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Investing in rural people

## President's report

### Proposed loan and grant to the Cooperative Republic of Guyana for the Hinterland Environmentally Sustainable Agricultural Development Project

#### Note to Executive Board representatives

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For: Approval

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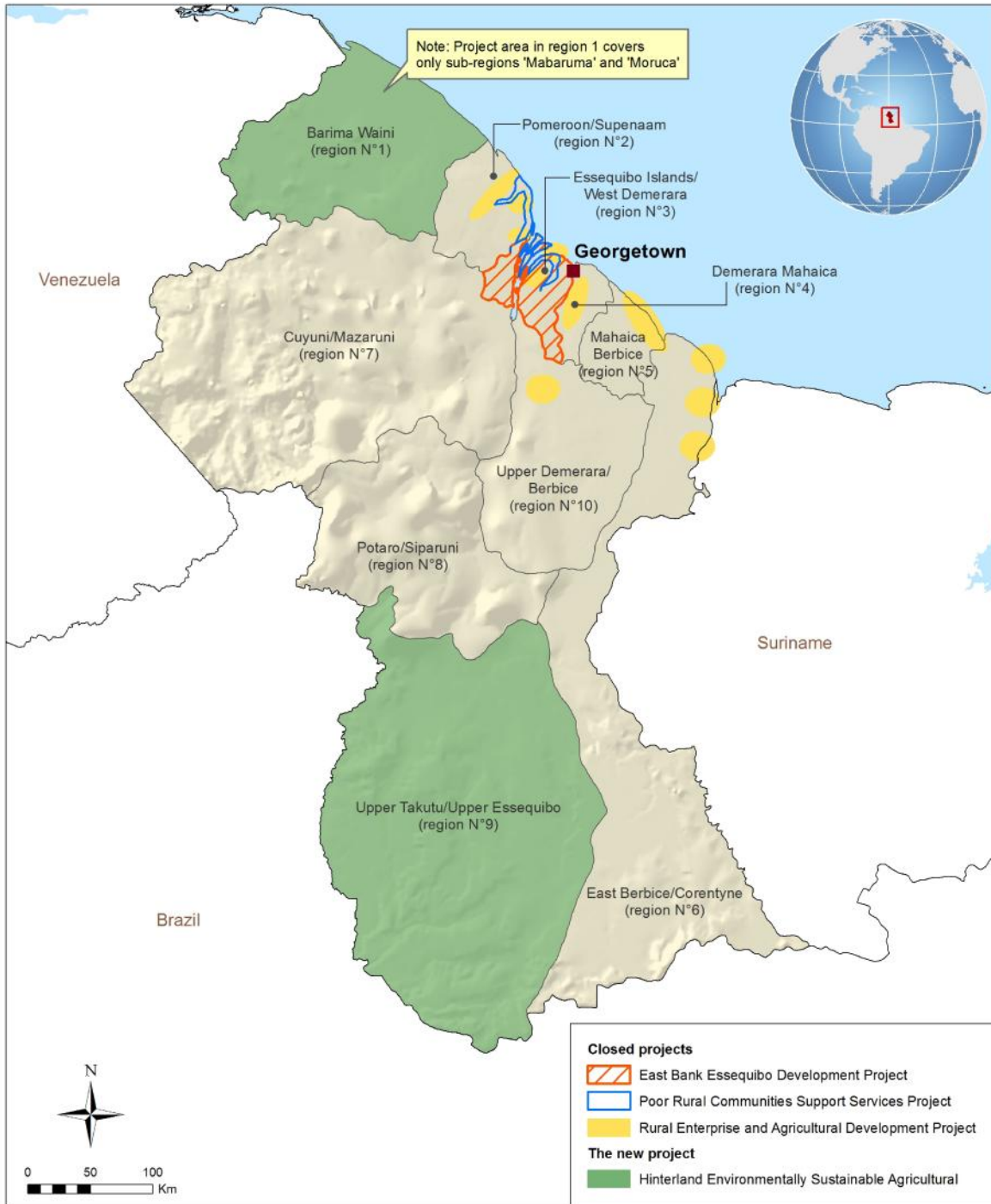
## Abbreviations and acronyms

ASDU	Agriculture Sector Development Unit
CTP	community training plan
FAO	Food and Agriculture Organization of the United Nations
IDB	Inter-American Development Bank
M&E	monitoring and evaluation
NSC	national steering committee
P/CIP	public/collective investment plan
UNDP	United Nations Development Programme

# Map of project area

Cooperative Republic of Guyana  
IFAD-funded operations

*President's report*



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 26-10-2016

## Cooperative Republic of Guyana

### Hinterland Environmentally Sustainable Agricultural Development Project

#### Financing summary

<b>Initiating institution:</b>	IFAD
<b>Borrower:</b>	Cooperative Republic of Guyana
<b>Executing agency:</b>	Ministry of Agriculture
<b>Total project cost:</b>	US\$11.15 million
<b>Amount of IFAD loan:</b>	US\$7.96 million
<b>Amount of IFAD grant:</b>	US\$0.5 million
<b>Terms of IFAD loan:</b>	Blend: Maturity period of 25 years, including a grace period of five years, with a fixed interest rate of 1.25 per cent per annum plus a service charge of 0.75 per cent per annum.
<b>Contribution of borrower:</b>	US\$2.43 million
<b>Contribution of beneficiaries:</b>	US\$270,000
<b>Appraising institution:</b>	IFAD
<b>Cooperating institution:</b>	Directly supervised by IFAD

## Recommendation for approval

The Executive Board is invited to approve the recommendation for the proposed financing to Cooperative Republic of Guyana for the Hinterland Environmentally Sustainable Agricultural Development Project, as contained in paragraph 59.

## Proposed loan and grant to the Cooperative Republic of Guyana for the Hinterland Environmentally Sustainable Agricultural Development Project

