
President's report

Proposed loan

Hashemite Kingdom of Jordan

**Small Ruminants Investment and Graduating
Households in Transition Project II (SIGHT-II)**

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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 | 08-12-2025

Financing summary

Initiating institution:	IFAD
Borrower/recipient:	Hashemite Kingdom of Jordan
Executing agency:	Ministry of Agriculture
Total project cost:	US\$34.00 million
Amount of IFAD loan (performance-based allocation system):	US\$4.56 million
Terms of IFAD loan:	Ordinary terms, maturity period of 12 years, including a grace period of 3 years, subject to interest at a rate equal to the IFAD reference interest rate including variable spread
Cofinanciers:	Domestic financial institution (Agricultural Credit Corporation), local private sector, project participants, Government, Adaptation Fund, Pandemic Fund
Amount of cofinancing:	Agricultural Credit Corporation: US\$2.00 million Adaptation Fund: US\$9.22 million Pandemic Fund: US\$2.85 million
Terms of cofinancing:	N/A
Contribution of borrower/recipient:	US\$3.74 million
Contribution of project participants:	US\$1.19 million
Financing gap:	US\$10.44 million
Amount of IFAD climate finance:	US\$9.94 million, which represents 66.3 per cent of total IFAD funding for both phases of the project (excluding the financing gap)
Cooperating institution:	IFAD

I. Context

A. National context and rationale for IFAD involvement

National context

1. The Hashemite Kingdom of Jordan remains politically stable, despite its location in a conflict-affected region, but faces mounting socioeconomic pressures, including high unemployment, rising living costs, limited fiscal space and increasing climate vulnerability. Rural poverty is concentrated in governorates such as Ma'an, Karak, Tafilah and Mafraq, where households experience multidimensional poverty, food insecurity and limited livelihood opportunities. Agriculture, particularly small ruminant production is vital for rural livelihoods, although it contributes only modestly to GDP.
2. The livestock sector, especially breeding of sheep and goats, plays a central role in rural economies and household food security, yet it is increasingly hampered by climate change, environmental degradation and weak market systems. Recurrent droughts, water scarcity and rising temperatures have reduced rangeland productivity and increased reliance on costly imported feed. Additional challenges include limited veterinary and extension services, weak breeding systems, informal dairy markets, infrastructure deficits and uneven access to finance.
3. Women and youth are key actors in livestock production and processing, but structural barriers limit their economic participation. Restrictive social norms, limited asset ownership and heavy domestic responsibilities constrain women's engagement in markets and services, while high youth unemployment and limited access to land and finance hinder enterprise development.
4. Jordan has established comprehensive policy frameworks for agriculture, food security, climate change and financial inclusion, emphasizing resilience and value chain development, but implementation gaps remain in animal health, feed and water management, rangeland governance and value addition.
5. Building on IFAD's strong track record under the first phase of the Small Ruminants Investment and Graduating Households in Transition Project (SIGHT-I) and the Rural Economic Growth and Employment Project (REGEP), SIGHT-II will scale up proven interventions, address remaining bottlenecks and support a systemic, inclusive and climate-resilient transformation of the small ruminant sector.

Special aspects relating to IFAD's corporate mainstreaming priorities

6. In line with IFAD's mainstreaming commitments, SIGHT-II has been validated as:
 - Including climate finance
 - Gender-transformative
 - Nutrition-sensitive
 - Youth-sensitive
 - Including adaptive capacity
7. **Climate vulnerability.** Jordan is highly vulnerable to climate change, particularly in dryland livestock systems where rising temperatures, recurrent droughts and erratic rainfall threaten productivity and rural livelihoods. Projected temperature increases of up to 4° C, combined with severe water scarcity and overexploited resources, are reducing rangeland productivity and increasing livestock water demand. Limited availability of natural pastures and crop residues forces heavy reliance on imported feed, exposing producers to global price volatility and undermining household incomes and food security. SIGHT-II will respond by supporting community-based rangeland restoration, rainwater harvesting and water conservation, piloting drought- and heat-tolerant fodder species, strengthening

animal health systems to address climate-sensitive diseases, and enhancing measurement, reporting and verification of livestock emissions.

8. **Gender.** While women have made gains in education and health, significant gender inequalities persist in employment, income, asset ownership and decision-making, particularly in rural areas. Women play a central role in livestock husbandry and dairy processing but are often unpaid family workers with limited control over resources. Restrictive social norms, limited mobility and heavy domestic responsibilities constrain women's access to markets, services and business opportunities. Building on lessons from SIGHT-I, SIGHT-II will adopt gender-transformative approaches to address discriminatory norms, promote equitable intra-household decision-making, strengthen women's leadership in producers' organizations and provide targeted training, grants and tailored financial products. Gender considerations will be mainstreamed across all components and monitoring mechanisms will be put in place to identify and address gender-specific barriers during implementation.
9. **Nutrition.** Although national undernourishment rates are relatively low, nutrition challenges persist, including micronutrient deficiencies and rising rates of overweight and obesity linked to poor diet quality. Rural households face limited access to diverse, safe and nutritious foods. Small ruminant products can significantly improve dietary quality, but their potential is constrained by low productivity, irregular supply and food safety concerns. SIGHT-II will improve nutrition outcomes by increasing the availability and safety of animal-sourced foods, integrating nutrition education into extension services, strengthening hygiene and food safety in dairy processing and marketing, and supporting women-led enterprises producing nutritious foods.
10. **Youth.** Youth unemployment remains high, and rural youth face obstacles in accessing land, finance and decent work opportunities. At the same time, youth possess skills that are critical for modernizing livestock systems, particularly with regard to digital solutions, entrepreneurship and service provision. Building on the SIGHT-I experience, SIGHT-II will expand youth participation through targeted training, grants and financial products; support youth-led enterprises in areas such as artificial insemination, feed and fodder production, and water-saving technologies; and promote youth leadership in community-based rangeland management and producers' organizations.

