

Document: EB 2019/LOT/P.21/Rev.1
Date: 23 December 2019
Distribution: Public
Original: Spanish

E



Investing in rural people

President's report

Proposed loan

Republic of Peru

Enhancement and Extension of Public Services for Local Productive Development in the Highlands and Rainforest Regions of Peru (AVANZAR RURAL) – Five Departments

Project No.: 2000002257

Note to Executive Board representatives

Focal points:

Technical questions:

Rossana Polastri
Director
Latin America and the Caribbean Division
Tel.: +39 06 5459 2291
e-mail: r.polastri@ifad.org

Jesús Quintana
Country Director
Tel.: +511 680 2802
e-mail: j.quintana@ifad.org

Dispatch of documentation:

Deirdre Mc Grenra
Chief
Institutional Governance and Member Relations
Tel.: +39 06 5459 2374
e-mail: gb@ifad.org

For: Approval

Content

Abbreviations and acronyms	ii
Map of the project area	iii
Financing summary	iv
I. Context	1
A. National context and rationale for IFAD involvement	1
B. Lessons learned	2
II. Project description	3
A. Objectives, geographical area of intervention and target groups	3
B. Components, outcomes and activities	4
C. Theory of change	5
D. Alignment, ownership and partnerships	5
E. Cost, benefits and financing	6
III. Risks	9
A. Risks and mitigation measures	9
B. Environment and social category	9
C. Climate risk classification	10
D. Debt sustainability	10
IV. Implementation	10
A. Organizational framework	10
B. Planning, monitoring and evaluation, learning, knowledge management and communication	11
C. Implementation plans	11
V. Legal instruments and authority	12
VI. Recommendation	12

Appendices

- I. Negotiated financing agreement
- II. Logical framework

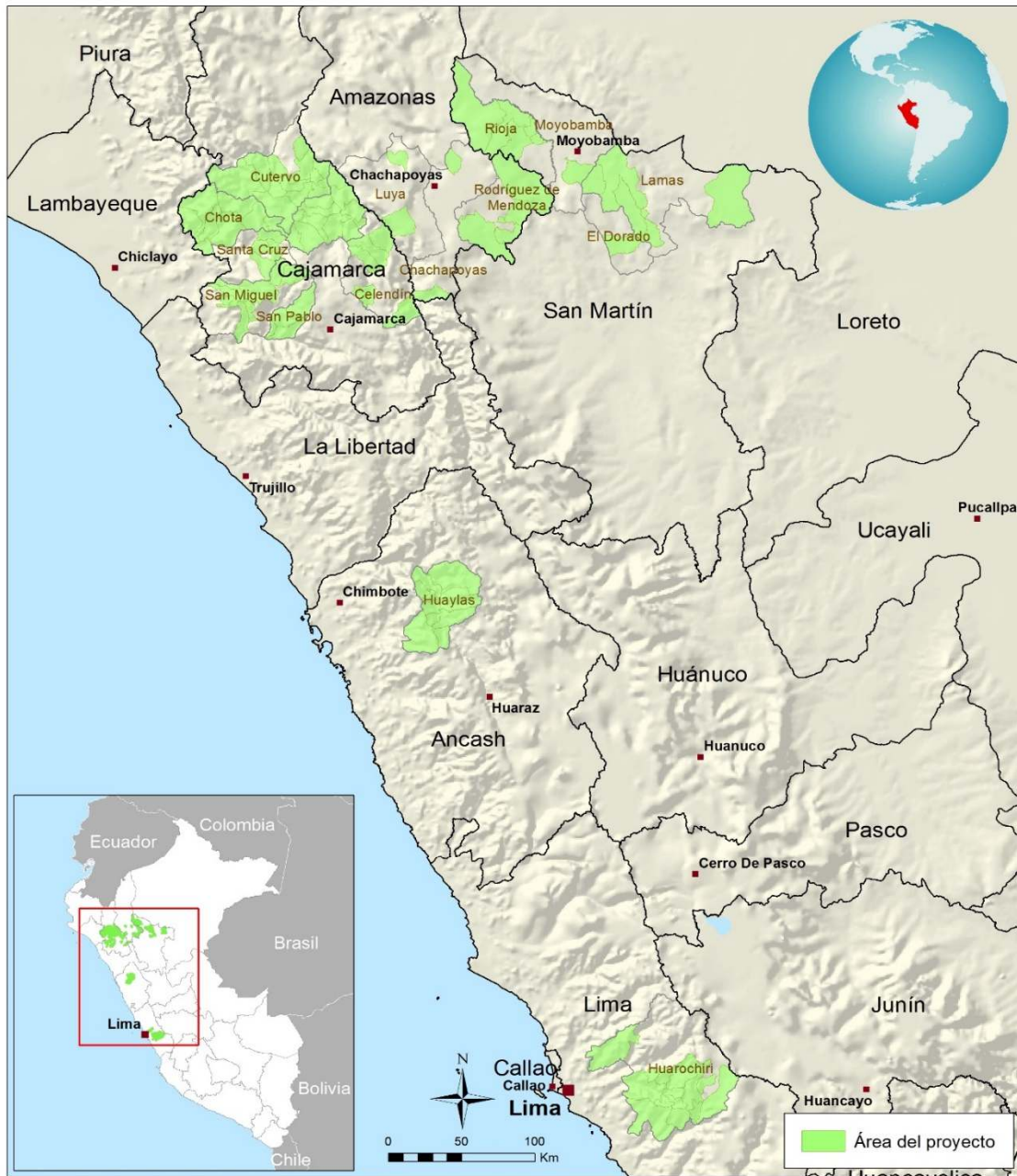
Project delivery team

Regional Director:	Rossana Polastri
Country Director:	Jesús Quintana
Project Technical Lead:	Enrique Hennings
Finance Officer:	Dario Rimedio
Climate and Environment Specialist:	Oliver Page
Legal Officer:	Purificación Tola Satué

Abbreviations and acronyms

AGRO RURAL	Rural Agrarian Productive Development Programme
CSPE	country strategy and programme evaluation
EIRR	economic internal rate of return
M&E	monitoring and evaluation
NEC	central implementation group
PCU	Project Coordination Unit
SDG	Sustainable Development Goals

Map of the project area



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 | 12-02-2019

Financing summary

Initiating institution:	IFAD
Borrower/recipient:	Republic of Peru
Executing agency:	Ministry of Agriculture and Irrigation
Total project cost:	US\$71.46 million
Amount of IFAD loan:	US\$24 million
Terms of IFAD loan:	Ordinary, with a maturity period of 8 years and a grace period of 5 years at a rate of interest equivalent to IFAD's reference interest rate plus a variable differential
Contribution of borrower/recipient:	US\$41.11 million
Contribution of beneficiaries:	US\$6.35 million
Amount of IFAD climate finance:	US\$8.0 million
Cooperating institution:	IFAD

Recommendation for approval

The Executive Board is invited to approve the recommendation contained in paragraph 67.

I. Context

A. National context and rationale for IFAD involvement

National context

1. In recent decades, the Republic of Peru has become one of the fastest growing economies in Latin America. Between 2000 and 2017, its gross domestic product (GDP) grew at an average of 3.1 per cent per annum, with its gross national income per capita increasing from US\$2,010 to US\$5,960.
2. Economic growth, social policies and programmes and greater investment in poor people have led to higher levels of production, job creation and income, resulting in a substantial reduction in poverty, from 54.8 per cent (2001) to 20.7 per cent (2016), and extreme poverty, which plummeted from 24.4 per cent to 3.8 per cent. Nonetheless, poverty and exclusion rates in rural areas remain high.
3. Peru is an upper-middle-income country with an economic policy aimed at boosting productivity and competitiveness in a context marked by real challenges, such as: serious deficiencies in infrastructure and the quality of public services, political instability, corruption, limited management capacity of subnational governments, insufficient resources for public investment in the territories and massive losses occasioned by natural disasters and climate change.
4. **Poverty, food security and nutrition.** Peru's efforts to achieve comprehensive sustainable development are grounded in the 2030 Agenda for Sustainable Development, especially Sustainable Development Goals (SDG) 1 (No poverty) and 2 (Zero hunger). The country has had positive results in the reduction of monetary poverty and has committed to reducing it to 18 per cent by 2021; it likewise expects to reduce extreme poverty to 2.5 per cent. However, effective strategies are needed to bring down rural poverty rates.
5. Agriculture is a strategic production sector for Peru's sustainable economic and social growth. The growth of this sector is expected to reach 4 per cent by 2021, and rural poverty to fall by 50 per cent. In order to meet these targets, the agriculture sector has set out to increase competitiveness and access to markets, chiefly for small family farmers, and to sustainably manage natural resources and biodiversity.
6. The National Agreement (2002) includes the State policies summarized in the National Strategic Development Plan, or Bicentennial Plan 2021. Important instruments in the agriculture sector are the National Agrarian Policy and the National Family Farming Strategy (the National Family Farming Plan 2019-2021 is currently being finalized).