### I. Strategic context and rationale

#### A. Country and rural development and poverty context

1. Situated on the northern coast of South America, Guyana borders the Atlantic Ocean, Brazil, Suriname and Bolivarian Republic of Venezuela; it belongs to the Guiana Shield region, part of the Amazon Biome. Guyana hosts a vast expanse of primary tropical forest, freshwater resources and a unique savannah ecosystem. It covers an area of 215,000 km<sup>2</sup> with a population of 747,883. Indigenous peoples account for more than three quarters of the population in regions 8 and 9 (75.9 per cent and 89.2 per cent, respectively) and about two thirds of the population in region 1 (62.2 per cent).
2. The World Bank estimates that Guyana's GDP, based on the Atlas Method, was US\$3,763 in 2014. According to the Economist Intelligence Unit, economic growth is expected to reach 3.2 per cent in 2016 and 3.7 per cent in 2017 as substantial new gold mining projects are launched.
3. Agriculture and rural development. Agriculture is a significant contributor to the country's development. It is predominantly undertaken by small-scale farmers and indigenous people farming less than 5 ha of land. Cultivated crops include rice (90,000 ha), sugar (48,000 ha) and coconut (25,000 ha); non-traditional crops occupy between 30,000 and 40,000 ha while 158,473 ha are used for livestock. Agricultural products, excluding forest products, make up approximately 31 per cent of total exports; the main exported commodities are rice and sugar.
4. Poverty, nutrition and food security. According to the United Nations Development Programme (UNDP), since 1992, the proportion of households living in moderate poverty (on US\$2 per day) has declined from 43 per cent to 36.3 per cent, and extreme poverty has dropped from 28.7 per cent to 19.1 per cent. The outlook remains far less favourable for indigenous peoples, 77 per cent of whom are poor, and inhabitants of the hinterland, where three out of four people are poor.
5. Studies show that household food security in hinterland region 9 is compromised; the situation worsens during drought and flood seasons. A rising dependence on remittances, driven by migration towards mining and logging areas, is negatively affecting consumption patterns in indigenous areas. Changes in indigenous peoples' diets (which include increased consumption of refined carbohydrates, processed foods, sweetened and calorie-dense foods) are likely responsible for the rise in chronic diseases in this region.
6. Main natural resource constraints for agriculture and rural people in regions 1 and 9. Agriculture and rural livelihoods in regions 1 and 9 are affected by increased variability in rainfall patterns. In region 9, severe floods and prolonged dry spells, coupled with a lack of adequate water-management technologies and

low fertility of the savannah soil, are major challenges for agriculture and livestock. In region 1, salt water intrusion is a major impact of climate change, which over time will affect arable land and freshwater resources in coastal areas. Climate change is affecting the sustainability of established production patterns in both regions, and the transition to new production patterns needs to involve greater adaptability to changing climatic and economic conditions. This will require access to knowledge, investment and technologies for natural resource management, which are currently lacking.

7. Economic constraints in regions 1 and 9. The remoteness of regions 1 and 9 remains a challenge for the generation of business and income-generation opportunities. Poor transportation and telecommunication networks limit market access and hinder these regions' integration into the national economy. There is also a lack of access to information, technology and energy needed to support investments in productive activities, and promote adaptation to changing economic and environmental conditions.
8. Main challenges. Persistent poverty and climate change are severely straining the target group's resilience and social cohesion. The capacity of hinterland communities to respond to new economic and environmental challenges is further limited by a lack of incentives for investments that reduce economic and climate risks.
9. Opportunities to improve livelihoods of indigenous people and small farmers in the project area. Despite these challenges, both regions offer opportunities for improving the livelihoods of the target group and generating income from agriculture and related activities.
10. In the long term, the Ministry of Agriculture intends to strengthen hinterland agriculture by moving production away from traditional export products and from coastal areas that are vulnerable to salinization. In the short term, consultations and field visits in regions 1 and 9 have confirmed that these regions offer: (i) high levels of human capital, including education, skills, motivation and entrepreneurial attitude; (ii) widespread awareness of the need to improve livelihood strategies to adapt to economic, environmental and climate challenges; (iii) appreciation of the value of ecosystems and biodiversity; (iv) common land titles, strong community governance and familiarity with participatory planning approaches; (v) local markets and local public procurement, which provide opportunities for small and medium-sized agricultural producers (with little competition from large businesses); and (vi) producer groups (including women's associations) that have established partnerships with NGOs and local government agencies.

## B. Rationale and alignment with government priorities and the COSOP

11. The favorable conditions highlighted above provide an opportunity for the project to support rural households and communities in identifying and developing value chains that generate new income opportunities and contribute to rural livelihood diversification. Both regions offer viable opportunities to increase the competitiveness, inclusiveness and sustainability of local value chains through improvements in natural resources management, production, processing, storage, quality-enhancing technologies and smallholder market access. Preliminary consultations have identified the following value chains as possible targets for development: cassava and its main by-products farine and cassava bread; peanuts, fruit and livestock in region 9; and spices such as ginger, turmeric and black pepper in region 1.
12. The project strategy will combine decentralized participatory community development, natural resource management and value chain approaches to strengthen livelihood resilience by increasing income-generating opportunities,

access to resilience-building assets and food and nutrition security. This strategy will also support an inclusive participatory planning process that strengthens the organizational capacities of communities and producer groups, and enhances institutional coordination among national and local institutions.

13. The project is aligned with IFAD's strategy for Guyana as defined in the country strategy note. Previous IFAD projects in Guyana mainly operated in the coastal region, focusing on strengthening producers' capacity and expanding opportunities to develop small-scale enterprises. The proposed project applies experience gained in previous projects to remote hinterland areas largely populated by indigenous peoples. Through this strategy, IFAD supports the Government of Guyana in its efforts to bridge the coast-hinterland divide and reduce poverty in isolated rural communities.

## II. Project description

### A. Project area and target group

14. The project will be carried out in all sub-regions of region 9 and in the Mabaruma and Moruca sub-regions of region 1. Beneficiaries will be located in approximately 80 of the 128 communities in regions 1 and 9 (60 communities in region 9 and 20 communities in region 1). Considering the remoteness, vastness and low population density of region 9, a phased implementation approach will be adopted for this region. The project will initially focus on North Rupununi in order to capitalize on government efforts to exploit this sub-region's significant agricultural potential. Lessons learned from project implementation in North Rupununi will later be applied to Central and South Rupununi. The target group will include 6,000 poor households, equivalent to 94 per cent of all poor households in the project area. At least 15 per cent of these households (900) will be headed by women, reflecting the overall proportion of women-headed households in the project area.
15. These 6,000 households represent approximately 30,000 direct and indirect beneficiaries, comprising men and women of different age groups. At least 75 per cent of project beneficiaries will be from indigenous groups. At least 30 per cent will be between 15 and 44 years old, and at least 50 per cent will be women. As a result of the project's phased approach, figures for the target population may be revised at the midterm review.

### B. Project development objective

16. The development objective of the project, responding to the priorities identified in the country strategy note, is improved livelihood resilience through income generation, access to assets, improved nutrition and adaptation to climate variability.
17. Livelihood resilience will be strengthened by the following activities:
  - (a) Increasing income-generating opportunities through the identification of commodities drives the inclusion of small farmers in markets, increases local demand for services and labour, and supports beneficiaries' inclusive and informed participation in market opportunities that improve household income.
  - (b) Improving access to public goods, knowledge and technologies builds community resilience and creates an enabling environment for production through: technology, knowledge and information for better planning and natural resource management; improved water availability for agriculture and human consumption; better soil-management practices; diffusion of information and communications technologies; adoption of renewable energy; and valuation of agro-biodiversity.
  - (c) Enhancing food security and nutrition identifies and promotes commodities, including crops, fish and forest products that sustainably



improve household diets and increase nutrition awareness through nutrition education and behaviour change activities, including food-based dietary guidelines.