Rationale for IFAD involvement

11. IFAD's engagement in Jordan is justified by persistent rural poverty, high climate vulnerability and structural weaknesses in the small ruminant sector and by IFAD's strong comparative advantage in addressing these challenges. Small ruminant systems underpin rural livelihoods but are hampered by low productivity, heavy reliance on costly imported feed, weak animal health and breeding services, limited market integration and growing climate pressures, requiring coordinated, systemic responses.
12. Through SIGHT-I and REGEP, IFAD has demonstrated effectiveness in genetics improvement, veterinary and extension services, rangeland rehabilitation, climate-resilient practices, value chain development and inclusive rural finance, with particular strength in gender- and youth-responsive approaches. Responding to government demand, SIGHT-II will build on this experience to scale up proven interventions; address remaining gaps in feed, water, markets and policy implementation; and support national objectives for food security, climate adaptation and inclusive rural development.

B. Lessons learned

13. Experience from SIGHT-I, REGEP and partner interventions highlights key lessons that will shape SIGHT-II. Improved genetics, particularly through artificial

insemination, can significantly raise productivity, but impacts will be limited unless feed, water and animal health constraints are addressed. Participatory rangeland restoration has proven effective, confirming the importance of community ownership for sustainable land management.

14. Farmer field schools have improved animal husbandry and have reached women and youth, but they require more practical, seasonally aligned curricula and better inclusion of the most vulnerable producers. Market experience shows greater benefits from strengthening domestic markets, food safety and value addition than from costly export certifications, with timely, market-informed value chain selection being essential.
15. Tailored agricultural finance, combined with financial literacy training and technical support, improves performance, as demonstrated by the Agricultural Credit Corporation. Effective policy engagement depends on strong government demand, while gender and youth inclusion must address constraints associated with social norms, mobility and women's care-related roles.

II. Project description

A. Objectives, geographical area of intervention and target groups

16. SIGHT-II aims to enhance the resilience, profitability and food and nutrition security of smallholders engaged in small ruminant production. The project will be implemented over six years and will operate nationwide for production and service delivery, with targeted interventions in Ma'an, Karak, Tafilah and Mafraq owing to the high levels of poverty and climate vulnerability in those governorates. It will directly benefit 14,000 sheep and goat producers, ranging from poor smallholders to semi-intensive and commercial farmers and private breeding multipliers, reaching approximately 65,800 household members. Women and youth are priority target groups and will be supported through tailored activities. Targeting will follow IFAD policies. A vulnerability-based approach will be applied in coordination with national social protection institutions.

B. Components, outcomes and activities

17. SIGHT-II comprises three components: (i) strengthening the productivity and climate resilience of small ruminant producers; (ii) supporting investment in the small ruminant value chain; and (iii) policy support and project coordination.
18. **Component 1: Strengthening the productivity and climate resilience of small ruminant producers.** Component 1 will address core production constraints through improved genetics, strengthened veterinary health and disease control systems, rangeland restoration, water harvesting and climate-resilient fodder production. Farmer and pastoral field schools will provide practical training in animal husbandry, climate adaptation, food safety and nutrition, boosting productivity and reducing climate-related risks.
19. **Component 2: Supporting investment in the small ruminant value chain.** Component 2 will focus on income growth and livelihood diversification by improving market infrastructure and supporting micro and small enterprises. Activities will include rehabilitating livestock markets; promoting women- and youth-led enterprises in dairy, wool and meat processing; and delivering financial literacy training and business development services. Collaboration with the Agricultural Credit Corporation will expand access to tailored agricultural finance.
20. **Component 3: Policy support and project coordination.** Component 3 will tackle systemic bottlenecks through evidence generation for policy development, strengthened planning, monitoring, evaluation and knowledge management, deployment of a digital management information system, and effective coordination and grievance redress.

C. Theory of change

21. SIGHT-II's theory of change recognizes that sustainable gains in productivity, resilience and market integration require coordinated action across the small ruminant value chain, structured around four mutually reinforcing pathways.
22. **Pathway 1: Climate resilience.** The project will strengthen farmers' capacity to withstand climate shocks by improving genetics, enhancing disease control systems and promoting adaptive feed and water solutions alongside climate-smart training. Community-based rangeland restoration, soil conservation and water harvesting will help reverse land degradation, restore productivity and strengthen the natural resource base, reducing vulnerability to droughts and heat stress.
23. **Pathway 2: Economic resilience.** Access to tailored financial services, business development support and value addition opportunities will enable producers and micro and small enterprises to increase incomes, diversify livelihoods and create rural employment. Investments in market infrastructure and improved compliance with food safety standards will enhance the competitiveness of small ruminant products in domestic and regional markets.
24. **Pathway 3: Empowerment and nutrition.** Targeted training, grants and mentoring, combined with efforts to address sociocultural barriers, will increase women's and youth's agency and participation in value chains. Integrating nutrition education into extension services and supporting women-led processing enterprises will improve dietary diversity, food safety and household nutrition.
25. **Pathway 4: Policy coherence.** Evidence generated through field interventions and inclusive policy dialogue will inform national strategies and regulations, creating an enabling environment that reinforces project outcomes. Together, these pathways will improve resilience and profitability while contributing to national food security and climate adaptation objectives.

