up of representatives of MINAGRI and other relevant Ministries, as well as representatives of the target districts, members representing the farmer organizations, local institutions from the public and private sectors participating in the Project. The Committee is due to meet at least twice yearly, once to review the draft Annual Work Plan and Budget (AWPB) and again at mid-year to review the implementation progress, chaired by the Permanent Secretary of MINAGRI, and co-chaired by the Director General of RAB.

8. *Project Management Unit.* The Project will be implemented through the Single Project Implementation Unit (SPIU) under the authority of RAB. The SPIU Coordinator will oversee and coordinate the Project implementation at both the central and district level. Additionally, a dedicated RDDP-2 management team (PMT) will be formed within SPIU, including a Project Operations Manager, technical specialists, and field coordinators. In order to ensure seamless transition from RDDP to RDDP-2 and benefits from its existing capacities and management systems, contracts for RDDP-2 will be offered to those with satisfactory performance assessments, following ToRs developed in the PIM.

9. *Implementing partners.* The Borrower will conclude the contractual arrangements with the implementing partners, including Heifer International, for the implementation of the activities as described in the Schedule 1.

10. *Monitoring and Evaluation.* In collaboration with the MINAGRI MIS Developer, the M&E system will build upon the existing MINAGRI MIS Module to integrate a mobile data collection application, enabling the digital capture of real-time field data, including geospatial data. The primary responsibility for the M&E system will rest with the M&E unit within the SPIU, and all contracts and MoUs signed by the SPIU will incorporate details regarding the data collection and reporting responsibilities of implementing partners.

11. *Knowledge Management (KM).* A project-specific KM and Communication Strategy along with a comprehensive KM action plan will be developed by a KM specialist, and validated during the Project start-up workshop. In pursuit of the policy aspect, the KM activities will be focused on establishing effective channels for policy influence and dialogue. This will involve documenting project achievements/lessons and disseminating policy briefs to engage high-level stakeholders in the dairy sector.

12. *Project Implementation Manual.* The PDR includes a comprehensive PIM, which provides guidelines and framework for the project implementation. The PIM is a living document and lessons from experiences will be incorporated. The Borrower will review and elaborate the PIM prior to the project start-up, and any revisions to the PIM shall have to be submitted for the Fund's approval.

Schedule 2

Allocation Table

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

Category	IFAD SHC Loan (Expressed in EUR)	IFAD HC Loan (Express ed in EUR)	IFAD OT Loan (Expressed in EUR)	Percentage Of Expenditure (Net of Taxes, Government and Beneficiary contribution s)
I. Equipment and Materials	230 000	60 000	720 000	100%
II. Goods, Services and Inputs	2 110 000	520 000	3 800 000	100%
III. Consultancies	2 870 000	720 000	3 670 000	100%
IV. Grants and Subsidies	200 000	50 000	90 000	100%
V. Salaries and Allowances	1 570 000	390 000		100%
Unallocated	780 000	200 000	920 000	100%
TOTAL	7 760 000	1 940 000	9 200 000	

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

- (i) For SHC & HC IFAD Loans, the category equipment and materials also include the planned expenditures for vehicles.
- (ii) The category consultancies also include expenditures relating to training and workshops.
- (iii) The category salaries and allowances also include operating costs.

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 EUR 200 000 (Two Hundred Thousand). Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

Schedule 3

Special Covenants

I. General Provisions

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

1. Within six (6) months of entry into force of the Financing Agreement, the Project will enter into Memorandum of Understandings (MoU) with implementing partners that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting. The MoUs shall be shared with IFAD for No Objection.
2. *Planning, Monitoring and Evaluation.* The Borrower shall ensure that 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. The PM&E system shall be updated in accordance with MINAGRI's Management Information System (MIS) as well as IFAD's Operational Results Management System (ORMS), which shall be coordinated by the SPIU with support from technical specialists recruited under the Project. In order to supplement the Project ORMS Logical Framework, a detailed operational results framework, a monitoring and evaluation (M&E) plan, and a digitalized M&E system shall be developed by the SPIU to guide M&E processes, define roles and responsibilities.
3. *Gender.* The Borrower shall ensure that the Social Inclusion Specialist appointed under RDDP-2 will contribute to the social and economic inclusion of youth, women, other vulnerable groups, and facilitate an equal opportunity to participate and benefit from the project activities.
4. *Land tenure security.* The Borrower shall ensure that the land acquisition process has already been completed and that compensation processes were consistent with international best practice and free prior and informed consent (FPIC) principles.
5. *Anticorruption Measures.* The Borrower shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
6. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.
7. *Use of Project Vehicles and Other Equipment.* The Borrower shall ensure that:
 - (a) All vehicles and other equipment procured for the Project are allocated for Project implementation, fixed asset register is maintained and the annual physical asset verification is performed;
 - (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.

8. *IFAD Client Portal (ICP) Contract Monitoring Tool (CMT)*. 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.

9. The Key Project Personnel are: Project Operation Manager, Financial Specialist, Chief Accountant, Officer for Monitoring and Evaluation, Knowledge Management Officer, Procurement Officer, Social Inclusion and Gender Specialist, and Environment and Climate Assessment Specialist. In order to assist in the implementation of the Project, the SPIU, 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 SPIU 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. In accordance with legal instrument implementing performance management of the Government of Rwanda, key Project Personnel are subject to annual performance evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Project's circumstances.

II. SECAP Provisions

1. The Borrower shall carry out the preparation, design, construction, implementation, and operation of the Project in accordance with the nine standards and other measures and requirements set forth in the Updated Social, Environmental Climate Assessment Procedures of IFAD ("SECAP 2021 Edition"), as well as with all applicable laws and regulations to the Borrower and/or the sub-national entities relating to social, environmental and climate change issues in a manner and substance satisfactory to IFAD. The Borrower shall not amend, vary or waive any provision of the SECAP 2021 Edition, unless agreed in writing by the Fund in the Financing Agreement and/or in the Management Plan(s), if any.

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

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

3. The Borrower shall not, and shall cause the Executing Agency, all its contractors, its sub-contractors and suppliers not to commence implementation of any works, unless all Project affected persons have been compensated and/or resettled in accordance with the specific RAP/Abbreviated RAP, FPIC and/ or the agreed works and compensation schedule.
4. The Borrower shall cause the Lead Project Agency to comply at all times while carrying out the Project with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.
5. 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).
6. 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, ESCMPs and the Management Plan(s), if any.
7. The Borrower will ensure that a Project -level grievance mechanism is established that is easily accessible, culturally appropriate, available in local languages, and scaled to the nature of the Project's activity and its potential impacts to promptly receive and resolve concerns and complaints (e.g. compensation, relocation or livelihood restoration) related to the environmental and social performance of the Project for people who may be unduly and adversely affected or potentially harmed if the Project fails to meet the SECAP standards and related policies. The Project -level grievance mechanism needs to take into account indigenous peoples, customary laws and dispute resolution processes. Traditional or informal dispute mechanisms of affected indigenous peoples should be used to the greatest extent possible.
8. 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 loan or within the Borrower/Recipient's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the 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 allegation that require intervention by the police/other law enforcement authorities, such as loss of life, sexual violence or child abuse, which (i) have, or are likely to have a material adverse effect; or (ii) have attracted or are likely to arouse substantial adverse attention of outside parties or (iii) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

9. 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 ESCMPs and Management Plan(s) (if any) are respected.