### C. Components/outcomes

18. Component 1. This component aims to support village and community councils (in region 9), value chain roundtables (in region 1) and regional development councils in planning and prioritizing investments in local value chains<sup>1</sup> and resilient communities. As a result, communities and producer groups will have strengthened capacities to identify investment opportunities and manage economic and climate change risks. The main instruments to be developed through this component are community production development plans for region 9 and value chain action plans for region 1. These medium-term plans will be the basis for developing three types of investment plans to be implemented with project support: public/collective investment plans (P/CIPs), community training plans (CTPs) and business plans.
19. Component 2. While component 1 will provide training, studies and capacity-building needed to develop investment plans, component 2 will support these plans' implementation. Under component 2, an investment fund will be established to finance public and common goods and services, through non-reimbursable mechanisms, to be included in each type of investment plan. They will comprise: (i) investments that reduce climate and investment risks (included in P/CIPs); (ii) training, capacity-building and awareness-raising activities, and related research that contributes to a reduction in climate, economic and nutritional risks (included in CTPs); and (iii) technical assistance and services to support the diffusion of knowledge, technologies and capacities that improve livelihood resilience by reducing climate, economic and nutritional risks (included in business plans).
20. Component 3. The third component will establish management and administrative procedures, including accounting and auditing, monitoring and evaluation mechanisms in accordance with IFAD and national guidelines. Evidence-based knowledge products will be developed on the basis of project experience in order to extract lessons and best practices, scale up innovative solutions and achieve better outcomes and greater impact from development resources.

## III. Project implementation

### A. Approach

21. The project strategy aims to improve the target group's livelihood resilience by addressing major risks arising from contextual challenges in the project area. Since natural resources and local governance systems are threatened by these economic and environmental risks, in order to strengthen the resilience of target communities, the prioritization of opportunities and the planning of investments and activities will be carried out through a participatory process, which will include local actors and governing bodies.

### B. Organizational framework

22. The lead agency for the implementation of the hinterland project will be the Ministry of Agriculture through its Agriculture Sector Development Unit (ASDU). For activities such as consultative village planning, agricultural technology transfer, technical assistance, natural resource management and regional investment planning, the Ministry of Agriculture will be assisted by the Ministries of Indigenous People's Affairs, Natural Resources, Communities and Business, other government agencies, NGOs, community-based organizations, academia and individual service providers.

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<sup>1</sup> In region 1, there is also significant potential for developing linkages to international markets; this is particularly true for spices such as ginger and turmeric.

23. The project management unit will comprise an office at the Ministry of Agriculture in Georgetown and regional offices in regions 1 and 9. A national steering committee and regional management committees will be established to provide policy direction, support implementation, advise on annual workplans and budgets, and encourage collaboration among stakeholders.
- C. Planning, monitoring and evaluation, and learning and knowledge management
24. The project will provide support to strengthen the capacity of the Ministry of Agriculture's Monitoring and Evaluation (M&E) Unit and ensure that project monitoring is linked to the Ministry's performance monitoring and Agriculture Strategy indicators. M&E will be conducted using a participatory approach; data collection will be kept simple and brief, focusing on the reliability and usefulness of collected data. Evidence-based knowledge products will be developed to extract lessons and best practices from project experiences, replicate innovative solutions, maximize outcomes and impact from development resources, and disseminate knowledge to support national, regional and local decision-making and policy processes. A baseline study will be carried out immediately following the approval of the financing agreement and before implementation.
- D. Financial management, procurement and governance
25. Financial management. Financial management and procurement for the project will be undertaken by ASDU, which has adequate capacity, an appropriate accounting system and extensive experience in implementing internationally funded projects, including the IFAD-funded Rural Enterprise and Agricultural Development Project. A qualified finance officer will be recruited through a competitive process as a condition of disbursement for the loan and grant. Due to the remoteness of project areas, an administrative/finance officer will be recruited at each regional office through a competitive process and will be responsible for performing administrative and basic accounting functions.
26. Flow of funds. The borrower will open a designated account in United States dollars in the Central Bank of Guyana exclusively for the loan and grant, in which advance funds will be deposited and from which funds will be transferred to the project operational account in Guyanese dollars.
27. Retroactive financing. As an exception to section 4.08(a)(ii) of the General Conditions for Agricultural Development Financing, specific eligible expenditures incurred from the date of approval by the Executive Board until the date of entry into force of the financing agreement will be considered eligible up to the amount of US\$300,000 in accordance with and as specified in the financing agreement. These eligible expenditures will consist of the costs related to: the detailed value chains study for spices in region 1; a state of food and agriculture study in the Mabaruma and Moruca sub-regions of region 1; and the hiring of personnel.
28. Procurement. Procurement of goods and services will be carried out by ASDU in line with national regulations, IFAD's Project Procurement Guidelines and the provisions of the financing agreement. A procurement officer, exclusively assigned to the hinterland project, will be hired by ASDU.
29. Audit. Annual consolidated financial statements for the project will be independently audited pursuant to the agreed terms of reference and in accordance with International Standards on Auditing and IFAD's guidelines on project audits. In line with the 2004 Guyana Audit Act, the Auditor General shall be responsible for conducting financial, compliance, performance and value-for-money audits of the accounts of all projects funded by loans or grants from any foreign state or organization. The Guyana Auditor General Audit Office will audit the project financial statements. Annual audit reports will be submitted to IFAD within six months of the end of each fiscal year.

## E. Supervision

30. IFAD will directly supervise the project, complemented by implementation-support missions. One supervision mission will be planned each year. The first supervision mission, undertaken approximately six months after project effectiveness, will monitor progress against the timeframe defined in the implementation plan, and will assess fiduciary aspects, expenditures, counterpart contributions of funds and compliance with the financing agreement. Implementation-support missions will be planned to cover the issues recommended by supervision missions.

## IV. Project costs, financing, and benefits

### A. Project costs

31. The total cost of the project is US\$11.14 million over a period of six years. Of this total, US\$10.54 million (95 per cent) are baseline costs and US\$610,000 (5 per cent) are physical and price contingencies.