Special aspects relating to IFAD's corporate mainstreaming priorities

7. **Gender.** According to the Women's Empowerment in Agriculture Index, rural women perform more poorly than their male peers in almost every variable – for example, decision-making about agricultural production, access to production resources, control over their income, community leadership and time management.
8. **Youth.** According to the Youth Multidimensional Deprivation Indicator, there is a wide gap between urban and rural youth, with almost twice as many of the latter suffering from multidimensional deprivation. This is due primarily to poor-quality education and limited access to information. The majority of rural youth do not own or have the opportunity to own land or other assets.

9. **Nutrition.** The Government has launched a National Anaemia Strategy, which indicates that the agriculture sector has a key role to play in improving food security through projects designed to increase food production, especially foods with high or greater iron content.
10. **Climate and environment.** Climate change currently poses the greatest risk to agriculture, food security and rural development in Peru. The vulnerability of the agriculture sector in general is moderate to high in Cajamarca and low in Lima and Amazonas. In Cajamarca and San Martín, roughly 10 per cent of the selected districts are extremely vulnerable, and there is a moderate risk of droughts, floods and cold snaps.
11. **Territorial development.** Capitalizing on the territories' comparative advantages and acknowledging economic, social, cultural and geographic differences will make the project's intervention both multisectoral and multidimensional. This will require: (i) territorial planning, through concerted regional and local development plans and life plans; (ii) economic corridors and trade circuits in the intervention area, as a framework for organizing and guiding investments; (iii) complementarity with different national programmes, and (iv) coordination with subnational entities.
12. **Indigenous peoples.** The limited State presence in the territories of indigenous peoples has negative implications for the recognition of indigenous rights and access to public services. This population group has high rates of illiteracy (19 per cent), and the combination of being young, rural, and indigenous results in double the multidimensional deprivation of a non-indigenous rural young person.
13. In line with the Eleventh Replenishment of IFAD's Resources (IFAD11) mainstreaming commitments, the project has been classified as climate-focused and youth-sensitive.

Rationale for IFAD involvement

14. For four decades, IFAD has strategically partnered with the Peruvian Government in its efforts to reduce poverty and promote rural development. With IFAD support, different methodologies and innovations have been introduced that have proven effective in reducing poverty and have been integrated into public policy, among them: (i) direct transfer of resources to the beneficiaries; (ii) allocation of public investment resources through public tenders; (iii) use of local resource allocation committees; (iv) intervention based on the promotion of rural ventures; (v) technology transfer among the most talented people in rural areas, and (vi) financial capacity-building (insurance and saving mechanisms), especially among women.
15. Based on the experience and achievements in Peru, IFAD will continue contributing this knowledge to scale up and consolidate the good results of the Strengthening Local Development in the Highlands and High Rainforest Areas Project, the Sustainable Territorial Development Project and other earlier projects, as evidenced in the country strategy and programme evaluation (CSPE) of 2018. This is aligned with the country's priority of boosting competitiveness, especially that of smallholders, with the objective of ensuring that they have sufficient potential to increase their productivity and volume of sales. IFAD will use its comparative advantage over other development agencies to meet this objective and continue working to ensure greater and sustainable income, assets and food security for smallholders.

B. Lessons learned

16. The joint trajectory of the Peruvian Government and IFAD in poverty reduction and rural development has yielded many lessons, recently systematized in the CSPE of 2018, that have been integrated into this project. With regard to implementation, consideration was given mainly to the following aspects:

- (i) Business plans should be well designed, and the scale of the venture, the required investment and target market should be clearly defined. To increase competitiveness, scaling up and sustainability, it will be necessary to have well-coordinated strategies for access to markets that offer products with value added and the quality that consumers demand and are available when wanted.
- (ii) Rural businesses must include conservation and natural resource improvement activities that systematically integrate climate resilience and climate risk management, along with environmental management.
- (iii) Greater participation of women and youth in rural businesses requires inclusive economic and production strategies, affirmative action measures and capacity-building for beneficiaries and technical personnel to promote inclusion and gender equity.
- (iv) Partnerships (public-private) offer advantages, such as greater access to markets and specialized technical and business services, as well as greater sustainability.
- (v) For good management, optimal use of participatory results-based monitoring and evaluation systems and the generation of timely and quality information are required from the outset.

II. Project description

A. Objectives, geographical area of intervention and target groups

17. The ultimate goal of the Enhancement and Extension of Public Services for Local Productive Development in the Highlands and Rainforest Regions of Peru (AVANZAR RURAL) – Five Departments Project is to contribute to the sustainable social and economic development of smallholders in the highlands and rainforest regions of the departments of Amazonas, Ancash, Cajamarca, Lima and San Martín. The development objective is to boost the competitiveness and resilience of smallholders in the intervention area.
18. **Project area.** The project will be implemented in 15 provinces and 101 districts in the departments of Amazonas, Ancash, Cajamarca, Lima and San Martín, corresponding to the areas prioritized by the Government, based on the incidence of poverty. The selected territories have a population of 596,552 (90 per cent of it rural) and a very diverse highland and high rainforest ecology.
19. **Economic corridors.** The Avanzar Rural project will employ the economic corridor approach¹, strengthening the supply produced by smallholders to take better advantage of the commercial opportunities in demand hubs (corridor urban centres) and contribute to the provinces' development.
20. **Target group.** The target group will consist of 17,400 organized smallholders, representing 57,420 direct beneficiaries.
21. **Social targeting.** The resources of the Avanzar Rural project will be channelled to organized smallholders devoted mainly to crop and/or livestock production or the primary processing and transformation of products. These impoverished smallholders produce surpluses but have not managed to sustainably enter the market.
22. **Women.** Some 40 per cent of the project participants are expected to be women from farmers' organizations that have a business plan.

¹ Defined in the National Strategic Planning Centre (CEPLAN) (2011): *Plan Bicentenario: el Peru hacia el 2021*, Lima, as "Road networks for productive activities, permitting the flow or circulation of merchandise or production factors through the encounter between supply and demand among large, medium-sized, and small cities."

23. **Youth.** The project will select rural youth transitioning to independence who have been trained to receive financing for productive activities. This group accounts for 19 per cent of the population in the selected districts (National Census 2017).
24. **Indigenous peoples.** The Avanzar Rural project expects to achieve the participation of 6 per cent of the population that self-identifies as a member of an indigenous group. The indigenous population in the project area is located in 20 districts in the departments of Ancash and San Martín.