D. Alignment, ownership and partnerships

26. SIGHT-II is fully aligned with the IFAD country strategy note for Jordan, with a strong emphasis on resilience, inclusive rural transformation and climate-adapted food systems. At the national level, the project will contribute directly to the implementation of Jordan's key policy frameworks for agricultural development, food security, climate change and Nationally Determined Contributions, desertification, biodiversity and financial inclusion. It will also advance national priorities related to women's empowerment and youth employment. The project is aligned with the United Nations Sustainable Development Cooperation Framework, particularly outcomes related to sustainable livelihoods, climate resilience and equitable access to services.
27. Government ownership of the project is strong, with the Ministry of Agriculture leading implementation and demonstrating sustained commitment to small ruminant sector development. SIGHT-II will build on the achievements and lessons of SIGHT-I and REGEP, responding to government demand to scale up proven interventions while addressing remaining systemic constraints. Key national institutions, including the National Agricultural Research Center and the Agricultural Credit Corporation, working alongside cooperatives and private sector actors, will play central roles in breeding, research, extension, animal health and inclusive finance to strengthen value chains.
28. Strategic partnerships with development partners, civil society and community-based organizations will ensure technical complementarity, reduce duplication and maximize synergies, supporting a coordinated national effort to modernize and climate-proof the livestock sector while ensuring that benefits reach poor rural households, women and youth.

E. Costs, benefits and financing

Project costs

29. The project will be financed by an IFAD loan of US\$4.56 million (13.4 per cent) from the performance-based allocation system (PBAS) allocation under the Thirteenth Replenishment of IFAD's Resources (IFAD13). The Agricultural Credit Corporation, the Adaptation Fund and the Pandemic Fund will cofinance the project, providing US\$2.00 million (5.9 per cent), US\$9.22 million (27.1 per cent) and US\$2.85 million (8.4 per cent), respectively. The financing gap of US\$10.44 million (30.7 per cent) may be sourced through subsequent PBAS cycles, under financing terms to be determined and subject to internal procedures and subsequent Executive Board approval, or through cofinancing identified during implementation. The Government's in-kind contribution is estimated at US\$3.74 million, which is equivalent to 11 per cent of the overall budget. This government contribution will be spread across all components, with a significant percentage (17.40 per cent) allocated to component 1, mostly in the form of regular budget funding provided for the operations of breeding stations involved in project implementation. Project participants' contribution is estimated at US\$1.19 million (3.5 per cent). IFAD will provide climate finance amounting to US\$9.94 million, representing 66.3 per cent of total IFAD funding for the two phases of the project (excluding the financing gap).

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

Component/subcomponent	IFAD loan (PBAS)		Financing gap		Agricultural Credit Corporation		Pandemic Fund		Adaptation Fund		Project participants		Government of Jordan		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1. Strengthening the productivity and climate resilience of small ruminant producers																
1. Supporting national breeding programmes and veterinary services for small ruminants	2 191.6	22.3	3 352.9	34.0	-	-	2 411.7	24.5	-	-	34.0	0.3	1 857.9	18.9	9 848.2	29.0
2. Strengthening adaptive capacity through sustainable feed and water systems	84.9	1.6	578.3	11.2	-	-	-	-	3 555.8	69.0	163.6	3.2	772.2	15.0	5 154.9	15.2
3. Building capacities and awareness of producers	156.6	11.2	709.7	50.9	-	-	-	-	305.5	21.9	-	-	223.2	16.0	1 395.0	4.1
Subtotal	2 433.1	14.8	4 640.9	28.3	-	-	2 411.7	14.7	3 861.3	23.5	197.6	1.2	2 853.4	17.4	16 398.1	48.2
2. Supporting investment in the small ruminant value chain																
1. Market access and value addition	759.3	8.6	3 614.6	40.7	-	-	201.9	2.3	3 298.3	37.2	491.3	5.5	509.1	5.7	8 874.5	26.1
2. Access to finance	633.2	12.8	727.2	14.7	2 000.0	40.4	-	-	1 042.1	21.1	501.6	10.1	45.0	0.9	4 949.1	14.6
Subtotal	1 392.5	10.1	4 341.8	31.4	2 000.0	14.5	201.9	1.5	4 340.4	31.4	992.9	7.2	554.1	4.0	13 823.6	40.7
3. Policy support and project coordination																
1. Policy support	97.5	16.4	131.4	22.1	-	-	108.5	18.2	162.5	27.3	-	-	95.2	16.0	595.0	1.8
2. Project management	635.9	20.0	1 326.7	41.7	-	-	127.9	4.0	850.9	26.7	-	-	241.9	7.6	3 183.3	9.4
Subtotal	733.4	19.4	1 458.1	38.6	-	-	236.4	6.3	1 013.4	26.8	-	-	337.1	8.9	3 778.4	11.1
Total	4 559.0	13.4	10 440.8	30.7	2 000.0	5.9	2 850.0	8.4	9 215.1	27.1	1 190.5	3.5	3 744.6	11.0	34 000.0	100.0