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

- Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the 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.

11. The Borrower shall fully cooperate with the Fund concerning supervision missions, midterm reviews, field visits, audits and follow-up visits to be undertaken in accordance with the requirements of SECAP 2021 Edition and the Management Plan(s) (if any) as the Fund considers appropriate depending on the scale, nature and risks of the Project.

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

Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions		
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility			
Outreach	1. Persons receiving services promoted or supported by the project				Project M&E system	Annually	SPIU	Maintained existing RDDP beneficiaries and identification of new RDDP-2 beneficiaries in the new target districts.		
	Males – <i>Males</i>	0	78 750	96 250						
	Females – <i>Females</i>	0	43 750	78 750						
	Young - <i>Young people</i>	0	26 500	43 750						
	Total number of persons receiving services - <i>Number</i>	0	122 500	175 000						
	1.b Estimated corresponding total number of households members				Project M&E system	Annually	SPIU			
	Household members - <i>Number of people</i>	0	490 000	700 000						
Project Goal	1.a Corresponding number of households reached				Project M&E system	Annually	SPIU	Direct beneficiaries are reporting an increase in income and are able to attribute it to project interventions		
	Households - <i>Households</i>	0	122 500	175 000						
	Households reporting an increase in income				Project M&E system	Baseline, Mid-term, Completion	SPIU		Project beneficiaries will be adopting the use of technologies and practices that avoid/sequester carbon emissions	
	Households – <i>Number</i>	0	52 500	140 000						
	Total persons - <i>Percentage (%)</i>	0	30	80						
	Reduction in emission intensity (kg CO2e/kg protein)				FAO GLEAM-i Report	Ex-Ante, Ex-Post	FAO, IFAD			Project will adequately increase capacity of beneficiary groups to i) report improved MDDW scores; ii) meet the needs of rural livelihood; iii) to influence decision-making process. Demand for dairy products continues and market linkages are established.
	Milk emission intensity - <i>% change</i>	0	-	-30						
Meat emission intensity - <i>% change</i>	0	-	-13							
Development Objective	1.2.8 Women reporting minimum dietary diversity (MDDW)				COI Survey	Baseline, Mid-term, Completion	SPIU	Interventions are effectively designed and implemented to provide the necessary resources, training and support to increase productivity. Transformation of the dairy sector will lead to job creation.		
	Women – <i>Percentage (%)</i>	0	35	45						
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers									
	Households – <i>Percentage (%)</i>	-	20	60						
	2.2.2 Supported rural enterprises reporting an increase in profit									
	Number of enterprises - <i>Enterprises</i>	0	320	640						
	Outcome 1	2.2.1 Persons with new jobs/employment opportunities							COI Survey	Baseline, Mid-term, Completion
Total number of persons with new job/employment opportunities - <i>Number of people</i>		0	1 396	3 491						
3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices										
Households – <i>Percentage (%)</i>		-	22	51						
1.2.4 Households reporting an increase in production										
Households - <i>Percentage (%)</i>		-	45	75						
Output 1.1		1.1.4 Persons trained in production practices and/or technologies				Project M&E system	Annually	SPIU		
	Total persons trained in livestock - <i>Number of people</i>	0	73 800	92 250						
	3.1.3 Persons accessing technologies that sequester carbon or reduce greenhouse gas emissions									
	Total persons accessing technologies – <i>Number</i>	0	63 000	90 000						
Output 1.2	1.1.3 Rural producers accessing production inputs and/or technological packages				Project M&E system	Annually	SPIU			
	Total rural producers – <i>Number of people</i>	0	73 080	104 400						
	Households reporting farm access to new livestock water facilities constructed/rehabilitated									

of public and private services in the animal health and breeding	Total households - <i>Number</i>	0	17 120	21 400				are available and conditioned by a clear assessment of management capacities.
Outcome 2 Increased dairy value chain efficiency, investments, market access, and consumption of dairy products	2.2.6 Households reporting improved physical access to markets, processing and storage facilities				COI Survey	Annually	SPIU	Construction and rehabilitation of market, processing facilities have considered the accessibility of beneficiaries and the facilities are well maintained ensuring the benefits of enhanced access are sustained over the long term.
	Households reporting improved physical access to markets, processing facilities - <i>Percentage (%)</i>	-	34	60				
	Households reporting improved physical access to storage facilities - <i>Percentage (%)</i>	-	21	38				
	1.2.5 Households reporting using rural financial services				COI Survey	Baseline, Mid-term, Completion	SPIU	Households are using the affordable financial products and services facilitated by the project investing in a productive or IGA; Contractual arrangements will include upstream and downstream.
	Households - <i>Percentage (%)</i>	-	24	48				
	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities							
	Percentage of POs - <i>Percentage (%)</i>	-	60	70				
Output 2.1 Strengthened capacity of dairy cooperatives and farmers in governance and business management, and financial literacy	2.1.1 Rural enterprises accessing business development services				Project M&E system	Annually	SPIU	Milk collectors, SMMEs and MCCs targeted are interested in BDS, participated enterprises will increase their knowledge in business and financial management.
	Rural enterprises - <i>Enterprises</i>	0	1 040	1 066				
Output 2.2 Reinforced and strengthened structures and mechanisms for collection, aggregation transportation, cold storage and distribution of dairy products	2.1.6 Market, processing or storage facilities constructed or rehabilitated				Project M&E system	Annually	SPIU	Market facilities (MCCs), processing facilities (SMMEs) and storage facilities (MCPs) that have been fully constructed or rehabilitated by the project during the considered period will be fully implemented.
	Total number of facilities - <i>Facilities</i>	0	139	164				
	Market facilities constructed/rehabilitated – <i>Facilities</i>	0	41	55				
	Processing facilities constructed/rehabilitated – <i>Facilities</i>	0	7	11				
	Storage facilities constructed/rehabilitated - <i>Facilities</i>	0	91	98				
Output 2.3 Digitalized systems for monitoring milk production, aggregation, transportation, and marketing developed	Number of MCCs equipped with digitalized milk transaction management system				Project M&E system	Annually	SPIU	MCCs have access to electricity/power and the manual milk in registers are replaced with digitalized systems, fully functioned to monitor, aggregate, transport and market milk production
	MCCs - <i>Number</i>	0	61	95				
Output 2.4 Tailored financial products and services, including climate finance and insurance developed for dairy VCA	1.1.5 Persons in rural areas accessing financial services				Project M&E system	Annually	SPIU	Cost of accessing finance remains affordable for small producers and other value chain stakeholders; No extremely negative price fluctuation in the market.
	Total persons accessing financial services – savings, credit - <i>Number of people</i>	0	42 586	85 173				
	Total persons accessing financial services - insurance - <i>Number of people</i>	0	42 586	85 173				
Output 2.5 Milk consumption and nutrition awareness improved	1.1.8 Households provided with targeted support to improve their nutrition				Project M&E system	Annually	SPIU	Nutrition-sensitive activities are targeted, tailored to address the root cause.
	Household members benefitted - <i>Number of people</i>	0	147 000	280 000				
Outcome 3 Strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				KM Survey at midline and endline	Mid-term, Completion	SPIU	Policy analyses, research papers, working papers, studies, strategies, by-laws or other policy-related material will be produced by the Project team (with data evidence from M&E and KM activities) as part of the Project's policy goals.
	Number - <i>Number</i>	0	1	2				
Output 3.1 Formulation and review of national policies, strategies and legislations supported	Policy 1 Policy-relevant knowledge products completed				Project M&E system	Annually	SPIU	
	Number - <i>Knowledge Products</i>	0	2	4				