B. Components, outcomes and activities

25. The project will have the following components: (i) sustainable use of natural resources; (ii) the development of sustainable inclusive rural ventures; (iii) capacity-building and knowledge management for innovation, and (iv) project management and administration.
26. **Component 1. Sustainable use of natural resources.** This component is aimed at improving natural resource management, promoting sustainable management focused on adapting certain natural resources associated with the rural ventures of smallholders' organizations to climate change. The project will direct participatory activities for the identification of natural resource management needs by these organizations, classifying needs as public, semi-public, or communal goods.
27. The activities under component 1 include:
- (i) identifying the needs of smallholders' organizations in relation to natural resources and environmental and climate risks during the participatory processes in the activity to formulate business plans (related to component 2);
 - (ii) developing provincial maps and studies on natural resources and environmental and climate risks;
 - (iii) developing provincial natural resource programmes for each province in the intervention area. The designated needs will be addressed through a plan for managing natural resources associated with the businesses, and
 - (iv) developing plans for managing natural resources associated with the businesses. These management plans will include: (i) investments for the construction or rehabilitation of physical and natural infrastructure around natural resources classified as public or communal goods; (ii) activities to build local capacity for investment management and sustainability, and (iii) the drafting of agreements with strategic partners.
28. **Component 2. Development of sustainable inclusive rural ventures.** This component is aimed at increasing the capacity of organized smallholders to develop profitable and sustainable rural ventures, connect with more demanding markets linked with economic corridors or trade circuits and be able to stimulate local development.
29. The main activities of this second component are:
- (i) developing digital instruments for developing and monitoring compliance with business plans;
 - (ii) publicizing the project and getting smallholders' organizations involved;
 - (iii) identifying smallholders' organizations and studying their ventures;
 - (iv) preparing business plans. The business plan will be the main instrument for the development of smallholders' organizations and will define the venture's scope and strategy, the investments and technical assistance required, the market, competitors, etc.;

- (v) approval by the local fund allocation committee (CLAR). The CLAR is the body for participation, transparency and reporting at the territorial level, and where business plans are submitted. CLARs are comprised of representatives of public and private institutions and organized civil society in a territory and will be chaired by the municipal mayor, and
 - (vi) execution of the business plan, monitoring and evaluation (M&E). The business plan will be executed directly by each smallholders' organization, the funds for which will be digitally transferred (mobile payments). These organizations will make use of participatory M&E instruments from the time their business plan is implemented.
30. **Component 3. Capacity-building and knowledge management.** This component is aimed at increasing the supply of financial and non-financial services and innovations for access and use by smallholders' organizations in the development of their rural ventures. This component will be executed through two subcomponents:
- (i) development of financial and non-financial services: promote financial and non-financial services to support the development of value chains in which smallholders' organizations participate, and
 - (ii) knowledge management: develop knowledge and communication resources to support service providers, smallholders' organizations and project personnel.
31. **Component 4. Project Management and administration.** The purpose of this component is to exercise efficient management and administration to guarantee the achievement of the project's objectives and outcomes.

C. Theory of change

32. The Avanzar Rural project will help smallholders, women, youth, and indigenous peoples improve their organizations and ventures and will serve as a means for increasing competitiveness and climate resilience (the project's objective). With greater competitiveness and climate resilience, the target population is expected to increase its income and the value of its assets, thereby contributing to its economic and social well-being (the project's goal). Greater competitiveness will be achieved by boosting the production and productivity of smallholders and their organizations, enabling them to enter more demanding markets through greater sales volumes, greater cooperative sales, and diversified products with value added.
33. Strengthening the capacity of smallholders and actors involved in implementation (international financial institutions and non-financial service providers) will be an intermediate outcome toward achieving the objectives and a guarantee of the sustainability of the innovations.

D. Alignment, ownership and partnerships

34. **Alignment and complementarity with national policies.** The Avanzar Rural project is expressly aligned with the key objectives of Peru's economic growth policy in the effort to reduce monetary poverty and increase the well-being of the rural population.
35. **SDGs and the 2030 Agenda.** The project is linked with the two goals of the 2030 Agenda that are most relevant for IFAD: SDG 1 (No poverty) and SDG 2 (Zero hunger). The Avanzar Rural project will also contribute to the achievement of SDG 5 (Gender equality) and SDG 10 (Reduced inequalities)
36. **IFAD priorities.** Avanzar Rural is a generation 2.0 project that directly responds to the IFAD11 commitments and incorporates the Fund's mainstreaming priorities: the gender perspective, youth and climate change.

E. Cost, benefits and financing

Costs

37. The estimated total project cost is US\$71.46 million (see table 1). The cost by component is US\$12.94 million (18.1 per cent) for component 1, US\$47.72 million (66.8 per cent) for component 2, US\$4.02 million (5.6 per cent) for component 3, and finally, US\$6.78 million (9.5 per cent) for component 4. The project will have a duration of 60 months.
38. The project has five expenditure categories and one for operating costs. The incentives and transfers category represents 62.9 per cent of the total; works, 15.4 per cent; training, 7.2 per cent; consultancies, 5.4 per cent; vehicles and equipment, 1.3 per cent, and operating costs, 7.8 per cent (see table 2) of the budget.
39. The proceeds of the IFAD loan will be used exclusively to finance component 2 (development of sustainable inclusive rural ventures), and part of this component is counted as climate financing. Total IFAD climate financing for this project is calculated at US\$8.0 million, or 33 per cent of the financing provided by the Fund.

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

<i>Component</i>	<i>IFAD loan</i>		<i>Beneficiaries</i>		<i>Borrower/recipient/ counterpart</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
1. Sustainable use of natural resources	-	-	-	-	12 940	31	12 940
2. Development of sustainable inclusive rural ventures	24 000	100	6 351	100	17 373	42	47 723
3. Capacity-building and knowledge management	-	-	-	-	4 022	10	4 022
4. Project management and administration	-	-	-	-	6 779	16	6 779
Total	24 000	34	6 351	9	41 113	58	71 464

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

<i>Expenditure category</i>	<i>IFAD loan</i>		<i>Beneficiaries</i>		<i>Borrower/recipient/ counterpart</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
1. Incentives and transfers	24 000	100	6 351	100	14 598	36	44 949
2. Works	-	-	-	-	11 026	27	11 026
3. Training	-	-	-	-	5 148	13	5 148
4. Consultancies	-	-	-	-	3 825	9	3 825
5. Vehicles and equipment	-	-	-	-	930	2	930
6. Operating costs	-	-	-	-	5 586	14	5 586
Total	24 000	34	6 351	9	41 113	58	71 464

(Thousands of United States dollars)

<i>Expenditure category</i>	<i>IFAD loan</i>		<i>Beneficiaries</i>		<i>Borrower/recipient/ counterpart</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
1. Incentives and transfers	24 000	100	6 351	100	14 598	36	44 949
2. Works	-	-	-	-	11 026	27	11 026
3. Training	-	-	-	-	5 148	13	5 148
4. Consultancies	-	-	-	-	3 825	9	3 825
5. Vehicles and equipment	-	-	-	-	930	2	930

6. Operating costs	-	-	-	-	5 586	14	5 586
Total	24 000	34	6 351	9	41 113	58	71 464

(Thousands of United States dollars)

<i>Expenditure category</i>	<i>IFAD loan</i>		<i>Beneficiaries</i>		<i>Borrower/recipient/ counterpart</i>		<i>Total</i>
	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>	<i>%</i>	<i>Amount</i>
1. Incentives and transfers	24 000	100	6 351	100	14 598	36	44 949
2. Works	-	-	-	-	11 026	27	11 026
3. Training	-	-	-	-	5 148	13	5 148
4. Consultancies	-	-	-	-	3 825	9	3 825
5. Vehicles and equipment	-	-	-	-	930	2	930
6. Operating costs	-	-	-	-	5 586	14	5 586
Total	24 000	34	6 351	9	41 113	58	71 464

Table 3

Project cost by component and year

(Thousands of United States dollars)

Component	Year 1		Year 2		Year 3		Year 4		Year 5		Total
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount
1. Sustainable use of natural resources	4 115	20	4 081	16	4 122	19	414	18	209	16	12 940
2. Development of sustainable inclusive rural ventures	12 786	63	18 584	73	15 683	71	445	19	225	17	47 723
3. Capacity-building and knowledge management	1 205	6	1 598	6	912	4	139	6	168	13	4 022
4. Project management and administration	2 089	10	1 315	5	1 324	6	1 337	57	713	54	6 778
Total	20 195	28	25 578	36	22 041	31	2 335	3	1 315	2	71 464

Financing and cofinancing strategy and plan

40. Three sources are included in the project financing plan: (i) IFAD will provide financing to the project in the amount of US\$24 million (33.6 per cent); (ii) the borrower/recipient, the Government of Peru, will finance an amount equivalent to US\$ 41.11 million (57.5 per cent) with ordinary resources, and (iii) the beneficiaries will contribute an amount equivalent to US\$6.35 million (8.9 per cent). All tax payments will be made with the counterpart from the national Government.