Table 1  
**Project costs by component and financier**  
(Thousands of United States dollars)

Component	IFAD loan		IFAD grant		Beneficiaries		Borrower/ counterpart		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1. Strengthening of community's and producer groups' investment planning	2 142	71	247	8			637	21	3 025
2. Implementation of investment plans	4 755	77			265	4	1 139	18	6 159
3. Project and knowledge management, and coordination	1 055	54	253	13			650	33	1 959
<b>Total</b>	<b>7 952</b>	<b>71</b>	<b>500</b>	<b>4</b>	<b>265</b>	<b>2</b>	<b>2 426</b>	<b>22</b>	<b>11 143</b>

### B. Project financing

32. The project will be financed by: (i) the Government, which will provide US\$2.43 million in cash and in-kind – equal to 22 per cent of the total cost; (ii) IFAD in the amount of US\$8.45 million (total performance-based allocation system (PBAS) allocation 2016-2018), 76 per cent of the total cost, including a loan of US\$7.95 million and a grant of US\$500,000; and (iii) beneficiaries, who will contribute US\$270,000 – 2 per cent of the total cost. Some of the categories of expenditure indicated in table 2 below may be merged in the financing agreement.

Table 2  
**Project costs by expenditure category and financier**  
(Thousands of United States dollars)

Expenditure category	IFAD loan		IFAD grant		Beneficiaries		Borrower/ counterpart		Total	Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1. Vehicles and equipment	188	84					36	16	224	2
2. Training	614	84					117	16	731	7
3. Consultancy services	2 904	66	500	11			982	22	4 385	39
4. Grants (for sub-projects)	3 202	78			265	6	660	16	4 128	37
5. Salaries	534	50					534	50	1 068	10
6. Operating expenses	510	84					97	16	607	5
<b>Total</b>	<b>7 952</b>	<b>71</b>	<b>500</b>	<b>4</b>	<b>265</b>	<b>2</b>	<b>2 426</b>	<b>22</b>	<b>11 143</b>	<b>100</b>

## C. Summary benefit and economic analysis

33. Financial analysis. To verify the financial viability of project activities, the flow of annual incremental net benefits was calculated over a period of ten years, both for rural households' agricultural production and for producer groups' enterprises. All models confirmed increases in benefits, family net income, sales and labour. Financial viability was positive in all models, with financial internal rates of return between 23 per cent and 312 per cent.
34. Economic analysis. Economic viability indicators are positive, with an economic internal rate of return of 21 per cent and an expected net present value of US\$6.97 million. Viability indicators are not highly sensitive to the reduction of benefits and to delays in obtaining them; these indicators are moderately sensitive to cost increases.

## D. Sustainability

35. Political and institutional sustainability. The project is aligned with the national policy framework, which: highlights the development of hinterland agriculture; seeks to reduce the poverty and isolation of indigenous communities; and supports the adoption of environmentally sustainable development. Coordination between national government agencies and local authorities is already taking place in region 9, and the project will contribute to dialogue and coordination between government agencies, indigenous communities, international donors and civil society organizations operating in hinterland areas.
36. Sustainability, upscaling and replication. Previous IFAD projects in Guyana mostly concentrated on coastal areas and communities. This project builds upon and adapts IFAD's approach to the unique conditions in the hinterland, and paves the way for replication and scaling up in other remote areas of the country with similar conditions. Of particular relevance is the phased implementation approach adopted for region 1, where a state of food and agriculture study will be conducted in the first year of the project. The knowledge and lessons learned in Mabaruma and Moruca sub-regions can be used to replicate the project in other areas of region 1. Using a participatory planning approach, the project will build upon the planning capacity developed in villages that have already established community development plans, and it will strengthen skills and capacities for climate- and nutrition-sensitive planning.
37. Food security and nutritional quality. Awareness-raising activities and training materials on nutritional quality will also be created through the project.
38. Environmental sustainability. The adoption of climate-resilient measures such as the identification of drought-tolerant and climate-resilient crop varieties, and the definition of climate-proof agricultural technologies will sustain productivity and quality improvements. The state of food and agriculture study in region 1 will fill the knowledge gap on environmental and socio-economic conditions in the region, thus contributing to better planning.

## E. Risk identification and mitigation

39. The risks identified during the project design include economic risks, climate-change risks, social risks and institutional risks.
40. Economic risks include excessive specialization and competition for labour from other sectors. These risks will be mitigated through training and support activities that build awareness of specialization risks and help communities and producers' groups to integrate new income-generating activities into diversified livelihood strategies. The project will promote the strengthening of local value chains and increase access to information needed for target households' equitable participation in agricultural markets. It will also provide technical assistance and investment incentives to maximize incomes and employment.

41. Climate-change risks will be addressed through support for investments in public and collective goods included in P/CIPs and CTPs that increase access to knowledge, technology and information for improved water and natural resource management. The project will promote the adoption of good natural resource management practices and measures for adapting to climate change within business plans. Business plans will also include mitigation strategies to reduce the negative effects of productive specialization on climate change resilience and nutrition through the use of agro-biodiversity and the diversification of livelihoods.
42. Social risks will be reduced through the adoption of free, prior and informed consent plans, and by strengthening participatory community planning. The participation of vulnerable groups, including women and youth, will be promoted through the targeting strategy, the inclusion of skills development and training for youth and women in CTPs, and by prioritizing business plans that involve vulnerable groups.
43. Risks to nutrition and food security will be addressed through training and technical assistance that strengthens the links between income generation and nutrition quality in order to: (i) help households to make more informed dietary choices; (ii) increase the adoption of dietary recommendations; and (iii) increase the richness, variety and nutritional quality of the local food system.
44. Institutional risks relate to limited regional coordination among stakeholders and to the weak organizational capacities of communities and producer groups. The project will strengthen national and regional coordination through its national steering committee and regional management committee, facilitating linkages among ministries, other government agencies and programmes, NGOs and other projects.
45. Based on Guyana's 2015 Transparency International Corruption Perceptions Index score of 29 and public financial management assessments, the project's fiduciary risk has been rated as medium. The measures highlighted in section III.D of this report are considered sufficient to mitigate any fiduciary risks.

## V. Corporate considerations

### A. Compliance with IFAD policies

46. IFAD's target group comprises rural people living in poverty and experiencing food insecurity; IFAD proactively strives to reach extremely poor people (in line with Sustainable Development Goal 1) with the potential to benefit from improved access to agricultural production and rural income generation. In the case of Guyana, poor people principally live in hinterland areas. Therefore, the geographical focus of this project is in regions 1 and 9 – hinterland areas where indigenous peoples constitute the majority of the population. Targeting will be monitored using participatory monitoring and evaluation, and will be assessed at mid-term review.
47. To meet the requirements of IFAD's demand-driven and consultative targeting approach, participatory mapping of resource use and economic activities will be carried out under component 1. IFAD will work with the Government and other stakeholders to establish a shared understanding of the causes poverty and exclusion in hinterland areas.
48. Compliance with IFAD policies for environment and natural resource management. The project complies with IFAD's Climate and Natural Resources Management Policy, specifically principles 3 and 4, and will adopt an integrated climate-smart approach. Local value chains will be identified through participatory processes to ensure that their development contributes to increasing community- and household-level resilience to climate change. Priority will be given to initiatives that promote climate-related disaster risk reduction and management, and the establishment of agroecological systems. The project will also provide technical

assistance for the incorporation of technologies and good practices for better national resource management and climate-change adaptation into investment plans.