Integrated project risk matrix

Risk categories and subcategories	Inherent	Residual
Country context	Moderate	Low
Political commitment	Substantial	Moderate
<p>Risk(s): The long-standing political stability of Rwanda, together with good governance and policy consistency has ensured successful delivery of IFAD development programmes and projects. With increasing demands for national milk production (i.e. new milk powder plant), the project is highly expected by the Government. GoR has already demonstrated strong commitment in co-financing RDDP-2 and mobilizing potential additional co-financiers (Equity Bank Rwanda, Heifer International, etc.). Despite these efforts, however, a financing gap of 8.1% of the total project cost still remains. Recent supervision missions have observed the Government's contribution to the IFAD-funded projects has been either lacking or delayed primarily caused by the Government's varied priorities.</p>		
<p>Mitigations: To mitigate the risk of the RDDP-2 Financing Agreement not being signed, the relevant counterpart government officials have been actively engaged since the very beginning of the design process and will continue to be throughout the design of the project. The IFAD team will continue to work closely with the GoR during the next phase of the project design, to ensure GoR ownership and alignment with IFAD's and Government's policies, and its mobilization for identifying potential additional co-financiers. The Government of Rwanda (GoR) has provided assurance to the PDT that they will persist in seeking partnerships to secure the required resources and fill the financing gap. If, by any chance, funding remains inadequate during the mid-term review, the option of utilizing IFAD13 PBAS resources will be evaluated.</p> <p>With the support of IFAD (FMD), joint action plan has been developed to improve the timely commitment of the Government's contribution. This includes the newly developed system (IFMIS) launching to monitor and record of the counterpart funding.</p>		
Governance	Moderate	Low
<p>Risk(s): In 2021, the Transparency International's Country Corruption Perception Index assessed Rwanda at a moderate level of risk in terms of corruption (53 points in 2021, showing a decrease of 1 point compared to 2020), which places the country in 52nd position out of 180 countries. The World Bank 2021 Country Policy and Institutional Assessment (CPIA) rates Rwanda as good policy reformer with a score of 4.1 (no change compared to previous year). The country shows weaknesses in the Public Sector Management and Institutions (Policies & Institutions for Environment Sustainability, Quality of Public Administration and Transparency scored 3).</p>		
<p>Mitigations: Efforts have been enhanced by the GoR to prevent corruption through the identification and reduction of vulnerability to corruption.</p> <p>The National Council to fight against Corruption and Injustice and Corruption Advisory Councils at national, district, sector, and cell levels have been established to strengthen the efforts to prevent corruption. Since 2000, Rwanda has adopted the National Decentralization Policy which promotes good governance, reduction of poverty as well as efficient, effective, and accountable service delivery.</p> <p>In order to improve the Governance of the dairy sector, one of the focus areas of RDDP-2 will be support in the update, upgrade and finalization of dairy-related national policies, strategies and legislations, the regulatory framework for the livestock sector (under finalization and adoption), and to further strengthen the stakeholder organization through further strengthening of the Rwanda National Dairy Platform,</p>		

Risk categories and subcategories	Inherent	Residual
and involvement of raw milk traders in the platforms organs and activities.		
Macroeconomic	Moderate	Low
<p>Risk(s): The WB/IMF assessment of Rwanda's debt sustainability analysis indicates a moderate risk of external and overall public debt distress. The current debt-carrying capacity is consistent with a classification of 'strong'. The baseline macroeconomic scenario reflects the negative effect of the COVID-19 pandemic on growth, exports, and revenues, which sharply raises external and domestic financing needs in 2020. The adverse economic impact of the pandemic, coupled with higher loans, though mostly concessional from multilateral and bilateral partners, is expected to entail a higher pace of accumulation of public and publicly guaranteed debt. The stress tests highlight that Rwanda is more susceptible to external shocks compared to the pre-pandemic period even after the initial impact of the COVID-19 dissipates. The Ukraine crisis had a moderate impact on the dairy sector, compared to other agricultural and livestock value chains, due to the dominance of grass-based systems and low consumption of imported inputs such as feed, fertilizers, and veterinary products.</p>		
<p>Mitigations: Rwanda aspires to achieving Middle Income Country status by 2035 and High-Income Country status by 2050. It plans to achieve this through a series of seven-year National Strategies for Transformation (NST1), underpinned by sectoral strategies focused on meeting the UN's Sustainable Development Goals.</p> <p>However, there is need for specific reforms to revenue policy and administration, public expenditures, and debt management to ensure adequate space to increase priority social spending and productive investment without jeopardizing fiscal sustainability, to mitigate the country's macroeconomic risks.</p> <p>RDDP-2 will involve private sectors in establishing sustainable financing mechanism which will help to sustain high investment rates and accelerate the economic growth.</p>		
Fragility and security	Moderate	Low
<p>Risk(s): Rwanda has maintained its political stability since the 1994 genocide. The political and social unrest remains unlikely with the Presidential election scheduled in 2024 given strong government authority and weak opposition. Regionally, while relations with Burundi and Uganda have normalized, tensions have risen with neighbouring DRC in 2022.</p> <p>While the long-term impact of the Ukraine war is still unknown, the rise in the cost of electricity, seeds and fodder has already affected the country and may continue in the next few years.</p> <p>In addition, intensity of extreme events such as floods and droughts have increased. The impact of climate change (CC) is evident in the longer dry season, resulting in a lack of water (for both human and animals) and fodder availability have had adverse impact on milk production.</p>		
<p>Mitigations: A strong targeting strategy will be designed to ensure that the livelihoods of the most disadvantaged rural categories including smallholder dairy farmers, poor households without cows, unemployed youth, women and women-headed households will be strengthened. Special emphasis will be provided to households that have people with disabilities, small children, adolescent girls, pregnant and lactating women.</p> <p>RDDP-2 will enhance the capacities of farmers and available technologies/inputs (silage bags, hangars for hay, baler machines, utilisation of drought-resistant varieties) for fodder harvesting, conservation to respond to the impact of CC. RDDP-2 will support enhancing availability of water for livestock at household and community</p>		