Disbursements

41. The borrower/recipient will open and maintain, for the life of the loan, a designated account in United States dollars at Banco de la Nación in the name of the Rural Agrarian Productive Development Programme (AGRO RURAL) exclusively for the project loan. The recipient will send IFAD the documentation on the opening of this account and the names of the individuals designated to authorize disbursements of the IFAD loan, pursuant to the letter to the borrower/recipient. The loan will be used exclusively to finance eligible expenditures.

Summary of benefits and economic analysis

42. **Financial feasibility.** The project's economic internal rate of return (EIRR) 10 years out is higher than the current average active bank rate—between 25 per cent and 92 per cent—while the financial net present value ranges from US\$497 to US\$5,773, demonstrating the project's financial feasibility. The project's aggregate financial net present value, bearing in mind the 10 models analysed, is US\$9.3 million, with an aggregate EIRR of 18.6 per cent.
43. **Economic feasibility** includes the values of the economic price of the cost of unskilled labour and inputs, the conversion factor being the shadow price of the exchange rate and the value of the 9 per cent social discount rate. The results obtained show that the project is economically feasible, with an EIRR of 20 per cent and an incremental economic net present value of US\$21.47 million.

Exit strategy and sustainability

44. The project will promote two sustainability approaches: (i) a project-oriented approach in which the target population continues implementing the rural businesses, engages in natural resource management that includes climate risk management and the use of technological, commercial and business innovations, and (ii) an innovation-oriented approach in which the target population has the potential to benefit from innovations (technological, market, financial and climate resilience) that will enable it to flexibly and adequately respond to changes in the environment.
45. The exit strategy will be spelled out in an exit and sustainability plan prepared by the Project Coordination Unit (PCU) and submitted to the project steering committee prior to the mid-term review mission. This strategy will involve the

transfer of interventions and activities to the competent sector institutions, which will adopt them and keep them going in their active policies, agenda and budgets beyond project completion.

III. Risks

A. Risks and mitigation measures

46. The main risks to project implementation and the respective mitigation measures were identified during the design phase. They are:

<i>Risks</i>	<i>Risk rating</i>	<i>Mitigation measures</i>
Political/governance	Medium	(i) maintain constant coordination and communication with strategic actors (Ministry of Economics and Finance, Ministry of Agriculture and Irrigation, AGRO RURAL); (ii) strengthen the project steering committee and local governments, and (iii) promote activities in the areas of coordination, partnership building, and dissemination of the results.
Macroeconomic	Medium	(i) monitor the international context. (ii) maintain an ongoing dialogue with key actors.
Sector strategies and policies	Low	Constantly monitor changes in policy.
Institutional capacity	Medium	Establish the timeframe for implementing the effectiveness measures contained in the agreement signed and support compliance with them.
Portfolio	Medium	(i) select an appropriate implementation team; (ii) support implementation with specialists, in keeping with project demands, and (iii) provide technical assistance through agreements with other stakeholders.
Fiduciary		
Financial management	Medium	The country's inherent risk is classified as moderate. Concerning the project's specific risks: (i) IFAD resources are allocated exclusively to the "Incentives and transfers" expenditure category. Measure: in a manual of operations, the project will develop and document the procedures and criteria for selecting the organizations, formulating and approving business plans, as well as their execution and monitoring, and will stipulate the financial requirements for guaranteeing timely management of the resources; (ii) insufficient budget allocation. Measure: the Ministry of Economy and Finance, the Ministry of Agriculture and Irrigation and AGRO RURAL will maintain constant communication and coordination to ensure timely and sufficient resources, as programmed, and (iii) weak response to the recommendations of the internal auditors. Measures: (i) formalization of the recommendation review and monitoring process in the manual of operations as part of AGRO RURAL's responsibilities, and (ii) IFAD will verify the status of compliance with the recommendations during supervision missions.
Procurement	Medium	(i) train procurement and contracting personnel in the use of the tools provided in the national contracting law and by IFAD, (ii) monitor proper use of conflict resolution mechanisms, and (iii) train procurement and contracting personnel.
Environment and climate	Medium	(i) coordinate with the National Service of Natural Areas Protected by the State and the national environmental authorities on regulations and guidelines for managing natural resources in these areas, (ii) strengthen the capacity of the technical team, and (iii) conduct complementary studies for prioritizing investments and implementing the Nationally Determined Contributions.
Social	Medium	(i) link with climate information platforms and facilitate information dissemination to institutions and the target population, and (ii) promote and develop spaces for the participation of women, indigenous peoples, and youth.
Total	Medium	

B. Environment and social category

47. The project has been classified under category B, since: (i) it will not promote the conversion of natural forests for activities favourable to the development of value

chains; (ii) it will not promote unsustainable natural resource management practices; (iii) it does not involve the construction of medium-sized or large waterworks, and (iv) it does not involve the uprooting or resettlement of rural communities.

C. Climate risk classification

48. The project's climate risk classification is high, due to the following: (i) there are territories in the project area characterized by high agricultural vulnerability and a high level of risk for freezes, droughts, cold snaps and floods, and (ii) the investments and business lines promoted are connected with climate-sensitive natural infrastructure and livelihoods; thus, climate risks can affect project implementation.
49. Given the risks and vulnerability present in the project implementation areas, rural entrepreneurs will be asked to adopt the climate resilience and climate risk management approach and include it in provincial programmes and the natural resource management plans of businesses. The project will implement the environmental and social management framework to monitor compliance with the measures for environmental, climate and social risk management.

D. Debt sustainability

50. According to the International Monetary Fund Country Report for Peru, published in July 2018, Peru has a low level of public debt, which in late 2017 stood at 25.3 per cent of GDP – below the of 30 per cent ceiling established in the fiscal framework. The medium-term objective is to stabilize the public debt around 27 per cent of GDP.

IV. Implementation

A. Organizational framework

Project management and coordination

51. The Ministry of Agriculture and Irrigation, through AGRO RURAL, will be the project executing agency, and a PCU will be created for project implementation that will operate under a modality known as the *núcleo ejecutor central* (central implementation group) (NEC), in close coordination with four area offices (Amazonas, Ancash, Cajamarca and Lima) and 10 area agencies.
52. The PCU will be comprised of a project coordinator and eight specialists in (i) rural ventures; (ii) natural and environmental resources and climate change; (iii) market development; (iv) financial services; (v) social inclusion; (vi) knowledge management and communication; (vii) M&E, and (viii) information technology and digital systems. Each area agency will also have a team comprised of a coordinator, an administrative assistant and several specialists. The PCU will have an administrative-financial area with an administrator who will oversee the work of an accountant, a treasurer, an accounting assistant and a procurement officer.
53. Guidance and direction. A project coordination committee will be set up by ministerial resolution upon signing of the agreement, in the form of a working group to provide guidance during project implementation.

Financial management, procurement and governance

54. AGRO RURAL will be responsible for the project's financial management and should: (i) prepare the annual operational plans; (ii) guarantee timely availability of the resources from each funding source; (iii) prepare and submit requests for withdrawal of funds to IFAD; (iv) manage procurement and contracting; (v) set up a satisfactory accounting system and effective internal controls; (vi) prepare and submit the consolidated financial statements to IFAD; (vii) coordinate the audit process, and (viii) institute anti-corruption activities and policies, in alignment with national and IFAD regulations.