49. Compliance with IFAD's Policy on Gender Equality and Women's Empowerment. The hinterland project is aligned with IFAD's Policy on Gender Equality and Women's Empowerment through a participatory approach designed to ensure that the voices of different rural population segments are equally heard and valued. Specific gender actions to ensure gender equity have been included in the project design and budget. By working with entire households, the project will leverage the complementary knowledge and skills of women and men (in line with Strategic Objective 2).
50. Compliance with IFAD's Nutrition Action Plan 2016-2018. The project is nutrition sensitive as defined in the IFAD Nutrition Action Plan 2016-2018. It contributes to families' improved food and nutrition security by linking local food production with the improved nutritional quality of diets.

## B. Alignment and harmonization

51. The project is aligned with the national policy framework, which highlights the development of hinterland agriculture; reduction of poverty and isolation in indigenous communities; and adoption of environmentally sustainable development strategies to mitigate increased threats from climate change.
52. In region 9, the project will harness complementarities with the Inter-American Development Bank (IDB) Sustainable Agricultural Development Project. This project aims to increase the productivity of the agricultural sector while maintaining the sustainable and climate-resilient use of natural resources in regions 5, 9 and 10. IDB will support the Ministry of Agriculture in the preparation and implementation of an extension strategy that includes incentives for small farmers to adopt technologies for cassava, peanuts, livestock, orchards and pastures. To enhance synergies and improve national and regional coordination, the two projects will use the same national steering committee and regional management committee in region 9. Collaboration will also be sought with IDB to utilize information and communication technologies in rural areas.
53. The project will be harmonized with the IDB multilateral investment fund project Leveraging Natural Capital in the Rupununi Region (region 9). This project aims to create and strengthen environmentally sustainable local-level initiatives, and enhance market access for community-based enterprises. It will be also harmonized with Guyana's Reducing Emissions from Deforestation and Forest Degradation Plus Investment Fund, which aims to invest in low-carbon approaches identified in the Low Carbon Development Strategy. In addition, collaboration will be sought with the Food and Agriculture Organization of the United Nations (FAO) on the state of food and agriculture study in region 1, and to support implementation of the Integrated Sustainable Agriculture Development Strategy for region 9 2015-2020 (developed by the Ministry of Agriculture, FAO and Conservation International).

## C. Innovations and scaling up

54. Previous IFAD projects in Guyana were concentrated in coastal areas. This project builds upon and adapts IFAD's approach to the unique conditions in the hinterland, and paves the way for replication and scaling up in other remote areas of the country with similar conditions.

## D. Policy engagement

55. The project, which will be mainly implemented by the Ministry of Agriculture, is aligned with government decentralization strategies involving local governments and indigenous peoples' institutions through the Ministries of Communities and

Indigenous Peoples' Affairs (in partnership with other government agencies, international donors and international NGOs). Coordination between national government agencies and local authorities is already taking place in region 9; closer cooperation will be sought throughout the project to strengthen capacities within the Government and civil society for natural resource management, nutrition- and climate-sensitive planning.

## VI. Legal instruments and authority

56. A project financing agreement between the Cooperative Republic of Guyana and IFAD will constitute the legal instrument for extending the proposed financing to the borrower/recipient. A copy of the negotiated financing agreement is attached in appendix I.
57. The Cooperative Republic of Guyana is empowered under its laws to receive financing from IFAD.
58. I am satisfied that the proposed financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

## VII. Recommendation

59. I recommend that the Executive Board approve the proposed financing in terms of the following resolutions:

RESOLVED: that the Fund shall provide a loan on blend terms to the Cooperative Republic of Guyana in the amount of seven million nine hundred and sixty thousand United States dollars (US\$7,960,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

RESOLVED FURTHER: that the Fund shall provide a grant to the Cooperative Republic of Guyana in the amount of five hundred thousand United States dollars (US\$500,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Kanayo F. Nwanze  
President

## Negotiated financing agreement

### Hinterland Environmentally Sustainable Agricultural Development Project

(Negotiations concluded on 4 November 2016)

Loan Number: \_\_\_\_\_

Grant Number: \_\_\_\_\_

Project Title: Hinterland Environmentally Sustainable Agricultural Development Project (the "Hinterland Project" or "the Project")

The Cooperative Republic of Guyana (the "the Borrower/Recipient")

and

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

(each a "Party" and both of them collectively 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) and the Allocation Table (Schedule 2).

2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of April 2014, 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.

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

#### Section B

1. A. The amount of the Loan is seven million nine hundred sixty thousand US dollars (USD 7.96 million).

B. The amount of the Grant is five hundred thousand US dollars (USD 0.50 million).

2. The Loan is granted on blend terms, and shall be subject to interest on the principal amount outstanding at a fixed rate of 1.25 per cent and in addition a service charge of 0.75 per cent per annum payable semiannually in the Loan Service Payment Currency and shall have a maturity period of twenty five (25) years, including a grace period of five (5) years, starting from the date of approval by the Executive Board.



3. The Loan Service Payment Currency shall be the US dollar.
4. The first day of the applicable Fiscal Year shall be 1 January.
5. Payments of principal, interest and service charge shall be payable on each 15 June and 15 December.
6. There shall be a designated account denominated in US dollars opened by and held in the name of the Borrower/Recipient in the Central Bank of Guyana. This designated account shall be used exclusively for the deposit of Financing proceeds.
7. There shall be a Project Account opened by and held in the name of the Borrower/Recipient in a bank selected by the Borrower/Recipient. It shall be in Guyanese Dollars and this is where resources from the Designated Account and counterpart funds shall be deposited.
8. The Borrower/Recipient shall provide counterpart financing for the Project in an amount equivalent to two million four hundred and thirty thousand US dollars (USD 2 430 000) in cash and in kind, including covering of taxes and duties in an amount equivalent to one million four hundred and eighty USD dollars (USD 1 480 000).

#### Section C

1. The Lead Project Agency shall be the Ministry of Agriculture.
2. The Project Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement.

#### Section D

1. The Financing will be administered and the Project supervised by the Fund.

#### Section E

1. The following is designated as an additional ground for suspension of the right of the Borrower/Recipient to request withdrawals from the Loan and the Grant Accounts:
  - (a) the Project Implementation Manual (PIM) referred to in paragraph 10 of Schedule 1 hereto, or any provision thereof, has been waived, suspended, terminated, amended or otherwise modified without the prior consent of the Fund, and the Fund has determined that such waiver, suspension, termination, amendment or modification has had, or is likely to have, a material adverse effect on the Project.
2. The following are designated as additional general conditions precedent to withdrawal:
  - (a) The Project Management Unit (PMU) shall have been duly established and the recruitment of key personnel such as the Project Coordinator, a Finance Officer, Procurement Officer and M&E Officer shall have been completed;
  - (b) The Borrower/Recipient shall have prepared a draft PIM in form and substance satisfactory to the Fund; and
  - (c) The Baseline study for Region 9 shall have been completed.