Risk categories and subcategories	Inherent	Residual
levels through construction of small-scale individual water harvesting system, dam sheets, solar-powered boreholes, etc.		
Sector strategies and policies	Moderate	Low
Policy alignment	Low	Low
<p>Risk(s): The policy environment surrounding RDDP-2 is relatively favourable as laws and strategies in place are fully supportive of the development of the dairy sector.</p> <p>The project is fully aligned with continued efforts of the country's increased agricultural productivity as well as the livestock investment and production outlined in National Strategy for Transformation (NST1).</p> <p>The Strategic Plan for Agriculture Transformation 2018-24 (PSTA4) will also offer a conducive framework for the implementation of RDDP-2. PSTA4 identify dairy as the first "high impact commodity", and RDDP-2 will be aligned with the 4 Impact Areas (IA): (i) to IA 1 "Increased contribution to wealth creation" and IA 2 "Economic opportunities and prosperity - jobs and poverty alleviation" through support to production and productivity, assets building, value chain efficiency improvements, and job creation in services and post-harvest; (ii) to IA 3. "Improved food security and nutrition" through improved availability of dairy products and nutrition awareness; and (iii) to IA 4 "Increased resilience and sustainability" through support to climate adaptation and support to community and private sector based sustainable management systems.</p> <p>The main policy framework relevant to the dairy sector is the Livestock Master Plan. The current LMP (2017-22) expired at the end of 2022 and needs to be updated. This review will be supported jointly by PRISM and RDDP in 2022/23. The support provided by the two IFAD supported livestock development projects should ensure an adequate participation of the IFAD target groups, and that the final policy framework is fully supportive of an inclusive and pro-smallholder development of the dairy value chain. There is therefore no risk of non-alignment between RDDP-2 strategy and the new LMP. The revised LMP will be adopted before the project start-up and there is therefore also a very limited risk of policy vacuum.</p> <p>The other important regulatory framework is the "Animal health and Production Law", and all its related Ministerial Orders and Ministerial Instructions, which have been developed during the last two years, also with the support of RDDP. The ambition of this law is to consolidate under a unique umbrella, all the regulations and policies related to livestock, and to ensure their alignment with the LMP. RDDP facilitated the formulation of this law through support to consultations with stakeholders and provision of expertise for drafting some specific regulations, in particular those related to the status of private veterinary practitioners. The adoption of this Law will thus provide a conducive framework for the implementation of activities related to reforms of the veterinary sector, support to private veterinarians and roll out of the sanitary mandate. However, this Law was submitted for adoption about one year ago and has not been adopted yet. There is therefore a limited risk of having no legal framework in place for promotion of the sanitary mandate under RDDP-2.</p>		
<p>Mitigations: In case the animal health and production Law and its Ministerial Orders on Sanitary Mandate are not adopted at project start, the project will have to (i) postpone the implementation of activities supporting the roll out of the sanitary mandate ; (ii) ensure active lobbying and advocacy for its adoption through participation of IFAD in the Agricultural Sector working group, active participation of RDDP-2 and stakeholders in the Dairy Working Group, and support to Rwanda Council of Veterinary Doctors to ensure adequate lobbying by the veterinary profession.</p>		

Risk categories and subcategories	Inherent	Residual
In addition, the project will advocate for reinforcement of dairy and milk quality and safety measurements by engaging different stakeholders, including the private sectors entities supporting and or involved in dairy.		
Policy development & implementation	Moderate	Moderate
<p>Risk(s): RDDP has been able to facilitate policy processes by supporting stakeholder consultation and make them more inclusive but has failed to influence policy content and directions. This was mostly due to the lack of qualified and experienced staff in the policy domain in the SPIU.</p> <p>There is therefore a likelihood for these risks to occur again under RDDP-2 and appropriate mitigation measures need to be taken.</p>		
<p>Mitigations: The project will be actively involved in development of sector policies through a set of activities under component 3 that include production of policy notes, support to drafting of new policies, support to participation of stakeholders (Rwanda Council of Veterinary Doctors, Rwanda National Dairy Platforms) in policy consultations, which will mitigate the risk of non-inclusiveness of policy dialogue process.</p> <p>The main residual risk which is the slow or non-adoption of policy and regulatory framework developed by the project will be mitigated by: (i) active participation of IFAD in the Agricultural Sector working group, which gathers MINAGRI and development partners; (ii) active participation of RDDP-2 and stakeholders in the Dairy Working Group; and (iii) continuous support to Rwanda National Dairy Platform and Rwanda Council of veterinary Doctors to improve their lobbying capacities to influence policy processes.</p>		
Environment and climate context	Substantial	Moderate
Project vulnerability to environmental conditions	Substantial	Moderate
<p>Risk(s): The key environmental and climate change issues that are pertaining to the project scope include: environmental and biodiversity degradation, increased use of pesticides and fertilizers, pollution risks associated with the intensification of dairy production and lack of appropriate waste management, significant water extraction or containment, and consumption of raw materials.</p>		
<p>Mitigations: RDDP-2 will include measures to improve resource and energy use efficiency and will promote manure application, waste management and recycling. Improving pasture productivity and quality, by enhancing the composition of forage varieties and better pasture management, coupled with the installation of proper waste management facilities and the promotion of low carbon sources of energy for chopping, milling, cooling and processing, represent important means to improve both food security and natural resources management and mitigate environmental risks.</p>		
Project vulnerability to climate change impacts	Substantial	Moderate
<p>Risk(s): Dairy farming is perceived as both contributor to and victim of climate change. On the one hand, the sector may contribute to GHG emissions, associated with land use, from dairy cows or from processing and transportation, or with enteric fermentation. The dairy cattle sector annually emits about 1.214 million tonnes (Mt) CO₂-eq. in Rwanda and the GHG profile of milk is dominated by methane (CH₄) by 75%. On the other hand, dairy farming is highly vulnerable to climate change and variability, mainly through increased temperatures and alterations in rainfall patterns. These factors influence feed and water availability, as well as animal health, and consequently milk production and quality. In particular, Rwanda is at risk to numerous natural hazards, including droughts, floods, earthquakes, landslides, storms, wildfire, diseases, and epidemics. These events have had significant impacts on the lives and livelihoods of Rwandans, resulting in human casualties, economic and environmental losses, and food insecurity. The high vulnerability score</p>		