55. **Procurement.** The procurement of goods, services and works will be the responsibility of the PCU or the NEC, pursuant to the State Procurement Law and Regulations; it should be included in AGRO RURAL's Annual Contracting Plan and published in the Electronic System of Public Procurement. The project's procurement and contracting plan will meet IFAD requirements and have the Fund's approval.
56. **Audits.** The project's consolidated financial statements will be audited annually by an independent firm under the International Standards on Auditing, as stipulated in the manual of operations relative to the financial information and auditing of IFAD-financed projects. The audit reports will be submitted to IFAD six months after the close of each fiscal year at the latest.
57. **Governance.** Peru has the Organic Law of the National Control System and the Office of the Comptroller General of the Republic and the National Integrity and Anti-corruption Policy, which is a State policy applicable to all levels of government and public entities, in addition to serving as a guide and orientation for the private sector. It is part of the legal framework and standards governing the issue and respects the international treaties, agreements, and conventions ratified by Peru to fight corruption.

B. Planning, monitoring and evaluation, learning, knowledge management and communication

58. During the first 12 months of implementation, the project will prepare and implement the Planning, Monitoring, Evaluation and Knowledge Management System. This system will be aligned with national and IFAD norms and include: (i) an M&E plan, (ii) a plan for the computerized M&E system, and (iii) a training plan for capacity-building in planning, monitoring, evaluation and knowledge management

Innovations and scaling up

59. The Avanzar Rural project is distinctive in its inclusion of several innovations that will spur project execution and management. It will seek environmental, social and economic sustainability to generate greater commercial value for each of the interventions. A range of management instruments will be promoted under the project, including: (i) natural resource management plans associated with rural ventures, (ii) specific plans to strengthen an organization's degree of development, and (iii) financeable and larger-scale business plans for more developed smallholders' organizations connected in the value chain.

C. Implementation plans

Implementation readiness and start-up plans

60. Prior to signing, and immediately after the negotiation of the financing agreement, the following activities will be carried out with the borrower/recipient and executing agency: (i) confirm the allocation of budget lines for start-up and implementation; (ii) prepare and discuss the draft agreement for establishing the NEC, proceeding to its signature immediately thereafter; and (iii) update the project's annual operational plan and manual of operations.
61. The following preparatory activities are planned for a smooth launch and effective implementation: (i) competitive selection and hiring of the coordinator and technical, financial, administrative and support staff for both the project and area agencies; (ii) provision of equipment, furniture, office supplies, etc. to the PCU, and (iii) the holding of an implementation workshop on completion of the previous steps.
62. The accounting and M&E system should be in place within the first six months of implementation.

Supervision, mid-term review and completion plans.

63. The project will be supervised directly by IFAD, in coordination with the Government of Peru, under the current guidelines for direct supervision and national regulations. The missions will review progress toward meeting the objectives, project performance and adherence to the established standards and regulations. In addition, there will be at least one annual supervision mission and one implementation support mission, a mid-term review mission beginning in year 2 of project execution and a completion mission to prepare the final project report. Furthermore, the implementation workshop will be held during year 1 of implementation.

V. Legal instruments and authority

64. A project financing agreement between the Republic of Peru 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 as appendix I.
65. The Republic of Peru is empowered under its laws to receive financing from IFAD.
66. I am satisfied that the proposed financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

VI. Recommendation

67. I recommend that the Executive Board approve the proposed financing in terms of the following resolution:

RESOLVED: that the Fund shall provide a loan on ordinary terms to the Republic of Peru in an amount of twenty-four million United States dollars (US\$24,000,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Gilbert F. Hougbo
President

Convenio de financiación negociado: "Proyecto Mejoramiento y Ampliación de los Servicios Públicos para el Desarrollo Productivo Local en los Ámbitos de la Sierra y Selva del Perú"

(Negociaciones concluidas el 9 de diciembre de 2019)

Número del Préstamo: _____

Proyecto Mejoramiento y Ampliación de los Servicios Públicos para el Desarrollo Productivo Local en los Ámbitos de la Sierra y Selva del Perú – AVANZAR RURAL- 5 Departamentos (el "Proyecto")

LA REPÚBLICA DEL PERÚ (el "Prestatario")

y

El Fondo Internacional de Desarrollo Agrícola (el "Fondo" o el "FIDA")

(cada uno de ellos por separado la "Parte" y los dos colectivamente las "Partes")

ACUERDAN lo siguiente:

Por cuanto el Prestatario ha solicitado al Fondo financiar el Proyecto y el Fondo acepta proporcionar un préstamo para apoyar en la financiación del mismo.

Sección A

1. Los siguientes documentos en su conjunto conforman colectivamente este Convenio: el presente documento, la Descripción y las Disposiciones de ejecución del Proyecto (Anexo 1) el Cuadro de asignaciones (Anexo 2), las Disposiciones especiales (Anexo 3) y las *Condiciones Generales para la Financiación del Desarrollo Agrícola* de fecha 29 de abril de 2009 y modificadas en diciembre de 2018 (las "Condiciones Generales").
2. Las Condiciones Generales en sus sucesivas versiones enmendadas y cualquiera de las disposiciones en ellas contempladas serán aplicables al presente Convenio, salvo que se indique lo contrario. A los efectos del presente Convenio, los términos definidos en las Condiciones Generales tendrán el significado en ellas indicado. En lo sucesivo por Organismo Responsable del Proyecto se entenderá Unidad Ejecutora del Proyecto.
3. A raíz del presente convenio el Fondo proporcionará al Prestatario un Préstamo (la "Financiación"), que éste utilizará, a través de la Unidad Ejecutora del Proyecto, para ejecutar el Proyecto de conformidad con los términos y condiciones del presente Convenio.

Sección B

1. El monto del Préstamo es de veinticuatro millones de dólares de los Estados Unidos (USD 24 000 000).
2. La Moneda de Pago del Préstamo (capital e intereses) será el dólar de Estados Unidos.

3. El Préstamo se concede en condiciones ordinarias y tiene un plazo de reembolso de ocho (8) años, incluido un período de gracia de cinco (5) años que comenzará a partir de la fecha de cumplimiento de las condiciones previas para el retiro de los fondos.
4. El Préstamo estará sujeto a intereses sobre el capital del Préstamo pendiente de reembolso al tipo de interés variable de referencia del FIDA con un margen variable proporcionado por el FIDA.
5. El Préstamo será reembolsado en ocho (8) años, mediante seis (6) cuotas semestrales consecutivas y en lo posible iguales, siendo la primera cuota pagadera a los cinco (5) años de la fecha de cumplimiento de las condiciones previas para el retiro de los fondos, de acuerdo a la política del FIDA. Los pagos del capital y los intereses del Préstamo serán pagaderos cada 15 de enero y 15 de julio.
6. El Ejercicio Financiero aplicable será del 1º de enero al 31 de diciembre de cada año. El Ejercicio Financiero corresponde al año fiscal del Prestatario.
7. El Prestatario, a través de la Unidad Ejecutora del Proyecto, abrirá en el Banco de la Nación una cuenta designada en dólares de Estados Unidos para recibir en ella exclusivamente los recursos del Préstamo. Adicionalmente abrirá las cuentas que correspondan para el Proyecto.
8. El Prestatario proporcionará financiación de contrapartida para el Proyecto por un monto estimado de cuarenta y un millones ciento trece mil ochenta y ocho dólares de los Estados Unidos (USD 41 113 088) para cubrir impuestos y gastos del Proyecto.

Sección C

1. La Unidad Ejecutora del Proyecto será el Programa de Desarrollo Productivo Agrario Rural – AGRO RURAL del Ministerio de Agricultura y Riego (MINAGRI).
2. Se llevará a cabo la Revisión de Medio Término como se especifica en la Sección 8.03 b) y c) de las Condiciones Generales, pudiendo las Partes acordar otra fecha para llevar a cabo la Revisión de Medio Término de la ejecución del Proyecto.
3. La Fecha de Terminación del Proyecto será el quinto aniversario de la fecha de entrada en vigor del presente Convenio.

Sección D

1. El Fondo gestionará la contabilidad interna de las cuentas del Préstamo y los desembolsos de los mismos. Asimismo, supervisará directamente el Proyecto.