3. The following are designated as additional specific conditions precedent to withdrawal for expenditures related to Component 2 in Region 1:

- (a) The detailed value chains study for spices in Region 1 shall have been completed;
- (b) The SOFA study in Mabaruma and Moruca sub regions of Region 1 shall have been completed;
- (c) The Baseline study for Region 1 shall have been completed.

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

For the Borrower/Recipient:

Minister of Finance  
Ministry of Finance  
49 Main and Urquhart Streets  
Georgetown, Guyana

For the Fund:

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

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

COOPERATIVE REPUBLIC OF GUYANA

\_\_\_\_\_  
(Authorized Representative)  
(name and title)

INTERNATIONAL FUND FOR  
AGRICULTURAL DEVELOPMENT

\_\_\_\_\_  
Kanayo F. Nwanze  
President

## Schedule 1

### Project Description and Implementation Arrangements

#### I. Project Description

1. **Project Area.** The Project will operate in Region 9 and in the Mabaruma and Moruca sub-regions of Region 1. It will follow IFAD's geographic targeting approach as it will address the needs of the rural poor living in the Project area. The beneficiaries will come from approximately 80 of the 128 existing villages and communities in Regions 1 and 9 (60 communities in Region 9 and 20 communities in Region 1). Phasing-in of communities will be used to ensure there is sufficient time to assist villages, communities, and producer groups with the implementation of their Investment and Business Plans. Considering the remoteness, vastness and low population density of the region, a phased implementation approach will be adopted for Region 9. The Project will initially only focus on North Rupununi, so as to capitalize on current government efforts to exploit the significant agricultural potential of this sub-region. Lessons learned from Project implementation in North Rupununi will later be applied to Central and South Rupununi.

2. **Target Population.** The target group includes poor indigenous and non-indigenous rural households living in the Project area, whose livelihoods are threatened by economic and environmental risks. The target group will include 6,000 poor households receiving Project services, which is equivalent to 94 per cent of the existing poor households in the Project area. At least 15 per cent of these (900 households) would be female-headed households as this reflects the reality in the Project area. The 6,000 households represent a total number of direct and indirect beneficiaries of approximately 30,000 men and women of different age groups. The Project will ensure that the most vulnerable groups have access to services and investment, empowering and facilitating the participation of indigenous peoples, youth, and women. At least 75 per cent of the Project beneficiaries would be from Amerindian tribes. At least 30 per cent would be from the age group 15-44 years old and at least 50 per cent would be women. Due to the adoption of a phased approach, figures for the target population may be revised at the mid-term review.

3. **Objective.** The Development Objective of the Project is "Improved livelihood resilience through income generation, access to assets, improved nutrition and adaptation to climate variability". Livelihood resilience will be strengthened by increasing income-generating opportunities; improving access to public goods, knowledge and technologies; and enhancing food security and nutrition.

4. **Components.** In order to achieve Project objectives and outcomes, the Project includes two main components: (a) Strengthening of communities and producer groups' investment planning; and (b) Implementation of investments plans. A third component will be dedicated to Project and knowledge management and coordination.

4.1. **Component 1: Strengthening of community and producer groups investment planning.** The objective of this component is to support Village and Community Councils (in Region 9), value chain roundtables (in Region 1) and Regional Development Councils in planning and prioritizing investments for the development of local value chains<sup>2</sup> and resilient communities and livelihoods. The expected outcome is that communities and producer groups have strengthened capacities to identify investment opportunities and manage economic and climate

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<sup>2</sup> In the case of Region 1 there is significant potential for the production and marketing of species where other local and national market, there is a significant potential on international markets

change risks. The main instruments that will be developed by this component are Community Production Development Plans (CPDP) for Region 9 and Value Chain Action Plans (VCAP) for Region 1. These overall medium-term plans will be the basis for the development of three types of concrete investment plans to be implemented with the project support: Public/Collective Investment Plans (P/CIP), Community Training Plans (CTP), and Business Plans (BP).

- 4.1.1. Through the IFAD grant, under Component 1 the Project will finance a SOFA study for Region 1 that builds on the methodology and approach already adopted in Region 9. Likewise, to obtain a better understanding of the spices value chains the grant will also finance value chain studies. These studies will include an identification of key constraints and opportunities for the development of the value chains with the inclusion of Amerindian and small holder farmers including constraints in production and transport costs, produce volume and quality compared to market demands. In order to avoid delays in project implementation for Region 1, resources for the SOFA and the value chain studies can be anticipated by the GOG as soon as the loan agreement has been signed. Expenses incurred for the SOFA study will be considered as retroactive expenses, and will therefore be reimbursed once the conditions for the effectiveness and disbursement of the Financing Agreement are fulfilled.
- 4.2. Component 2: Implementation of investment plans. While Component 1 will provide training, studies and capacity building needed to develop investment plans, Component 2 will support their actual implementation. Under Component 2 an Investment Fund will be established to finance, through non-reimbursable mechanisms, public and common goods and services in the following categories of investments that may be included in the different types of investment plans: (a) investments in public and common goods and services that contribute to the reduction of climate and investment risks, included in P/CIPs; (b) services for training, capacity-building and awareness-raising activities, and related background studies, that contribute to the reduction of climate, economic and nutritional risks, included in CTPs; (c) technical assistance and services to favor activities that have positive spillover effects on the hosting communities since they contribute to the diffusion of models, knowledge, technologies and capacities that improve livelihood resilience by reducing the climate, economic and nutritional risks, included in BPs.
  - 4.2.1. The administration and execution of the Investment Fund will be arranged through an agreement signed between MOA and a Financial Institution(s) with presence in the regions. The selection of the Financial Institution(s) will be through a competitive bidding process. The PMU will be responsible for monitoring the implementation of the Investment Fund and evaluating the performance of the Financial Institution as well as the results achieved.
- 4.3. Component 3: Project and knowledge management and coordination. The purpose of the third component is to establish management and administrative procedures including accounting and auditing as well as setting up monitoring and evaluation mechanisms in accordance with IFAD and national guidelines. Specific evidence-based knowledge products will be developed on the basis of Project experiences in order to extract lessons and best practices, up-scale innovative solutions, and achieve better outcomes and greater impact from development resources. Also, coordination and activities to link project and regional planning will be supported.