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

Expenditure category	IFAD loan (PBAS)		Financing gap		Agricultural Credit Corporation		Pandemic Fund		Adaptation Fund		Project participants		Government of Jordan		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
I. Investment costs																
Equipment and materials	278.9	13.1	368.8	17.2	-	-	667.0	31.4	433.6	20.4	34.0	1.6	339.5	16.0	2 121.8	6.2
Goods and services	1 917.4	25.7	3 353.4	44.9	-	-	771.1	10.3	92.1	1.2	-	-	1 311.7	17.8	7 465.8	22.0
Consultancies	624.5	16.7	780.3	20.9	-	-	450.5	12.0	1 194.8	31.9	163.6	4.4	528.5	14.1	3 742.2	11.0
Training and workshops	277.2	10.4	882.9	33.0	-	-	729.0	27.3	382.5	14.3	-	-	400.8	15.0	2 672.3	7.9
Civil works	259.8	5.6	1 644.4	35.4	-	-	203.6	4.4	1 795.5	38.6	-	-	743.5	16.0	4 646.7	13.7
Grants and subsidies	253.0	4.3	1 650.1	28.2	-	-	-	-	3 465.8	59.1	491.3	8.4	-	-	5 860.3	17.2
Credit guarantee funds	550.0	12.1	492.2	10.8	2 000.0	44.0	-	-	1 000.0	22.0	501.6	11.0	-	-	4 543.7	13.4
Total investment costs	4 160.9	13.4	9 171.9	29.5	2 000.0	6.4	2 821.2	9.1	8 364.2	26.9	1 190.5	3.8	3 344.0	10.8	31 052.7	91.3
II. Recurrent costs																
Salaries and allowances	352.8	13.6	1 189.3	45.9	-	-	10.2	0.4	815.7	31.5	-	-	225.3	8.7	2 593.3	7.6
Operating costs	45.3	12.8	79.6	22.5	-	-	18.6	5.2	35.2	9.9	-	-	175.3	49.5	354.0	1.0
Total recurrent costs	398.1	13.5	1 268.9	43.1	-	-	28.8	1.0	850.9	28.9	-	-	400.6	13.6	2 947.3	8.7
Total	4 559.0	13.4	10 440.8	30.7	2 000.0	5.9	2 850.0	8.4	9 215.1	27.1	1 190.5	3.5	3 744.6	11.0	34 000.0	100.0

Table 3

Project costs by component and subcomponent and project year

(Thousands of United States dollars)

<i>Component/subcomponent</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030</i>	<i>2031</i>	<i>Total</i>
1. Strengthening the productivity and climate resilience of small ruminant producers							
1. Supporting national breeding programmes and veterinary services for small ruminants	887.0	1 643.9	2 746.1	1 625.5	1 620.5	1 325.2	9 848.2
2. Strengthening adaptive capacity through sustainable feed and water systems	67.4	428.3	1 461.9	1 948.9	672.6	575.7	5 154.9
3. Building capacities and awareness of producers	171.6	247.6	296.8	291.6	244.1	143.4	1 395.0
Subtotal	1 126.0	2 319.8	4 504.8	3 866.0	2 537.2	2 044.3	16 398.1
2. Supporting investment in the small ruminant value chain							
1. Market access and value addition	301.2	2 326.8	2 029.5	2 154.3	1 660.6	402.1	8 874.5
2. Access to finance	589.9	816.6	833.2	866.0	938.3	905.1	4 949.1
Subtotal	891.0	3 143.4	2 862.7	3 020.3	2 598.9	1 307.2	13 823.6
3. Policy support and project coordination							
1. Policy support	-	111.4	184.7	191.3	99.1	8.6	595.0
2. Project management	580.9	485.3	433.0	617.4	559.6	507.2	3 183.3
Subtotal	580.9	596.7	617.7	808.7	658.7	515.8	3 778.4
Total	2 597.9	6 059.8	7 985.2	7 695.0	5 794.9	3 867.3	34 000.0

Financing and cofinancing strategy and plan

30. The total cost of SIGHT-II is estimated at US\$34.00 million, including physical and price contingencies. The base cost is US\$31.60 million, with physical contingencies of US\$0.17 million and financial contingencies of US\$2.23 million. Taxes account for 8.76 per cent of total project costs, equivalent to roughly US\$2.98 million. The programme is organized into three components: component 1: strengthening the productivity and climate resilience of small ruminant producers (US\$16.40 million, 48.2 per cent); component 2: supporting investment in the small ruminant value chain (US\$13.82 million, 40.7 per cent); and component 3: policy support and project coordination (US\$3.78 million, 11.1 per cent).
31. The financing plan includes contributions from multiple sources. IFAD will provide US\$4.56 million through the PBAS, accounting for 13.4 per cent of total project costs. The Adaptation Fund will contribute US\$9.22 million (27.1 per cent), and the Pandemic Fund will provide US\$2.85 million (8.4 per cent). The Government of Jordan will contribute US\$3.74 million, primarily through tax exemptions and in-kind contributions, representing 11 per cent of total costs. The Agricultural Credit Corporation will contribute US\$2.00 million (5.9 per cent). Project participants will contribute US\$1.19 million (3.5 per cent). The financing plan leaves a funding gap of US\$10.44 million, equal to 30.7 per cent of total project costs, which will need to be mobilized during implementation.

Disbursement

32. The SIGHT-II project will apply replenishment and direct payment as the primary disbursement modalities. IFAD resources will be channelled through a designated account denominated in United States dollars at the Central Bank of Jordan, to be managed by the project management unit within the Ministry of Agriculture. Funds will be transferred to an operating account in Jordanian dinars to finance eligible expenditures in accordance with the approved annual workplan and budget. Payments to implementing partners and service providers will be made in line with contractual arrangements. For financial inclusion activities, IFAD resources will be disbursed directly to dedicated credit line accounts at the Agricultural Credit Corporation and onlent to eligible project participants. Contributions from international cofinanciers will be managed through designated separate, but aligned, operating bank accounts.

Summary of benefits and economic analysis

33. This section presents the economic and financial analysis of the SIGHT-II project, applying standard cost-benefit methodologies to assess its financial and economic viability. The analysis draws on detailed livestock, feed, processing and service delivery models developed using conservative assumptions, including a 10-year analysis period and a 70 per cent adoption rate. Results indicate that the project is economically sound, with an economic internal rate of return (EIRR) of 24.67 per cent and a net present value (NPV) of US\$93 million at a 10 per cent discount rate.
34. Sensitivity testing confirms strong robustness: with cost increases of 10, 20 and 30 per cent, the EIRR remains between 24.1 and 22.9 per cent, and the NPV ranges from US\$90.5 million to US\$85.0 million. With benefit reductions of 10, 20 and 30 per cent, the EIRR stays above 22.2 per cent, with NPVs between US\$81.1 million and US\$57.05 million.