Sección E

1. Adicionalmente a los motivos previstos en las Condiciones Generales, se considera motivo para la suspensión del derecho del Prestatario a solicitar desembolsos conforme al presente Convenio que:
 - a) cualquiera de las disposiciones del Manual de Operaciones del Proyecto (MOP) haya sido objeto de cesión, renuncia, suspensión, revocación, enmienda u otra modificación, sin el acuerdo previo de las Partes, y el FIDA haya determinado, previa consulta con el Prestatario, que tal cesión, renuncia, suspensión,

revocación, enmienda o modificación ha tenido consecuencias adversas sustanciales para el Proyecto.

- b) Que se hayan tomado medidas para la suspensión o disolución del Núcleo Ejecutor Central (NEC) u otras que impidan la ejecución del Proyecto del modo previsto en este Convenio, siempre que tales medidas, a juicio del fondo, puedan tener consecuencias adversas para el Proyecto.

2. Adicionalmente a las condiciones previas de retiro, se considera que son condiciones específicas adicionales para el retiro de fondos de la cuenta del Préstamo:

- a) Que el Fondo haya dado la no objeción al Manual de Operaciones del Proyecto;
- b) Que se haya creado el Núcleo Ejecutor Central (NEC);
- c) Que se haya seleccionado y designado al Coordinador del Proyecto, mediante un proceso abierto, competitivo y transparente; el cual debe contar con la no objeción del Fondo;
- d) Que se haya abierto la Cuenta Designada y la(s) Cuenta(s) del Proyecto;
- e) Que el Proyecto haya implementado un sistema contable informatizado y de gestión aceptable por el FIDA.

3. Se indican a continuación las direcciones que han de utilizarse para cualquier intercambio de comunicaciones relacionadas con el presente Convenio:

Ministerio de Economía y Finanzas
Jr. Junín 319
Lima 15001, Perú

Fax (51-1) 626-9921

Ministerio de Agricultura y Riego
Av. La Universidad 200
Lima 15024, Perú

Fax (51-1) 349-3744

Fondo Internacional de Desarrollo Agrícola
Via Paolo di Dono 44
00142 Roma, Italia

Fax (3906) 5043463

4. Se indican a continuación los representantes designados:

Por el FIDA:

Presidente
Fondo Internacional de Desarrollo
Agrícola

Por el Prestatario:

Ministro de Economía y Finanzas
Ministerio de Economía y Finanzas
de la República del Perú

5. Se indican a continuación las direcciones que han de utilizarse para cualquier intercambio de comunicaciones relacionados con el presente Convenio:

Por el Prestatario:

Por el Fondo:

Presidente
Fondo Internacional de Desarrollo Agrícola
Via Paolo di Dono 44
00142 Roma, Italia

El presente Convenio,[de fecha [insertar fecha]], se ha preparado en idioma español en dos (2) copias originales, una (1) para el Fondo y una (1) para el Prestatario y entrará en vigor conforme a la Sección 13.01 de las Condiciones Generales.

REPÚBLICA DEL PERÚ

[insertar nombre del Representante Autorizado]
[insertar su título]

FONDO INTERNACIONAL PARA EL DESARROLLO AGRÍCOLA

Presidente

Anexo 1

Descripción del Proyecto y disposiciones de ejecución

Descripción del Proyecto

1. *Meta del proyecto:* Contribuir al desarrollo social y económico sostenible de los pequeños productores agrarios en la zona de intervención.
2. *Objetivo de desarrollo:* Incrementar la competitividad y la resiliencia de los pequeños productores agrarios en las regiones de la Sierra y la Selva de los departamentos de Amazonas, Ancash, Cajamarca, Lima y San Martín.
3. *Objetivo del Proyecto:* Mayor acceso de los pequeños y medianos productores agrarios a servicios de apoyo al desarrollo productivo
4. *Población-objetivo y beneficiarios del Proyecto.* El grupo objetivo estará compuesto por aproximadamente 17 400 pequeños productores agrarios organizados, que representan a aproximadamente 57 420 beneficiarios directos. Estos pequeños productores agrarios organizados, cuya principal actividad es la agricultura, la ganadería o el procesamiento primario y de transformación de productos, generan excedentes de producción, pero aún no han logrado insertarse en el mercado de forma sostenible.
5. *Área del Proyecto.* El proyecto se implementará en 15 provincias y 101 distritos de los departamentos de Amazonas, Ancash, Cajamarca, Lima y San Martín, según la incidencia de la pobreza.
6. *Componentes.* El Programa comprende los siguientes componentes:

Componente 1. Aprovechamiento sostenible de los recursos naturales. A través del componente se busca mejorar la gestión de los recursos naturales; una gestión sostenible y enfocada en la adaptación al cambio climático de los recursos naturales asociados a los negocios rurales de las organizaciones de pequeños productores agrarios. Se dirigirán procesos participativos para la identificación de las necesidades en la gestión de los recursos naturales.

Componente 2. Desarrollo de negocios rurales sostenibles e inclusivos. Con este componente se busca consolidar y fortalecer la capacidad de los pequeños productores organizados en el desarrollo de emprendimientos rurales rentables y sostenibles, que se asocien con mercados más exigentes y articulados a corredores económicos o circuitos comerciales, y que sean capaces de estimular el desarrollo local.

Componente 3. Desarrollo de capacidades y gestión del conocimiento. Con este componente se pretende fortalecer una oferta de servicios financieros y no financieros, e innovaciones, para el acceso y uso de las organizaciones de pequeños productores agrarios en el desarrollo de sus negocios rurales.

Administración y gestión del proyecto. Comprende la gestión y administración eficiente para asegurar el logro de los objetivos y los resultados del proyecto.

Disposiciones de ejecución

1. *Unidad Ejecutora del Proyecto.* El Programa de Desarrollo Productivo Agrario Rural – AGRO RURAL, del Ministerio de Agricultura y Riego (MINAGRI), será la Unidad Ejecutora del Proyecto.

2. *Unidad de Coordinación del Proyecto (UCP).* Para la implementación del Proyecto, se establecerá una UCP, que operará bajo la modalidad de Núcleo Ejecutor Central (NEC), para una mayor autonomía de ejecución y gestión y dentro de las normas nacionales y del presente Convenio. La estructura operativa de la UCP se detallará en el MOP.

La UCP, mediante la modalidad de NEC, tendrá las siguientes atribuciones: i) capacidad jurídica para contratar; ii) ejecución administrativa y financiera del Proyecto; iii) implementación de los planes a su cargo mediante transferencia de recursos; iv) operación del sistema de seguimiento y evaluación del Proyecto; y v) otras funciones a ser indicadas en el Manual de Operaciones.

AGRO RURAL garantizará la buena gestión y administración del Proyecto bajo el mandato de su Dirección Ejecutiva. Sus funciones serán: (i) Suscribir el acuerdo para la creación del NEC; (ii) Aprobar el MOP y sus enmiendas; (iii) Aprobar el POA y sus modificaciones; (iv) Dar seguimiento al cumplimiento de las actividades y el presupuesto del Proyecto; (v) Facilitar los procesos de control y auditoría internos y externos, verificando el cumplimiento de las recomendaciones; y (vi) Realizar supervisiones al Proyecto, conjuntamente con el FIDA.

Para promover un mayor apropiamiento institucional del proyecto se prevé que la Dirección de Desarrollo Agrario, en coordinación con las direcciones técnicas de nivel central (Infraestructura Agraria; Recursos Naturales y Cambio Climático) y los Órganos de Asesoramiento, brinden apoyo a la ejecución, seguimiento, evaluación, gestión del conocimiento y comunicación de resultados. Las unidades encargadas de las áreas financieras darán soporte a los procesos financieros, contables, de adquisiciones y contratación.

El Proyecto se implementará en los territorios a través de sus órganos descentralizados: Direcciones y Agencias Zonales (AZ). Las Direcciones Zonales abarcan una o más regiones y/o provincias y son responsables de coordinar acciones con los Gobiernos Regionales y las instituciones públicas presentes.

3. *Comité de Coordinación del Proyecto (CCP).* Es un grupo de trabajo que proporcionará orientaciones durante la implementación del Proyecto y se constituirá mediante Resolución Ministerial a partir de la firma del Convenio.