Risk categories and subcategories	Inherent	Residual
and high readiness score of Rwanda places it in the upper-right quadrant of the ND-GAIN Matrix, meaning that, although the country is on the road to responding effectively to climate change, the adaptation needs and urgency to act are greater.		
Mitigations: Although the Project's outputs and outcomes will be impacted by climate variability and change, climate change adaptation and mitigation strategies will be integrated along the dairy value chain, including: (i) increasing milk productivity, resulting in lower GHG emissions per cow or per litre of milk produced; (ii) measures to improve breeding, animal feed and on-farm water accessibility; (iii) promotion of renewable energy sources along the dairy value chain; (iv) introduction of carbon accounting and tracing schemes as well as low carbon certification. These measures will have an impact on both climate change adaptation and on climate change mitigation, by reducing both direct and indirect GHG emissions.		
Project scope	Substantial	Low
Project relevance	Substantial	Moderate
<p>Risk(s): The main risk related to project relevance is the volatility of the value chain context. Depending on export opportunities (subject to geopolitical conditions), climatic conditions, major investments in the value chains, the demand/supply balance can change rapidly, and this will require timely adaptation of project support strategy.</p> <p>The other risk is related to targeting of producers: GoR is now prioritizing the development of a dairy basin in the Eastern Region, in order to supply a new dairy plant being constructed in Nyagatare, that will require large quantities of milk. However, farmers in this area include smallholder producers, but also many larger scale cattle keepers, often pluri-active, that cannot be considered as IFAD core target group. However, the project should recognize that this category of producers plays a critical role in the value chain dynamics.</p>		
<p>Mitigations: Under RDDP, the project has been able to adjust its strategy according to the changes in value chain context. This has required adaptation measures, for instance reducing the share of investments on production, and increasing those on processing and marketing. A constant monitoring of the supply/demand balance will need to be performed to anticipate these changes and adjust investments accordingly. Supervision missions will need to be attentive to this aspect and reactive enough to propose adjustments when needed (as it has been the case at MTR of RDDP).</p> <p>Whilst recognizing the critical role played by the large-scale farmers in the value chain dynamic, appropriate balance will be used between targeting medium scale market-oriented farmers, mostly indirectly through productive alliances, facilitation of access to finance and markets, and support to smallholder who may receive more substantial support including for production assets, collective investments in aggregation, and capacity building.</p>		
Technical soundness	Substantial	Moderate
<p>Risk(s): One of the main challenges at sector and production levels is the insufficient availability of quality milk. The high market demand for milk (both domestic and from neighbouring countries) may discourage the consumption of milk at HH level, increasing malnutrition and stunting. These issues may reduce the investment capacity of the target beneficiaries and increase their vulnerability to poverty.</p>		
<p>Mitigations: Besides the provision of the milk cooler equipment, to increase the availability of quality milk the project will facilitate the following:</p> <p>The L-FFS will put emphasis on milk quality and hygiene at farm level, including milking hygiene and control of mastitis, as this has important</p>		

Risk categories and subcategories	Inherent	Residual
<p>implications for productivity (mastitis) and for the rest of the value chain including on food safety</p> <p>Trainings on milk quality will be given at MCC/MCP level Equipment of tools for milk quality check will be provided at MCC/MCP level.</p> <p>A digital advisory services module will be linked to the farm management module that will allow tracking the quantity and quality of milk produced, thereby enabling any follow-up to improve production practices.</p> <p>A digital animal passport will be integrated to support reproductive management and enhance and monitor reproduction parameters, such as AI, as well as health management including vaccinations.</p> <p>Milk transporters will be given simple equipment such as alcohol milk testers and lactodensimeters to check the quality of the milk, as well as milk cans.</p> <p>The consumption of milk will be encouraged through nutrition awareness campaigns and nutritional education at household and community levels.</p>		
Institutional capacity for implementation and sustainability	Substantial	Moderate
Implementation arrangements	Substantial	Moderate
<p>Risk(s): The increasing number of projects (4 projects will be operating as of RDDP-2 start-up) in the portfolio of the Single Project Implementation Unit (SPIU) for IFAD-funded projects may hinder the Unit's availability to properly focus on all activities across the different projects. However, RDDP-2 will replace RDDP, thus not contributing to further increase the number of ongoing projects, and will benefit from its existing capacities, management systems, and staff. Limited technical capacity, governance and institutional capacities of project stakeholders can lead to slow disbursement, lower project benefits as well as delays in implementation.</p>		
<p>Mitigations: The ongoing RDDP project team will be strengthened with the inclusion of several key experts to be recruited such as Dairy VC Specialists, Access to Finance Specialist, Monitoring and Evaluation Specialist, Youth/Gender and Social Inclusion Specialist, Nutrition Specialist, Knowledge Management & Communication Specialist, Procurement Officer reporting to Sr. Procurement Officer of SPIU for IFAD-funded projects). With RDDP phases out, RDDP-2 will benefit from already existing well-rounded project team and the burden will be mitigated through IFAD portfolio consolidation plan in the next PBAS cycle. The PDT will ensure that all the necessary TORs are included in the PIM for smooth project implementation.</p>		
M&E arrangements	Substantial	Moderate
<p>Risk(s): The SPIU is yet to adopt and operationalize project specific M&E plans as operational and 'living' document to guide monitoring and adjustments to casual pathways of the Theory of Change if the need is identified during implementation lessons and results on the ground.</p> <p>Additionally, the SPIU is yet to adopt more efficient and standardized data collection tools at the field level. The residual risk is that if the upgrading of MIS is developed in later stages of implementation due to other factors, it will affect data reporting.</p>		
<p>Mitigations: The SPIU and RDDP M&E-MIS Team can leverage the time remaining in the current RDDP Project to develop a thorough M&E Plan for RDDP using the guidelines provided in the PIM. This will ensure that an M&E Plan is available and will be improved, revised and validated during the Project Start-Up Workshop.</p> <p>The RDDP-2 M&E budget has provided adequate allocation to upgrade the IFAD reporting Module that integrated the current MINAGRI Management Information System with mobile-based and more efficient standardized data collection tools. In addition, the SPIU has the</p>		

Risk categories and subcategories	Inherent	Residual
opportunity to closely collaborate with the MINAGRI MIS Developer of the System for this enhancement. This will ensure a timely upgrade and closer training of RDDP Team to adopt the use of system.		
Procurement	Moderate	Low
Legal and regulatory framework	Low	Low
Risk(s): According to the PEFA assessment of 2017, procurement entities did not fully comply with the dimension of "public access to procurement information". Only 3 of the 6 criteria were met. Three criteria were not met because: (i) there was insufficient information on contract awards, (ii) there was no data on resolution of procurement complaints, and (iii) annual procurement statistics was insufficient.		
Mitigations: Rwanda introduced an 'e-procurement' system in 2018 and all IFAD projects within the SPIU are registered on it. All procurement data pertaining to a contract is now available to all users online. It also becomes easier for Rwanda Public Procurement Agency (RPPA) to compile annual procurement statistics for procurement entities. Since by Law all procurement entities are mandated to use the e-procurement system, RDDP-2 will also be registered, and such issues as observed by PEFA of 2017 will be mitigated.		
Accountability and transparency	Moderate	Low
Risk(s): The latest Corruption Perception Index by Transparency international is for the calendar year 2021, and it provided an overall inherent risk rating bracket of medium risk. Rwanda was ranked 52/180 in the world with a score of 53/100.		
Mitigations: Accountability and transparency risks will be mitigated by IFAD supervision and implementation support missions. Currently, each project is supervised once a year with some additional supplementary implementation support. Additionally, all procurement entities, as well as bidders, suppliers, contractors, consultants and service providers, shall observe the highest standard of ethics during the procurement and execution of contracts financed under IFAD funded Projects, in accordance with paragraph 69 of the IFAD Project Procurement Guidelines. The Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations shall apply to all projects, vendors and third parties, in addition to the relevant national anticorruption and fraud laws.		
Capability in public procurement	Moderate	Low
Risk(s): Since RDDP-2 is an upscale of the existing RDDP, a few risks have been identified. The acting head of procurement and RDDP procurement officer has 12 years of experience. If the RDDP-2 procurement officer (PO) is recruited competitively, there is a risk that the PO to be recruited will not have experience in IFAD procurement guidelines.		
Mitigations: Retain the services of the existing PO and Procurement Specialists at the expiry of RDDP to ensure continued familiarity with the project as well as experience with IFAD procurement and projects. Mandatory enrolment in IFAD BuildProc Public Procurement Certification programme for any newly hired procurement staff.		
Public procurement processes	Substantial	Moderate
Risk(s): The open procedure is the default procedure for contracts that exceed the national threshold for small purchases with a value not exceeding RWF 3M (approximately, USD 3,000). Past missions have observed that there is a conflict between government thresholds for small purchases, and those set out in the LTB. The project is compelled to adhere to government guidelines in order to avoid Compliance issues during Audit, but on the other hand it will appear as if the project is not		