Exit strategy and sustainability

35. SIGHT-II's exit strategy centres on long-term sustainability by strengthening institutional capacities, empowering community organizations and enhancing the self-reliance of farmers and enterprises. Through targeted training, mentoring and technical support, producers, micro, small and medium-sized enterprises and service providers will be equipped to sustain improvements beyond project completion. Community-based rangeland groups and cooperatives will be supported to manage resources and services effectively. By embedding interventions within national systems and ensuring government ownership, core functions such as breeding, animal health and extension will transition to Jordanian institutions, ensuring continued impact without external support.

III. Risk management

A. Risks and mitigation measures

36. SIGHT-II has a moderate inherent risk profile, characterized by procurement and financial capacity constraints, climate variability, the need for multi-institutional coordination, and potential service delivery delays. Additional risks relate to uneven partner capacity and weak data systems that may affect monitoring and decision-making. These risks will be mitigated through procurement and financial management systems aligned with IFAD guidelines, early procurement planning, strengthened financial controls, mandatory staff training, targeted partner support, enhanced transparency measures and close supervision.

Table 4

Overall risk summary

<i>Risk areas</i>	<i>Inherent risk rating</i>	<i>Residual risk rating</i>
Country context	Moderate	Moderate
Sector strategies and policies	Moderate	Moderate
Environment and climate context	Moderate	Moderate
Project scope	Moderate	Moderate
Institutional capacity for implementation and sustainability	Moderate	Moderate
Financial management	Substantial	Substantial
Project procurement	Moderate	Moderate
Environment, social and climate impact	Moderate	Moderate
Stakeholders	Moderate	Moderate
Overall	Moderate	Moderate

B. Environment and social category

37. SIGHT-II is classified as having moderate environmental and social risk. The risks relate mainly to small-scale infrastructure upgrades, rangeland restoration, increased water use, and waste from livestock and dairy activities, all of which are

site-specific and manageable. Mitigation measures include training in climate-resilient and sustainable practices; adherence to the project's Environmental, Social and Climate Management Plan; and regular monitoring. Activities financed through matching grants or loans will undergo environmental and social risk screening to exclude high-risk ventures. Institutional capacities will be strengthened to ensure compliance and uphold the principle of leaving no one behind.

C. Climate risk classification

38. SIGHT-II is classified as having moderate climate risk, as assessed using IFAD's climate risk screening methodology. Implementation will span all 12 governorates, which have varying exposure levels. However, national trends for the country as a whole show increasing water scarcity, drought, river flooding, greater rainfall variability and rising temperatures accompanied by more frequent heatwaves. These hazards heighten risks for the livestock sector, including reduced rangeland productivity and increased water stress for rural households. SIGHT-II will strengthen adaptive capacity through rangeland restoration, rainwater harvesting, drought- and heat-tolerant fodder, diversified livelihoods, improved market access and climate-responsive financing, helping communities better manage climate variability and resource pressures.

D. Debt sustainability

39. Jordan faces a moderate risk of sovereign stress, with public debt levels remaining elevated due to ongoing fiscal pressures and limited room for rapid consolidation. Nonetheless, the public debt is assessed as sustainable. The debt-to-GDP ratio, at nearly 90 per cent, is expected to remain high in the short term before gradually declining as reforms take effect. The Government continues to implement measures to enhance revenue generation and control expenditures, while projected economic growth of around 2.5 to 3 per cent over the coming years is expected to support gradual improvements. Within this context, SIGHT-II financing remains consistent with Jordan's debt management framework and medium-term fiscal sustainability objectives.

IV. Implementation

A. Organizational framework

Project management and coordination

40. The Ministry of Agriculture will act as the lead executing agency for SIGHT-II, providing strategic oversight and ensuring alignment with national agricultural and food security priorities. Implementation will be undertaken through a dedicated project management unit (PMU) within the Ministry of Agriculture, building on the experience and institutional arrangements of SIGHT-I. The PMU will include staff with expertise in procurement, financial management, monitoring and evaluation, gender, youth, climate, knowledge management and communications. National technical agencies will play specialized roles: the National Agricultural Research Center will implement activities related to breeding, animal health, fodder development and rangeland restoration, while the Agricultural Credit Corporation will lead rural finance interventions.
41. A project steering committee will provide policy guidance, approve annual workplans and budgets and ensure inter-agency coordination, while a project technical coordination committee will support operational alignment across implementing partners, including governorate-level directorates and community-based rangeland groups. SIGHT-II will be fully embedded within Ministry of Agriculture structures to reinforce ownership, sustainability and efficient resource use.

Financial management, procurement and governance

42. Financial management will be centralized within the PMU and will encompass budgeting, fund flows, financial reporting and compliance with IFAD requirements. Financial management systems will be aligned with International Public Sector Accounting Standards and supported by automated tools to ensure timely and reliable reporting. Project funds will be managed through a designated account at the Central Bank of Jordan, and financial operations will be aligned with the approved annual workplans and budgets. The PMU will be adequately staffed and strengthened, including through the deployment of qualified financial management personnel and targeted capacity-building measures, drawing on lessons learned from SIGHT-I and REGEP. Annual external audits will be conducted by the Audit Bureau of Jordan. Procurement will be carried out in accordance with IFAD procurement guidelines and applicable national systems, guided by a procurement plan and a risk matrix. Governance arrangements will emphasize transparency, zero tolerance for prohibited practices, and robust oversight, including grievance redress mechanisms aligned with IFAD standards.