El CCP estará compuesto por: i) el Director Ejecutivo de AGRO RURAL, quién presidirá; ii) un representante del MEF; iii) un representante del MINAGRI; iv) el Coordinador del Proyecto, que actuará como Secretario Técnico; y v) un representante de los gobiernos locales, cuyo criterio de selección se establecerá en el MOP. El CCP tendrá por responsabilidad la selección del Coordinador del Proyecto, examinar los progresos en la implementación tomando en cuenta los resultados del seguimiento y evaluación, así como los informes anuales de auditoría. El CCP se reunirá dos veces al año y propondrá orientaciones que aseguren el logro de los objetivos y resultados, en correspondencia con un enfoque de gestión basado en resultados y de eficiencia en el gasto público. Las demás funciones se establecerán en el MOP.

Otras disposiciones

1. *Manual de operaciones del Proyecto.* El Proyecto se ejecutará conforme al presente Convenio y al MOP, el cual establece las reglas operativas y administrativas, procedimientos y formatos para la ejecución del Proyecto por parte del Prestatario a través de la Unidad Ejecutora del Proyecto.

La Unidad Ejecutora del Proyecto, para la aprobación del MOP y sus modificaciones solicitará la No Objeción del FIDA.

El MOP incluirá, como mínimo, lo siguiente: la organización del Proyecto; los arreglos para planificación, seguimiento y evaluación; los procedimientos de las adquisiciones y contrataciones; el sistema de gestión financiera y administrativa, flujo de fondos, los sistemas de contabilidad, gestión y control; los mecanismos para incrementar la participación de las mujeres y jóvenes como beneficiarios del Proyecto; la organización para la ejecución, los roles y funciones de los equipos, y otros asuntos acordados por las partes.

Anexo 2*Cuadro de asignaciones*

1. *Asignación de los recursos del Préstamo.* En el cuadro que figura a continuación se presenta la Categoría de Gastos Admisibles que se financiará con cargo al Préstamo y la asignación del monto de Préstamo a la Categoría, así como el porcentaje de financiación de la Categoría:

Categoría	Monto del Préstamo asignado(expresado en USD)	Porcentaje
Incentivos (donaciones)	24 000 000	100% (sin impuestos)
TOTAL	24 000 000	

Anexo 3

Compromisos especiales

De conformidad con la Sección 12.01 (a) (xxiii) de las Condiciones Generales, el Fondo podrá suspender, total o parcialmente, el derecho del Prestatario a solicitar retiros de la Cuenta del Préstamo si el Prestatario incumple cualquiera de los compromisos especificados a continuación, y el Fondo haya determinado que dicho incumplimiento ha tenido, o es probable que tenga, un efecto adverso en el Proyecto:

1. *Planificación, seguimiento y evaluación.* El Prestatario, a través de la Unidad Ejecutora del Proyecto, se asegurará de que se establezca un sistema de Planificación, Seguimiento, Evaluación y Gestión del Conocimiento, dentro de los primeros doce (12) meses a partir de la fecha de entrada en vigor de este Acuerdo.
2. *Género y Jóvenes.* El Prestatario, a través de la Unidad Ejecutora del Proyecto, se asegurará de que se elabore una Estrategia de Género y Jóvenes, dentro de los primeros doce (12) meses a partir de la fecha de entrada en vigor del presente Convenio.
3. *Pueblos indígenas (PI).* El Prestatario, a través de la Unidad Ejecutora del Proyecto, se asegurará de que los aspectos de los PI se tengan debidamente en cuenta en la implementación del Proyecto; de acuerdo con las disposiciones aplicables de la legislación nacional.
4. *Cumplimiento con los Procedimientos de Evaluación Ambiental, Climática y Social (SECAP).* El Prestatario, a través de la Unidad Ejecutora del Proyecto, asegurará que el Proyecto se implemente de conformidad con los SECAP del FIDA-
El Proyecto, para su implementación, considerará el Marco de Gestión Ambiental y Social (ESMF) para examinar los riesgos e impactos de las actividades propuestas, incluidas las posibles vulnerabilidades ambientales y sociales. El ESMF preverá que se establezca un mecanismo para recibir y facilitar las resoluciones de las quejas de las partes afectadas por el Proyecto.
5. *Medidas anticorrupción.* El Prestatario, a través de la Unidad Ejecutora del Proyecto, deberá cumplir con la Política del FIDA en materia de Prevención del Fraude y la Corrupción en sus Actividades y Operaciones, tomando las medidas adecuadas para prevenir, mitigar y combatir las prácticas prohibidas.
6. *Acoso sexual, explotación sexual y abuso.* El Prestatario y la Unidad Ejecutora del Proyecto asegurarán que el Proyecto se lleve a cabo de conformidad con las disposiciones nacionales y de la Política del FIDA sobre prevención y respuesta al acoso sexual, la explotación sexual y el abuso, según se modifique periódicamente.
7. *Procedimiento de reclamaciones del FIDA por presunto incumplimiento de sus políticas sociales y ambientales y aspectos obligatorios de sus procedimientos de evaluación social, ambiental y climática.* El MOP incluirá referencia al Procedimiento de quejas del FIDA cuyo objetivo es permitir que las personas y las comunidades se comuniquen directamente con el FIDA y presenten quejas si creen que el Proyecto no está cumpliendo con las normas SECAP.

Marco lógico

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	BL	Mid-Term	End Target	Source	Frequency	Resp.	
Outreach	1 Persons receiving services promoted or supported by the project				Reporte Sistema de S&E	Anual	UCP	
	Total number of persons receiving services - Number of people	0	9528	17400				
	Females - Number	0	3811	6960				
	Males - Number	0	5717	10440				
	Young - Number	0	2041	3480				
	Indigenous people - Number	0	553	1044				
	1.a Corresponding number of households reached							
	Households - Number	0	9528	17400				
	Women-headed households - Number	0	2382	4350				
	Non-women-headed households - Number	0	7146	13050				
	1.b Estimated corresponding total number of households members							
Household members - Number of people	0	31442	57420					
Project Goal Contribuir al desarrollo social y económico sostenible de los pequeños productores agrarios organizados, en la Sierra y Selva de las Regiones de Amazonas, Ancash, Cajamarca, Lima y San Martín	2. Pequeños productores agrarios organizados han incrementado los ingresos en 40% o más, el valor de sus activos físicos en un 23% o más (ODS 1) y la seguridad alimentaria en un 10% o más				Reportes Sistema de S&E	Inicio, RMT y Final	UCP	Los eventos/ cambios a nivel de gobierno no tienen efectos negativos en la implementación El contexto internacional es favorable (precios estables, crisis)
	2.1 Pequeños productores (total) - Number of people	0		14790				
	2.1.1 Mujeres - Number of people	0		5916				
	2.1.2 Jóvenes - Number of people	0		2958				
	2.1.3 Población indígena - Number of people	0		887				
	3. Pequeños productores agrarios organizados que incrementan la productividad en 43% o más (IE) y producción en 15% o más (CI, ODS 2, ODS 8)							
3.1 Pequeños productores (total) - Number of people	0	10057	14790					
3.1.1 Mujeres - Number of people	0	4022	5916					
3.1.2 Jóvenes - Number of people	0	2011	2958					
3.1.3 Población indígena - Number of people	0	577	887					
4. Pequeños productores agrarios organizados que habrán visto fortalecida su resiliencia en un 20% o más (CI, ODS 1, ODS 13)				Reportes Sistema de S&E	Anual	UCP		
4.1 Pequeños productores (total) - Number of people	0	6786	10440					
4.1.1 Mujeres - Number of people	0	2714	4176					
4.1.2 Jóvenes - Number of people	0	1357	2088					
Development Objective Incrementar la competitividad y resiliencia de los pequeños productores agrarios organizados del área de intervención								