Risk categories and subcategories	Inherent	Residual
<p>adhering to the thresholds set out in the LTB. As a result of using national thresholds, previous missions have observed that the implementation of the project PP for RDDP experienced delays in some instances.</p> <p>Although foreign firms easily access bidding documents on the e-procurement platform, as per the requirement of Article 27 of Ministerial Order No. 002/20/10/TC of 19/05/2020), the system charges a non-refundable fee of up to FRW 10,000. This represents a constraint to easy access to bid documents by foreign firms since they are not locally domiciled to pay for this fee.</p> <p>The public e-procurement system 'UMUCYO' has a requirement to upload an approved procurement plan (PP), by 31st July of the financial year. Past experience has shown that, there are instances where the AWPB and PP delay to be awarded a No objection by IFAD. This implies that, in order for the project to comply with this requirement, an unapproved PP will be uploaded onto 'UMUCYO' and later replaced with the PP that has been awarded an IFAD No objection. This implies that, although the project has uploaded a draft PP, tender notices cannot be posted onto 'UMUCYO', and the risk is that there will be delayed implementation of project activities.</p> <p>Article 5 of Ministerial Order no. 002/20/10/TC of 19/05/2020 establishing Regulations on Public Procurement requires that the Chief Budget Managers of PEs appoints a tender committee for a term of 3 years, which may be renewed once. RDDP has a 7-member tender committee appointed by the Director General of RAB. This contradicts IFAD guidelines.</p>		
<p>Mitigations: IFAD should engage in policy dialogue with GoR to harmonize the thresholds of the LTB with those of the national law.</p> <p>Discussions with the RPPA revealed that foreign bidders may partner with local subsidiary banks to facilitate payment of access fees. Further policy dialogue with the government to encourage the possibility of online payments e.g., credit cards.</p> <p>In order to avoid delays due to late approval of AWPB and PP, there will be a need for the SPIU to submit a draft AWPB and PP for IFAD's No-Objection at least 60 days prior to the start of the relevant financial year.</p> <p>IFAD should engage GoR through policy dialogue on the possibility of nominating ad-hoc tender evaluation committees.</p>		
Financial management	Moderate	Moderate
Organization and staffing	Substantial	Substantial
<p>Risk(s): 1st Risk(low): Inadequate capacity/experience in the financial management of donors' funded projects and in IFAD procedures.</p> <p>2nd Risk (substantial): FM staff assigned to IFAD's projects have undergone a salary reduction, in the last two years, compared to original project costing, as per decision of National Authority. There is a risk of rising demotivation on the job and loss of experience due to potential turnover.</p>		
<p>Mitigations: (i) leverage on overall SPIU-FM team guidance/support to secure early project start-up, (ii) maintain the Financial Specialist currently assigned to RDDP based on performance assessment (ii) continuous capacity building through FMD programmes (i.e. APEX, FM e-learning). strengthen linkage of ToRs for FM staff to job title for proper alignment to salary scale, as per national authorities' procedure.</p>		
Budgeting	Moderate	Moderate
<p>Risk(s): (i) low budget credibility (execution rate) due to difference between the budget locked in the national envelope (March) and the most updated/realistic budget projection approved by IFAD (April/May); (ii) delayed AWPB submission to IFAD. (Note: according to national calendar, budget structure is early submitted by SPIU in November. GoR sets total budget ceiling in February and final allocations among</p>		

Risk categories and subcategories	Inherent	Residual
submitted activities are locked in March. Midyear revisions of budget ceilings/activities will be allowed only on December).		
Mitigations: (i) budget structure (by activity) presented in November with a granularity that enables flexibility in the allocation adjustments in March; (ii) budget preparation with a minimum quarterly phasing based on procurement plan projections for early identification of activities to be carried forward in the next year and to avoid duplications; (iii) wise allocation of sufficient resources by activities to avoid overdraft of GoR ceilings until mid-year revisions.		
Funds flow/disbursement arrangements	Moderate	Low
Risk(s): (i) lack of a solid liquidity plans and/or associated to not credible AWPBs (ii) late/weak alignment to IFAD disbursement reform (IFR-based) for prompt WA submission; (ii) cross financing practices due to liquidity shortage for delay/non-materialization of third parties co-financing; (iii) currency deterioration.		
Mitigations: (i) early training on IFR reporting/cash forecasting/WA submission. (ii) Early identification (at design) of the likelihood of potential funding gaps from co-financier and prudent adoption of financing rules in COSTAB preparation to prevent bottlenecks in the First AWPB preparation/execution. (iii) Constant monitoring, mainly during bids, of the impact of exchange rate variations on actual costs compared to the investment initially estimated at design (Costab).		
Internal controls	Substantial	Substantial
Risk(s): Inadequate control on the justification of funds advanced to implementing partners (i.e. as per national regulation advances are expensed when cashed out); MoU weaknesses in defining Imp. Partner's responsibility in the use of advanced fund for the project's intended purposes.		
Mitigations: (i) set clear reporting deadlines in MoUs on the status of advanced funds and improve on regular follow up; (ii) set utilization reports of prior advances as condition to subsequent disbursements; (iii) transfer/manage advanced funds into a segregated bank account at implementing partner; (iv) advance funds on the basis of as x% justification of cumulative prior advances (to avoid idle stock); (v) maintain ageing reports on advances and relevant status of settlement (based on adequate supporting documentation as set in MoUs); (vi) report this into quarterly IFR and yearly FS (in the Notes); (vii) capture the above into PIM; (viii) regular oversee from the internal auditor-SPIU.		
Accounting and financial reporting	Moderate	Moderate
Risk(s): (i) finetuning in the customization of IFMIS (ii) weaknesses in the mapping/evaluation of in-kind co-financing and recording into IFMIS; (iii) complexity of reporting due to harmonization of financiers' practices (i.e. GCF).		
Mitigations: (i) finetune recent CoA customizations (comp/categories) through constant dialogue SPIU-MINECOFIN/IT for IFMIS maintenance and enhanced report generation (ii) early identification/mapping of in-kind contribution into COSTAB and recording/monitoring through IFMIS-M&E; (iii) early identification of reporting requirements by financiers into costab/budget.		
External audit	Low	Low
Risk(s): Project inadequately audited and reports not timely submitted to IFAD.		
Mitigations: (i) Early engagement of Auditor General (OAG) for including the Project into yearly work plan; (ii) regular/prompt follow up on auditor's observations.		
Environment, social and climate impact	Moderate	Moderate