Target group engagement and feedback and grievance redress

43. SIGHT-II will apply participatory approaches to ensure responsiveness to the needs of target groups, including community consultations, participatory rangeland planning, and structured engagement with women and youth. Feedback mechanisms, such as participant surveys, suggestion channels and farmer field schools, will inform adaptive management, and community organizations and producers' groups will be involved in activity selection and monitoring.

Grievance redress

44. A two-tier grievance redress mechanism will be established, with project-level focal points and community committees, complemented by partner-level systems, ensuring accessible and timely resolution of grievances. Complainants may also approach IFAD directly through confidential channels. The mechanism will address all grievances, including sexual harassment, exploitation and abuse, in line with IFAD's zero-tolerance policy, with transparent documentation and reporting to the project steering committee.

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

45. SIGHT-II will establish an integrated planning and monitoring and evaluation (M&E) system to support adaptive management, evidence-based decision-making and policy engagement. Annual workplans and budgets will be results-based, prepared through participatory processes and validated by the project steering committee. A digital management information system will track outputs, outcomes and participant data in real time, complemented by baseline, midterm and completion surveys to assess impact. Continuous field monitoring will enable timely adjustments during implementation.
46. Knowledge management will systematically capture lessons from interventions in breeding, rangeland restoration, climate adaptation, inclusive finance, and empowerment of women and youth. Knowledge products will be shared through workshops, technical dialogues, national platforms and digital channels. A dedicated communications strategy will enhance visibility, inform stakeholders and support the scaling up of successful approaches. Strong integration across planning, M&E, knowledge management and communications processes will strengthen learning, accountability and institutional uptake.

Innovation and scaling up

47. SIGHT-II will introduce context-specific innovations for Jordan's small ruminant sector, including expansion of a modernized breeding programme based on artificial insemination and digital livestock identification, climate-resilient feed and water

solutions, community-based rangeland governance models, and strengthened disease surveillance supported by improved laboratory systems. Youth-led service delivery models will be promoted in areas such as artificial insemination, feed production, water-saving technologies and veterinary services. Bundled support, combining grants, finance, training and coaching, will enable women and youth to establish viable microenterprises for dairy, wool and meat value addition.

48. The project is designed for strong scalability through alignment with national strategies and close collaboration with institutions such as the National Agricultural Research Center and the Agricultural Credit Corporation, which will enable successful models to be absorbed into government systems. Policy engagement and partnerships with development actors will further support replication and integration of successful interventions into future programmes.

C. Implementation plans

Implementation readiness and start-up plans

49. Implementation readiness will be ensured through finalization of the project implementation manual, establishment of coordination bodies, recruitment and training of PMU staff, and operationalization of procurement, financial management and digital management information systems. Early procurement and partnership agreements will be prioritized.

Supervision, midterm review and completion plans

50. IFAD will directly supervise SIGHT-II through annual missions, with a joint midterm review in the third year and a comprehensive project completion report supported by impact assessments and participant feedback.

V. Legal instruments and authority

51. A financing agreement between the Hashemite Kingdom of Jordan 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.
52. The Hashemite Kingdom of Jordan is empowered under its laws to receive financing from IFAD.
53. I am satisfied that the proposed financing will comply with the Agreement Establishing IFAD and the Policies and Criteria for IFAD Financing.

VI. Recommendation

54. 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 Hashemite Kingdom of Jordan in an amount of four million five hundred and fifty-nine thousand United States dollars (US\$4,559,000) and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.

Alvaro Lario
President

Negotiated financing agreement

Loan No: _____

Project name: Small Ruminants Investment and Graduating Households in Transition Project II ("the Project" or "SIGHT II")

The Hashemite Kingdom of Jordan (the "Borrower")

and

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

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

Section A

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

Section B

1. The IFAD Financing shall comprise a loan in the amount of four million five hundred fifty-nine thousand USD (USD 4 559 000) (the "Loan").
2. In addition to the Loan, the Project is expected to benefit from co-financing in the amount of two million United States dollars (USD 2 000 000) from the Agricultural Credit Corporation (ACC).
3. The Financing is granted on ordinary terms and shall be subject to interest on the principal amount outstanding of the Loan at a rate equal to the IFAD Reference Interest Rate including a variable spread, payable semi-annually in the Loan Service Payment Currency, and have a maturity period of 12 years, including a grace period of 3 years,

starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.

4. The Loan Service Payment Currency shall be in United States dollars (USD).
5. The first day of the applicable Fiscal Year shall be 1 January.
6. Payments of principal and interest shall be payable on each 1st April and 1st October.
7. There shall be a Designated Account in USD, for the exclusive use of the Loan opened in the Central Bank of Jordan. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.
8. There shall be a Programme Account in Jordanian dinar (JOD), to receive funds from the Loan designated account, opened in the Central Bank of Jordan.
9. The Borrower shall provide counterpart financing for the Project in the amount of approximately three million seven hundred forty-four thousand six hundred United States dollars (USD 3 744 600) equivalent in the form of cofinancing of activities, taxes and duties.

Section C

1. The SIGHT II Lead Implementing Agency shall be the Ministry of Agriculture.
2. Additional Project Parties are described in Schedule 1 Part II, paragraph 9.
3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Project.
4. The Project Completion Date shall be the sixth (6th) anniversary of the date of entry into force of this Agreement.
5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines.

Section D

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

Section E

1. The following are designated as additional specific conditions precedent to withdrawal:
 - (a) The IFAD no objection to the Project Implementation Manual (PIM) shall have been obtained.
 - (b) The Borrower through the SIGHT II Project Agency shall have established the Project Management Unit (PMU) (and recruited the Project Director and the Finance Manager), Project Steering Committee (PSC), and Project Technical Coordination Committee (PTCC).