## II. Implementation Arrangements

### 5. The Lead Project Agency.

- 5.1. The Lead agency for the implementation of the Hinterland Project will be the Ministry of Agriculture through its Agriculture's Sector Development Unit (ASDU). For activities such as consultative village planning processes, agricultural technologies and technical assistance, natural resource management and regional investment planning, the MOA would be assisted by the MIPA, MNE, MOC, MOB and other government agencies, Non-Governmental Organizations (NGOs), Community-Based Organizations (CBOs) and local educational institutes.
- 5.2. The Project Management Unit (PMU) will comprise the office at the MOA in Georgetown and regional offices in Regions 1 and 9. The PMU in Georgetown will have a Project Coordinator, a Procurement Officer, a Finance Officer, and an M&E Officer. The latter will be located at the M&E Unit of the MOA. In each regional office, the Project will be supported by a Regional Project Officer (RPO) and Field Facilitators. The office in Region 9 will also have a Social Inclusion and Gender Specialist who will assist both Regional Project Officers in this particular area of expertise.
- 5.3. Effective coordination with other line ministries, Regional Democratic Councils and private sector initiatives in the regions is essential to create synergies and ensure sustainability of Project results. To this end, a National Steering Committee (NSC) and Regional Management Committees (RMC) will be established to provide policy direction and support for implementation, advise on the Annual Workplan and Budget, and encourage inter-organizational coordination and linkages.
- 5.4. The NSC is comprised of representatives from the: Ministry of Finance (MOF), Ministry of Agriculture (MOA), Ministry of Indigenous People's Affairs (MOIPA), Ministry of Natural Resources (MNR), Ministry of Business (MOB), Ministry of Public Health (MOPH), Ministry of Communities (MOC), Ministry of Social Protection (MSP), Office of Climate Change at the Ministry of the Presidency, and two Representatives from the beneficiaries (one from Region 1 and one from Region 9). The roles, responsibilities and composition of the NSC shall be detailed in the PIM. The RMCs will include, inter alia, the following representatives: (i) a regional chairman; (ii) a regional representative of the Ministry of Indigenous People's Affairs; (iii) a regional representative of the MNR; (iv) a regional representative of each NAREI (National Agricultural Research and Extension Institute) or GLDA (Guyana Livestock Development Authority); and (v) a regional representative of the Program targeted beneficiaries. The roles and responsibilities and composition of the RMC shall be detailed in the PIM and shall include, inter alia to: (i) support the implementation of the Program at the Regional level; (ii) support the ASDU in the implementation of the Annual Workplan; and (iii) collaborate in coordinating with local and community leaders.
- 5.5. The Project will provide support to strengthen the capacity of the MOA M&E Unit, and ensure that Project implementation monitoring is linked to MOA performance monitoring and feeds into existing Agriculture Strategy indicators. Monitoring and evaluation will be conducted using a participatory approach; data collection will be kept simple and not time-consuming, focusing on the reliability and usefulness of collected data. Evidence-based knowledge products will be developed to extract lessons and best practices from project experiences, replicate innovative solutions, maximize outcomes and impact from development resources, and disseminate generated knowledge to support national, regional and local decision making and policy processes. The Baseline Study will be carried out immediately after the approval of the Financing Agreement by IFAD's Executive Board and before implementation.

6. Financial management. Financial Management (FM) and Procurement of the Project will be undertaken by the ASDU, which has adequate capacity, an appropriate accounting system and an extensive experience in implementing internationally funded projects. A qualified Finance Officer will be recruited through a competitive process as a condition of disbursement from the loan and grant accounts.

7. Procurement. Project procurement of goods and services will be carried out by ASDU in accordance to national regulation as long as it is compatible with IFAD Project Procurement Guidelines and in accordance with the provisions of the financing agreement. A procurement officer, exclusively assigned to the Hinterland Project will be hired by ASDU.

8. Audit. The annual consolidated financial statements of the Project will be independently audited, pursuant to the agreed terms of reference and in accordance with the International Standards on Auditing and the IFAD Guidelines on Project Audits. In line with its mandate as per the Guyana Audit Act 2004, the Auditor General shall be responsible for conducting financial, compliance, performance and value-for-money audits with respect to the accounts of all projects funded by the way of loans or grants by any foreign state or organization. In this regard, the Guyana Auditor General Audit Office will conduct the audit of the Project financial statements. Annual audit reports will be submitted to IFAD within the six months of the end of the each fiscal year.

9. Supervision. IFAD will provide direct supervision for the Project, complemented by implementation support missions. One supervision mission is generally planned for each year. The first supervision mission, undertaken approximately six months after the date of entry into force, will monitor progress in relation to the timeframe defined in the implementation plan, and will assess advancements in fiduciary aspects, expenditures, contribution of funds from the counterpart and compliance with the terms of the financing agreement. Implementation support missions will be planned to cover the themes and areas recommended by supervision missions.

10. Project Implementation Manual (PIM). The PIM shall be prepared by the PMU and approved by the Permanent Secretary, who will have the responsibility to send to IFAD for its non-objection. The PIM may be amended or otherwise modified from time to time only with the prior consent of the Fund. The PIM provides the basis for the implementation of Hinterland Environmentally Sustainable Agriculture Development Project (Hinterland Project). It will establish the Strategic and Institutional Framework and provide guidance for the overall planning and implementation of activities. It will detail the collaborative framework for project implementation, the institutional and management arrangements; the administrative, fiduciary and contractual procedures; monitoring, evaluation and reporting. The Manual will establish effective implementation procedures and mechanisms, which will ensure the achievement of the overall objectives as outlines in the Project's design document and log-frame.

## Schedule 2

## Allocation Table

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

Category	IFAD Loan Amount Allocated (expressed in USD)	IFAD Grant Amount Allocated (expressed in USD)	Percentage
I. Vehicles and equipment	170 000	-	100% net of taxes
II. Training	550 000	-	100% net of taxes
III. Consultancy services	2 620 000	450 000	100% net of taxes
IV. Grants (for Sub-projects)	2 880 000	-	100% net of taxes
V. Salaries and operating expenses	940 000	-	100% net of taxes
Unallocated	800 000	50 000	
<b>TOTAL</b>	<b>7 960 000</b>	<b>500 000</b>	

2. Retroactive Financing. As an exception to section 4.08(a)(ii) of the General Conditions, specific eligible expenditures incurred from the date of approval by the Executive Board until the date of entry into force of this Agreement shall be considered eligible up to an amount equivalent to three hundred thousand US dollars (USD 300 000) for activities relating to: (i) recruitment of key personnel, (ii) baseline study for Region 9 and Region 1, (iii) detailed value chains study for spices in Region 1, (iv) SOFA study in Mabaruma and Moruca sub regions of Region 1. Activities to be financed by retroactive financing and their respective category of expenditures and source of financing will require prior no objection from IFAD to be considered eligible. These amounts may be reimbursed after the general conditions precedent to withdrawal have been met

3. Start-up Costs. Withdrawals in respect of expenditures for start-up costs for the same activities indicated in the previous paragraph can be made before the satisfaction of the conditions precedent to withdrawal. Start-up costs shall not exceed an aggregate amount equivalent to three hundred thousand US dollars (USD 300 000). Activities to be financed by start-up costs and their respective categories of expenditures and source of financing will require prior no objection from IFAD to be considered eligible.