Risk categories and subcategories	Inherent	Residual
Biodiversity conservation	Substantial	Low
Risk(s): RDDP-2 will be implemented in the vicinity of three National Parks: the Akagera National Park, the Volcanoes National Park and the Nyungwe Forest National Park, which all host considerable biodiversity of fauna and flora including the highly endangered mountain gorilla. In addition, due to the predominance of rugged terrain and steep slopes combined with high density of population, agricultural lands in hilly areas are exposed to high levels of erosion, and marshland areas and riverbeds to excessive siltation. Finally, the progressive disappearance of the local purebred Inyambo cattle, due to continuous crossbreeding with exotic cattle, poses a significant threat to the country's biodiversity.		
Mitigations: The Government of Rwanda has put in place a comprehensive set of measures to ensure that encroachment of National Parks and catchment areas by farmers and livestock does not occur, both by strict controls, and incentivizing mechanism for the neighbouring communities. RDDP-2's promotion of a climate-smart dairy intensification approach will also contribute to biodiversity conservation, through rehabilitation of land and erosion control with plantation of fodder in anti-erosive lines, as well as agroforestry tree and shrub species. The project will also support conservation of purebred Inyambo cattle, both ex-situ through production and conservation of semen and embryo, and in-situ through support to Inyambo livestock keepers willing to valorise their products on high value niche markets that take advantage of the image and reputation of the breed.		
Resource efficiency and pollution prevention	Substantial	Moderate
Risk(s): Inadequate access to clean water affects livestock productivity, especially during the dry season, compromising milk quantity, quality and hygiene. In addition, pollutants might be released in the environment, by MCCs, MCPs, milk processing facilities, tick control and veterinary facilities, hence negatively impacting the environment.		
Mitigations: RDDP-2 will promote efficient water use management at all levels of the dairy value chain (water harvesting techniques, improved washing stations for dairy equipment, cattle drinking facilities). The Project will also focus on waste management at both production (composting), aggregation and processing levels (soak pits, recycling of waste water) and will apply proper site selection of infrastructure, taking into account the proximity to water bodies, rural settlements and rural facilities in order to avoid water contamination, land degradation as well as social conflicts.		
Cultural heritage	Low	Low
Risk(s): The project has a very low risk of degrading the cultural heritage. The constructions for animal shades being done at the household level use locally available and culturally acceptable materials. The construction of water harvesting tanks at household levels uses plastics and cement which are accepted by the government standards. The construction of communal water infrastructure (boreholes, valley dams) shall be done using certified materials, procedures and by qualified companies selected by local governments to avoid destruction of any cultural site. The chances of affecting any Physical Cultural Resources are small.		
Mitigations: No specific mitigation measure is required as the inherent risk is classified as low. However, an Archaeological Chance Finds Procedure has been developed as a precautionary measure to pre-empt any risks and negative impacts that may occur during infrastructure construction activities.		
Indigenous peoples	Low	Low

Risk categories and subcategories	Inherent	Residual
<p>Risk(s): In Rwandan context, recognizing the ethnicity publicly is banned. It is noted that getting the accurate data and figures on the economic situation faced by the indigenous community is challenging. The project target communities will include vulnerable and marginalized groups.</p>		
<p>Mitigations: RDDP-2 targeting approach will ensure that vulnerable and marginalized groups are included. In the event during the implementation that indigenous communities are identified in the project area, the project will follow the steps to seek their free, prior and informed consent (FPIC) outlined in the SECAP Review Note.</p>		
Community health and safety	Substantial	Moderate
<p>Risk(s): Some risk of potential community health issues is related to animal to human communicable diseases (Zoonoses such as Rift Valley Fever, Bovine brucellosis and tuberculosis). For instance, during the CN mission there were two (2) reported human cases of Rift Valley Fever in Muhanga District.</p> <p>The existence of raw milk market and self-consumption of raw milk at home possesses a risk of unsafe and contaminated raw milk that can cause food borne diseases such as dysentery or zoonotic diseases like Tuberculosis and Brucellosis. Another risk is related to the use and disposal of chemicals and their containers, acaricides in particular (used to control ticks) which may contaminate the environment, while empty containers may be used for domestic purposes.</p> <p>There is also a risk of not attaining the anticipated nutrition outcomes if smallholder households do not consume the required litres of milk and if income earned from sell of dairy products is not used to buy nutritional food items at households.</p>		
<p>Mitigations: Through capacity building programmes organized using approaches such as the L-FFS, VBHCD and Gender Action Learning System (GALS), the target population shall be sensitized on zoonotic diseases related risks, communicable diseases related risks, best practices of keeping animals in a safe manner to avoid cross species contamination (e.g. safe disposal of fetus and placenta in case of abortion), and disposal of containers of veterinary medicines.</p> <p>The risk related to consumption of raw milk will be firstly addressed through nutrition education at community and household level, and accompanied by efforts for upgrading the raw milk value chain (e.g. supporting introduction of simple pasteurization systems).</p> <p>The risks of having all milk produced marketed will be mitigated through Heifer VBHCD, which includes a nutrition component, and through strong implementation of the GALS and nutrition education and awareness raising.</p>		
Labour and working conditions	Substantial	Moderate
<p>Risk(s): There is a risk of zero grazing increasing the workloads especially for women and children, who are also responsible for domestic care tasks. The added animal care workload may relate to collecting fodder and water, feeding, clearing, and security of animals among others. There is also a risk of poor working conditions especially for the youth and a few women involved in milk collection and transport services who sometimes walk long distances to collect and deliver milk to MCCs and often use bicycles in difficult terrain. Workers in milk collection may face long and exhausting hours, often involving early morning or late-night shifts. The absence of proper training and support in milk collection can also be detrimental. Workers may lack the necessary knowledge and skills to handle milk safely, leading to hygiene and quality concerns. This not only affects the workers but also compromises the quality of the milk being collected.</p>		