- (c) Key Project staff have been appointed as per Paragraph 11 of Schedule 3 of this Agreement.
2. The following is designated as an additional specific condition precedent to withdrawal from the Credit & Guarantee Fund category:
- (a) Subsidiary agreements for the Credit lines shall be signed between Ministry of Planning and International Cooperation and ACC and approved by IFAD.
3. The following are designated as additional grounds for suspension of the right of the Borrower to request withdrawals under this Agreement:
- (a) The PIM or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Project.
- (b) The Memoranda of Understanding among the implementing partners as referred to in paragraph 9 (Project Partners) of Part II of Schedule 1, or any provision thereof, has been waived, suspended, terminated, amended, or 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.
- (c) Key Project staff as established in Paragraph 11 of Schedule 3 have been removed from the Project without prior consultations with the Fund.
4. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

The Minister
Ministry for Planning and
International Co-operation
of the Hashemite Kingdom
of Jordan
P.O. Box 555 Amman 11118
Hashemite Kingdom of Jordan

For the Fund:

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

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

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

THE HASHEMITE KINGDOM OF JORDAN

"[Authorised Representative Name]"
Minister of Planning and International Cooperation

Date: _____

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

Alvaro Lario
President

Date: _____

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project targets rural smallholders for whom small ruminants are a source of income, food security and a safety net, particularly women and youth, engaged in small ruminant value chains in all Governorates of Jordan.
2. *Project area.* The Project will be implemented nationwide, with a focus on the most vulnerable governorates: Ma'an, Karak, Tafilah, and Mafraq. These areas are prioritized based on poverty, unemployment, livestock population, water access, sector development potential, and climate vulnerability.
3. *Goal.* The project goal is to "increase resilience and food and nutrition security of rural smallholders engaged in small ruminants value chains and ultimately contribute to sustainable, inclusive and healthy food systems", and the Project Development Objective (PDO) is to "sustainably improve productivity, resilience, profitability, and small ruminants value chains contribution to smallholders' livelihoods". It will achieve them by strengthening delivery of essential livestock services (breeding, animal health, identification, extension), adoption of resilient and adaptive production technologies, supporting sustainable rangelands management and water conservation, as well as enhancing value addition, access to market and financial services.
4. *Objectives.* SIGHT-II aims to increase the resilience, productivity, and profitability of Jordan's small ruminant sector. It addresses interconnected challenges such as low productivity, climate vulnerability, limited market access, weak veterinary and breeding services, and structural barriers for women and youth. The Project will deliver essential livestock services, promote climate-resilient technologies, support sustainable rangeland and water management, and enhance value addition and financial inclusion.
5. *Components.* The Project shall consist of the following Components:
 - 5.1 *Component 1: Strengthening productivity and climate resilience of small ruminant production.* This Component shall support the transformation of smallholder small ruminant production systems to improve productivity, resilience to climate change, and environmental sustainability. It shall include, inter alia:
 - (a) support to national breeding programmes, animal health systems, veterinary laboratories, disease surveillance and control, and proximity veterinary services, including public-private delivery models;
 - (b) strengthening adaptive capacity through sustainable feed, fodder and water systems, including rangeland restoration, rainwater harvesting, and promotion of alternative and drought-resilient feed solutions; and
 - (c) capacity building and awareness-raising of producers through farmer and pastoral field schools, technical training, and knowledge exchange, including on climate-smart practices, business management, gender and nutrition.
 - 5.2 *Component 2: Supporting investments in the small ruminant value chain.* This Component shall support inclusive and climate-resilient investments along the small ruminant value chain, with a focus on market access, value addition and access to finance. It shall include, inter alia:

- (a) rehabilitation and construction of climate-resilient livestock market infrastructure and facilities;
- (b) support to women, youth, microenterprises and MSMEs engaged in livestock production, processing, marketing and related services through matching grants, technical assistance and capacity building;
- (c) facilitation of market access, product promotion and market information, including quality certification and branding; and
- (d) support to access to finance, including financial literacy, technical assistance to the Agricultural Credit Corporation, and provision of credit to eligible value chain actors through dedicated credit windows.

5.3. *Component 3: Policy support and project coordination.* This Component shall support evidence-based policy dialogue, institutional strengthening and effective project coordination. It shall include, inter alia:

- (a) generation and dissemination of knowledge products to inform inclusive policy dialogue and sector development;
- (b) technical assistance for formulation and revision of priority livestock sector policies and strategies, including animal health and small ruminant sector development; and
- (c) strengthening national capacities for monitoring, reporting and verification of livestock-related greenhouse gas emissions.

II. Implementation Arrangements

6. *SIGHT II Project Agency and Organizational Structures.* The Ministry of Agriculture (MoA) will serve as the Lead Implementing Agency for SIGHT II, under the overall policy oversight of the Ministry of Planning and International Cooperation (MoPIC) as the Lead Project Agency. MoA will ensure that the project remains fully aligned with national priorities, including the National Food Security Strategy (NFSS), and the Higher Council for Food Security (HCFS) agenda. The MoA will oversee the work of Field Project Coordinators (FPCs), who will be based in target governorates and provide operational and technical support to both Components 1 and 2.

7. *Project Oversight and Strategic Guidance.* Strategic oversight and coordination will be provided by a Project Steering Committee (PSC), chaired by the Ministry of Agriculture (MoA) and composed of representatives from the Ministry of Planning and International Cooperation (MoPIC), Ministry of Finance, National Agricultural Research Center (NARC), Agricultural Credit Corporation (ACC), and IFAD as an observer only when needed. The PSC will meet twice a year to: Endorse the Annual Work Plan and Budget (AWPB) and major procurement plans; Review progress and approve semi-annual reports; Address high-level implementation challenges; Ensure alignment with national priorities and synergies with ongoing donor programmes.