# Logical framework

Results Hierarchy	Indicators			Means of Verification			Risks	
	Name	Baseline	End Target	Source	Frequency	Responsibility		
Development Objective: Improved livelihood resilience through income generation, access to assets, improved nutrition, and adaptation to climate variability.	<ul style="list-style-type: none"> <li>80% of targeted households have increased their score on the resilience scorecard by at least 2 points.</li> </ul>	<ul style="list-style-type: none"> <li>Baseline resilience TBD</li> </ul>	<ul style="list-style-type: none"> <li>4,800 hh (15% female headed hh)</li> </ul>	Baseline studies Impact study Verification in the field	Before Effectiveness Mid Term Before Closing	PMU MOA	Economic risks: <ul style="list-style-type: none"> <li>Productive specialization (vs traditional diversification strategy): vulnerability to market shocks; increased seasonality effects on income and labour cycles</li> <li>Competition for labour from other sectors (e.g., mining)</li> </ul>	
Component 1: Strengthening of community and producer groups investment planning								
Outcome 1 Communities and producer groups have identified investment opportunities manage economic and climate change risk.	<ul style="list-style-type: none"> <li>80% of households in targeted communities participate in development of public / collective investments plans.</li> </ul>	<ul style="list-style-type: none"> <li>0</li> </ul>	<ul style="list-style-type: none"> <li>4,500 hh (15% female headed hh)</li> </ul>	Reports M&E Supervision reports Progress reports	Semi-annually Annually Mid Term Before Closing	PMU MOA		
	<ul style="list-style-type: none"> <li>People in targeted communities participating in producer groups with approved business plans.</li> </ul>	<ul style="list-style-type: none"> <li>0</li> </ul>	<ul style="list-style-type: none"> <li>2,500 people (50% women; 30% youth)</li> </ul>					
Component 2: Implementation of investment plans								
Outcome 2.1 Increased investments in business plans that increase agriculture and related income-generating opportunities and increase market access.	<ul style="list-style-type: none"> <li>At least 80% of the households that invested in business plans have increased their income from agriculture and related activities by 50%.</li> </ul>	<ul style="list-style-type: none"> <li>Private assets baseline TBD</li> </ul>	<ul style="list-style-type: none"> <li>2,000 hh (15% female headed hh)</li> </ul>	Baseline studies Impact study Progress reports Verification in the field	Before effectiveness Annually Mid Term Before Closing	PMU MOA	Climate change risks: <ul style="list-style-type: none"> <li>Productive transformation without access to adequate technology and information for water and soil management</li> <li>Shift to less diversified farming systems</li> <li>Social risks: Weakening of social capital and organization capacity at community level</li> </ul>	
Outcome 2.2 Increased access to assets that build community resilience and create an enabling productive environment (water, energy, ITC).	<ul style="list-style-type: none"> <li>Additional volume of water stored in targeted communities.</li> </ul>	<ul style="list-style-type: none"> <li>Baseline TBD</li> </ul>	<ul style="list-style-type: none"> <li>TBD</li> </ul>					
	<ul style="list-style-type: none"> <li>Number of households in targeted communities with access to renewable energy sources.</li> </ul>	<ul style="list-style-type: none"> <li>Baseline TBD</li> </ul>	<ul style="list-style-type: none"> <li>TBD</li> </ul>					
	<ul style="list-style-type: none"> <li>Number of Internet Access Points available to households in targeted communities.</li> </ul>	<ul style="list-style-type: none"> <li>Baseline TBD</li> </ul>	<ul style="list-style-type: none"> <li>TBD</li> </ul>					



	<ul style="list-style-type: none"> <li>Number of households in target communities that adopt technologies for integrated soil fertility management, integrated pest management, and technology for increasing efficient water use that improved adaptability to climate change</li> </ul>	Baseline TBD	TBD				<ul style="list-style-type: none"> <li>Exclusion of vulnerable groups including women and youth</li> <li>Risks for nutrition and food security:</li> <li>Increased complexity of nutritional problems (e.g., transition to unhealthy diets)</li> <li>Decrease of food security</li> <li>Loss of traditional knowledge, food culture and agro-biodiversity</li> <li>Institutional risks:</li> <li>Limited inter-institutional coordination for actions at the regional level</li> <li>Incipient managerial and organizational capacity to implement investments at the local level (communities and producers' organizations)</li> </ul>
Outcome 2.3 Improved diet of adequate quality and appropriate quantity, referring to context-appropriate food-based dietary guidelines and drawing insofar as possible on own-production and local markets in a context of effective behaviour change and nutrition education activities.	<ul style="list-style-type: none"> <li>60% of households have food consumption patterns that substantially reflect appropriate "best option food basket".</li> </ul>	Baseline TBD	3,600 hh (15% female headed hh)	Baseline studies Impact study Progress reports Verification in the field	Before effectiveness Annually Mid Term Before Closing	PMU MOA	
	<ul style="list-style-type: none"> <li>Number of reference "best option food baskets," reflecting nutritionally adequate, low-cost options, developed and communicated (based on food-based dietary guidelines and giving preference to foods available from local production).</li> </ul>	Baseline TBD	TBD				
	<ul style="list-style-type: none"> <li>Number of crops and animal varieties and wild species used as food or income generating source at community level.</li> </ul>	Baseline TBD	Same or more				
Component 3: Project and Knowledge management and Coordination							
Outcome 3 Efficient and adequate management and implementation of planned activities and effective coordination and planning between institutions at the national, regional and local level.	<ul style="list-style-type: none"> <li>At least 90 per cent of the AWPB is implemented each year.</li> </ul>	0	90 per cent annual	AWPB Supervision reports Progress reports	Annually Mid Term Before Closing	PMU MOA	
	<ul style="list-style-type: none"> <li>Number of evidence based knowledge products developed (written, video or oral/radio).</li> </ul>	0	At least four				
	<ul style="list-style-type: none"> <li>Number of MOUs signed with public institutions to provide services to the project.</li> </ul>	0	At least four				
	<ul style="list-style-type: none"> <li>The project's global investment plan and AWPBs are reflected in the regional budgets and plans for two regions.</li> </ul>	0	Two regions	NSC and RM Minutes Progress reports			