	4.1.3 Población indígena - Number of people	0	406	626				
	5. Organizaciones de pequeños productores agrarios con capacidades mejoradas que escalan y consolidan en su asociatividad y negocios rurales, según tipo de organización, según tipo de organización (IE)				Estudio evaluativo, según IDO	Inicio, intermedio y final	UCP	
	5.1 Organizaciones de productores (total) - Number	0	640	986				
	5.1.1 Organizaciones de jóvenes - Number	0	27	42				
Outcome 1. Organizaciones de pequeños productores agrarios cuentan con recursos naturales asociados a negocios rurales con gestión sostenible y de riesgos del clima	6. Organizaciones de pequeños productores agrarios cuentan con recursos naturales asociados a sus negocios rurales gestionados de forma sostenible y con riesgo del clima (IE)				Reportes Sistema de S&E	Anual	UCP	Los actores locales (gobiernos provinciales, distritales, juntas de regantes, comunidades) participan en la gestión de los recursos naturales
	6.1 Organizaciones de pequeños productores - Number	0	270	404				
	6.2 Pequeños productores (total) - Number of people	0	4050	6060				
	6.2.1 Mujeres - Number of people	0	1620	2424				
	6.2.2 Jóvenes - Number of people	0	810	1212				
Output 1.1 Inversión en gestión sostenible de recursos naturales, según provincias	7. Programas Provinciales de Gestión de Recursos Naturales implementados (IE)				Reportes Sistema de S&E	Anual	UCP	Los actores locales (gobiernos provinciales, distritales, juntas de regantes, comunidades) participan en la gestión de los recursos naturales
	7.1 Programas Provinciales de Gestión de Recursos Naturales - Number	0	10	15				
Outcome 2. Organizaciones de pequeños productores agrarios con capacidades mejoradas (productivas, asociativas-empresariales, de mercados y financieras) para el desarrollo de negocios rurales	8. Organizaciones de pequeños productores agrarios mejoran su asociatividad y gestión empresarial (IE)				Reportes Sistema de S&E. Evaluación según IDO	Anual	UCP	
	8.1 Organizaciones - Number	0	749	1160				
	9. Organizaciones de pequeños productores agrarios que declaran utilizar servicios financieros				Reportes Sistema de S&E	Anual	UCP	
	9.1 Organizaciones de pequeños productores - Rating	0	195	300				
	9.1.1 Organizaciones vinculadas a IFI - Number	0	65	100				
	9.1.2 Organizaciones con fondo revolvente - Number	0	65	100				
	9.1.3 Organizaciones con Unicas - Number	0	65	100				
	9.1.4 Organizaciones con casas comerciales - Number	0	195	300				

	9.1.5 Organizaciones con incentivo de capitalización - Number	0	0	100				
	10. Pequeños productores que declaran haber adoptado prácticas, tecnologías o insumos nuevos o con enfoque CC mejorados (CI 1.2.2)				Reportes Sistema de S&E. Estudio evaluativo	Anual y Final	UCP	
	10.1 Pequeños productores (total) - Number of people	0	10057	14790				
	10.1.1 Mujeres - Number of people	0	4022	5916				
	10.1.2 Jóvenes - Number of people	0	2011	2958				
	10.1.3 Población indígena - Number of people	0	577	887				
	11. Organizaciones de pequeños productores agrarios que declaran un aumento en las ventas en 18% respecto a la línea base (CI 2.2.5)				Reportes Sistema de S&E	Anual	UCP	
	11.1 Organizaciones - Number	0	641	986				
	12. Organizaciones de pequeños productores agrarios que han celebrado acuerdos/asociaciones formales o contratos con entidades públicas o privadas (CI 2.2.3)				Reportes Sistema de S&E	Anual	UCP	
	12.1 Organizaciones (total) - Number	0	463	712				
	12.1.1 Organizaciones (pivot) - Number	0	0	40				
Output 2.1 Planes de negocios rurales (PN) y Planes de Fortalecimiento Organizacional (PFO) implementados	13. Planes de Negocios (PN) y Planes de Fortalecimiento Organizacional (PFO) implementados (CI 2.1.3)				Reportes Sistema de S&E	Anual	UCP	
	13.1 Planes de Negocios - Number	0	769	1160				
	13.2 Planes de Fortalecimiento Organizacional - Number	0	769	1160				
Output 2.2 Productores que reciben asistencia técnica (IE)	14. Productores que reciben asistencia técnica (IE) (CI 1.1.4)				Reportes Sistema de S&E	Anual	UCP	
	14.1 Productores (total) - Number of people	0	12006	17400				
	14.1.1 Mujeres - Number of people	0	4733	6960				
	14.1.2 Jóvenes - Number of people	0	2366	3480				
	14.1.3 Población indígena - Number of people	0	553	1044				
Outcome 3.a Proveedores de servicios financieros (IFI, empresas de insumos, UNICAS, Fintech) y servicios no financieros (talentos, organizaciones de jóvenes) fortalecen su oferta de servicios a pequeños productores	15. Proveedores de servicios financieros (IFI, empresas de insumos, UNICAS, Fintech) y servicios no financieros (talentos, organizaciones de jóvenes) fortalecen su oferta de servicios a pequeños productores				Reportes Sistema de S&E	Anual	UCP	Proveedores de servicios tienen interés en desarrollar productos financieros
	15.1 Personas jóvenes - Number of people	0	2366	2366				
	15.2 IFIS - Number	0	3	3				
	15.3 Cajas comerciales - Number	0	10	10				
	15.4 Cías. Fintech - Number	0	3	3				
	15.5 UNICAS - Number	0	100	100				
	15.6 Talentos locales - Number of people	0	100	100				
Output 3.a.1 Proveedores de servicios financieros y no	16. Proveedores de servicios financieros (IFI, empresas de insumos, UNICAS, Fintech) apoyados (AT, incentivos, información, capacitación) (CI 1.1.6)				Reportes Sistema de S&E	Anual	UCP	Proveedores de servicios tienen

financieros apoyados con asistencia técnica	16.1 IFIS - Number	0	3	3				interés en desarrollar productos financieros
	16.2 Casas comerciales - Number	0	10	10				
	16.3 Cías. Fintech - Number	0	3	3				
	16.4 UNICAS - Number	0	100	100				
	16.5 Proveedores técnicos (talentos) (30% con incentivos) - Number of people	0	100	100				
Output 3.a.2 Mecanismos empresariales/comerciales y de conocimiento de apoyo a los negocios rurales desarrollados	17. Mecanismos empresariales/comerciales desarrollados				Reportes Sistema de S&E	Anual	UCP	Proveedores de servicios tienen interés en desarrollar productos financieros
17.1 Alianzas 4P desarrolladas - Number	0	4	4					
17.2 Alianza para certificación de productos - Number	0	1	1					
17.3 Mercados municipales establecidos - Number	0	5	5					
Outcome 3.b Organizaciones de pequeños productores (mujeres y jóvenes) y proveedores de servicios, cuentan con capacitación y recursos de conocimiento y comunicación para el desarrollo de negocios rurales	18. Organizaciones de pequeños productores (mujeres y jóvenes) que declaran que cuentan/usan los recursos de conocimiento y comunicación				Reportes sistema SE	Anual	UCP	Proveedores de servicios tienen interés en desarrollar productos financieros
18.1 Organizaciones de productores - Number	0	769	1160					
18.2 Proveedores de servicios - Number	0	100	100					
Output 3.b.1 Recursos de conocimiento y comunicación desarrollados	19. Número de estudios/casos/productos de conocimientos desarrollados (Policy)				Reportes Sistema de S&E	Anual	UCP	Proveedores de servicios tienen interés en desarrollar productos financieros
19.1 Sistematizaciones/estudios/casos - Number	0	6	12					
19.2 Cajas de herramientas generadas - Number	0	1	1					
Output 3.b.2 Capacitación de jóvenes y mujeres	20. Capacitaciones realizadas				Reportes Sistema de S&E	Anual	UCP	Proveedores de servicios tienen interés en desarrollar productos financieros
20.1 Organizaciones de jóvenes capacitados en emprendedurismo - Number	0	20	70					
20.2 Mujeres capacitadas en liderazgo - Number of people	0	230	350					
20.3 Pequeños productores agrarios líderes capacitados para efecto multiplicador (total) - Number of people	0	90	135					
20.4 Pequeños productores agrarios líderes capacitados para efecto multiplicador (mujeres) - Number of people	0	22	54					