Risk categories and subcategories	Inherent	Residual
<p>Mitigations: Construction of communal water infrastructure (boreholes, valley dams) and household level water harvesting facilities for Girinka recipients, organizing the fodder value chain (installation of specialized private fodder producers and vendors) and promoting small scale mechanization will reduce the workload for dairy farmers, women in particular. Implementation of GALS will minimize inequity in labour distribution and discourage child labour. Mobilizing and organizing the youth involved in milk collection and transportation into cooperatives and facilitating access to credit help these categories of beneficiaries to acquire improved transport means (including electric bicycles and motorcycles), to efficiently operate.</p> <p>Mitigation measures are articulated in ESCMF with respect to labour and working conditions. RDDP-2 will focus on monitoring the working conditions and ensure health and labour safety requirements are met throughout the project implementation.</p>		
Physical and economic resettlement	Low	Low
<p>Risk(s): The project shall not promote activities that lead to the resettlement of smallholder farmers. The construction and rehabilitation of communal water infrastructure (boreholes, valley dams) shall be done on sites identified by the communities, accepted by the government and in consultation with Local Governments. However, in any rare case if there is need for the district to expropriate land from for the construction of project infrastructure such as MCCs or MCPs, and no other alternative could be sought, then mitigation measures shall be revoked.</p>		
<p>Mitigations: The infrastructure that will be constructed and rehabilitated will be on state land already and will not cause any Physical resettlement of permanent homes or resettlement of livelihood activities (cattle grazing and hunting grounds). So, the development of a resettlement plan is not required. However, in case of unavoidable eviction, compensation will be provided by the Districts to individual land owners whose land had been expropriated to put up project infrastructure, as per National rules. Expropriation takes place as the very last resort, when all other avenues have failed. It will therefore be very limited and may happen only in very isolated cases. Compensation will be provided to the individuals in line with the Rwanda Expropriation Laws and FPIC is observed, and a consent document signed between the evicted person and the District.</p>		
Greenhouse gas emissions	Substantial	Moderate
<p>Risk(s): Increased dairy production may contribute to anthropogenic greenhouse gas (GHG) emissions, associated with land management, enteric fermentation, manure management, as well as milk transportation, cooling and processing.</p>		
<p>Mitigations: RDDP-2's climate change mitigation options will include the promotion of agroforestry and plantation of perennial fodder to enhance soil carbon sequestration and reduce soil erosion as well as manure and waste management to decrease water and soil pollution, increase soil fertility and structure, and convert waste into energy through biogas digesters. Improved feeding can also result into less GHG emissions, as highly digestible feed reduces emissions and improve feed efficiency. Finally, solar energy will be introduced at different levels of the dairy value chain, for cooling of milk and dairy products, conservation of vaccines, water heating for cleaning and processing, and at household level for lighting which will improve animals' security, feeding and time management. A carbon assessment conducted with FAO's Global Livestock Environmental Assessment Model – interactive (GLEAM-i) will also inform on the best management practices that will reduce GHG emissions.</p>		

Risk categories and subcategories	Inherent	Residual
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Moderate
<p>Risk(s): The drier Eastern Province is considered the most vulnerable to climate impacts because dry spells are increasing in length, leading to food shortages and fodder deficits that affect milk production. In the west, rising temperatures are likely to force valuable tea and coffee production into higher, but less productive lands. Warming temperatures are also likely to expand the range of crop pests, such as the coffee berry borer beetle, and livestock diseases, such as Rift Valley fever and tick-borne diseases. On the steep slopes that dominate much of the country, floods, landslides, and soil erosion already impact agriculture, infrastructure, and services. In rapidly growing urban areas, there is increasing concern about water shortages during longer dry spells and the impact of flooding and landslides on expanding informal settlements in risk-prone areas like steep slopes and floodplains. Heavy rainfall also increases siltation of rivers, lakes, and reservoirs, and contaminates industrial, agricultural, and domestic sources.</p>		
<p>Mitigations: RDDP-2 will adopt a climate-smart dairy intensification approach that consists of: awareness raising of dairy producers on utilization of existing climate information systems, to better anticipate climate hazards; promotion of hardy breeds (e.g. jersey or crossed animals rather than Friesian), to better withstand food shortages and livestock diseases; promotion of improved and climate-resistant fodder varieties and on-farm water accessibility, to ensure a higher adaptability of the dairy value chain to droughts and ensure water availability throughout the year; promotion of manure and waste management, to counteract pollution and environmental damage.</p>		
Stakeholders	Substantial	Moderate
Stakeholder engagement/coordination	Substantial	Moderate
<p>Risk(s): The main limitation to adequate stakeholder engagement is the limited technical capacity, financial and institutional capacity of stakeholders' organization at local and national level.</p> <p>At the local level, capacities of farmers groups and cooperatives are not always commensurate with the importance of infrastructures they are in charge of (MCCs in particular) and to the related volume of business. This sometimes leads to poor management and low efficiency of these infrastructures that are critical to the value chain.</p> <p>At National level, the main stakeholder organization is the Rwanda National Dairy Platform which gathers all categories of value chain actors. RNDP is now decentralized at District level. However, the main weaknesses of RNDP that limit stakeholders engagement are: (i) inadequate representation of IFAD target groups, in particular poor smallholder farmers (the production cluster being dominated by large scale producers, as it is often the case in such organizations), (ii) low representation of the raw milk sector actors, which is a necessary condition to ensure proper and inclusive dialogue on the raw milk value chain reforms, and (iii) poor financial sustainability of the platform, which is mostly project dependent.</p> <p>A third risk relates to the inadequate coordination, leading to overlapping, of Government institutions supporting Cooperatives and MCCs.</p>		
<p>Mitigations: To address the first risk, RDDP-2 will put a lot of emphasis on supporting capacities of groups and cooperatives to manage MCPs and MCCs, rather than on further increasing investments. This will be achieved through mobilization of private Business Development Service Providers, which will be remunerated through sustainable arrangements such as profit sharing. Through facilitation of productive alliances with off-takers, cooperatives will also delegate some of the business management</p>		

Risk categories and subcategories	Inherent	Residual
<p>responsibilities (such as maintenance of coolers, management of payment to farmers) to the private sector partner.</p> <p>The second risk will be mitigated by encouraging participation of targeted cooperatives and L-FFS groups in District platforms, and in RNDP governance. RNDP has already initiated the process of engagement of raw milk traders and vendors, and these efforts will be further supported by the project.</p> <p>To improve coordination of actors supporting cooperatives, RDDP-2 will ensure that they actively participate in the Dairy Working Group led by MINAGRI, and will support the formulation of a coordination framework including development of clear and coordinated terms of reference for each of these institutions.</p>		
Stakeholder grievances	Moderate	Low
<p>Risk(s): Potential conflicts may arise among milk producers involved in management of MCCs and MCPs, between formal and informal milk market actors, and between smallholder producers and off-takers/exporters. Complaints may also arise from potential beneficiaries during attribution of animals in the scope of Girinka programme, including for selection of initial placement or Pass On the Gift (POG) beneficiaries.</p> <p>A GRM framework was developed under RDDP and reviewed at design but has not been fully implemented yet. Heifer International has its own GRM mechanism that was considered as compliant with IFAD requirements and is fully operational.</p>		
<p>Mitigations: Grievance procedures are required to ensure that Project Affected Persons (PAPs) are able to lodge complaints or concerns, without cost, and with the assurance of a timely and satisfactory resolution of the issue. The procedures should ensure that the entitlements are effectively transferred to the intended beneficiaries. The already developed Grievance Redress Mechanisms (GRM) will be rolled out at community level (L-FFS, MCP, MCC, etc.) to ensure that complaints received are promptly reviewed to address project-related concerns. The entry point for GRM will be SPIU in close collaboration with the focal persons at district level and the Gender and Social Inclusion Specialist will be appointed to follow up on the GRM process. A Free Prior and Informed Consent (FPIC) process will be conducted with those POs ahead of any project investment that may affect the target beneficiaries.</p>		