A Project Technical Coordination Committee (PTCC), chaired by the Project Director, will meet quarterly to review technical progress, coordinate implementation among partners, ensure cross-learning, and monitor field-level performance.

8. *Project Management Unit.* The Project will be implemented through a dedicated Project Management Unit (PMU) established within MoA, responsible for the overall coordination, fiduciary and technical management, reporting, monitoring, and safeguards compliance.

9. *Project Parties.* The Project will collaborate with a core group of partner ministries and institutions including the Ministry for Planning and International Co-operation, the National Agricultural Research Center (NARC), responsible for breeding, rangeland restoration, and adaptive feed research, and the Agricultural Credit Corporation (ACC), which will manage financial products and the credit line under Component 2. Partnerships will also be established with private sector actors (feed suppliers, processors, veterinary service providers), community-based organizations, and NGOs to ensure inclusive outreach and service delivery at the local level. Implementation agreements (MoUs or subsidiary contracts) will be concluded with NARC and ACC, specifying roles, deliverables, timelines, and reporting obligations.

10. *Monitoring and Evaluation.* A robust Monitoring, Evaluation and Learning (MEL) system will be established to track progress, capture lessons learned, and inform adaptive management. The PMU M&E Unit will consist of an M&E Specialist, supported by focal points in NARC, ACC, field coordination teams, other implementing partners, and regional agricultural directorates. The M&E Specialist will oversee the system's design, quality assurance, and reporting, while focal points will ensure timely data collection and verification at field level. The system will integrate output, outcome, and financial monitoring, aligned with the Results Management Framework, including IFAD mainstreaming indicators on gender, youth, nutrition, and climate adaptation. Evaluation will include analysis of changes in the ability of beneficiaries, women and men, to make strategic choices; their autonomy in income; decision making on financial services, means of production and use of income.

11. *Knowledge Management.* Knowledge management (KM) will be mainstreamed across all project components. In particular, KM and policy engagement are embedded in Component 3 (Policy support and project coordination). This component will lead the design of inclusive livestock policies, enhance institutional systems for disease control and greenhouse gas (GHG) monitoring, and coordinate project-wide knowledge activities. Dissemination will be tailored to targeted audiences, including government, donors, research institutions, and IFAD platforms. Methods include policy roundtables, technical working groups, stakeholder workshops, and co-publication with technical partners. A knowledge management focal point will be identified within the PMU to coordinate the implementation of the Knowledge Action Plan (KAP), with support from technical assistance partners. The KAP will be developed in Year 1 and incorporated into the Project Implementation Manual (PIM), detailing timelines, responsibilities, and budget allocations for knowledge generation, dissemination, and use.

12. *Project Implementation Manual.* The Project Implementation Manual (PIM), developed during the design phase, outlines the financial management arrangements specific to the project. It details the internal control framework, including the responsibilities of key actors, documentation standards, and financial reporting requirements. The PIM will be reviewed and updated during the project's start-up phase and periodically thereafter to ensure alignment with operational realities and fiduciary standards.

Schedule 2

Allocation Table

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

Category	Loan Amount Allocated in USD	Percentage
I. Civil works	234 000	100% net of taxes
II. Equipment, materials, goods & services	1 977 000	100% net of taxes and beneficiaries' contribution
III. Consultancies	562 000	100% net of taxes and beneficiaries' contribution
IV. Training and workshops	249 000	100% net of taxes and beneficiaries' contribution
V. Grants & subsidies	228 000	100% net of beneficiaries' contribution
VI. Credit & Guarantee funds	495 000	100% net of ACC co- financing & beneficiaries' contribution
VII. Operating costs	358 000	100% net of taxes
Unallocated	456 000	
TOTAL	4 559 000	

Schedule 3

Special Covenants

I. General Provisions

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

1. Within six (6) months of entry into force of the Financing Agreement, the Borrower (through the SIGHT II Project Agency) will procure and install a customized accounting software in accordance with International Accounting Standards and IFAD's requirements.
2. Within six (6) months of entry into force of the Financing Agreement, the Borrower (through the SIGHT II Project Agency) will enter into an agreement with implementing partners to define the collaboration, including the roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting.
3. *Planning, Monitoring and Evaluation.* The Borrower shall ensure that (i) a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement.
4. *Gender.* The Borrower shall ensure that the Project addresses gender norms hindering women economic empowerment and decision making through building their technical and financial capacity, strengthening women leadership and peer learning structures, financially supporting women led groups, cooperatives, and micro-businesses, facilitating community dialogue on positive gender norms, generation of employment opportunities, and engagement with MSMEs through the credit line under component 2.
5. Borrower shall ensure that the Project is implemented in a socially inclusive manner and that the rights and interests of vulnerable and marginalised groups are duly respected, in accordance with applicable national legislation and IFAD's Social, Environmental and Climate Assessment Procedures (SECAP).
6. *Anticorruption Measures.* The Borrower shall comply with IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations, as may be amended from time to time.
7. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.
8. *Use of Project Vehicles (and Other Equipment).* The Borrower shall ensure that:
 - (a) all vehicles and other equipment procured under the Project are allocated to the Ministry of Planning and International Cooperation (MoPIC) and/or the Ministry of Agriculture (MoA) for Project implementation;
 - (b) The types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and
 - (c) All vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.

9. *IFAD Procurement system.* The Borrower shall ensure that a procurement plan is prepared and maintained in IFAD's designated end-to-end procurement system ("IFAD OPEN"). The Borrower/Recipient shall ensure that all procurement-related contracts, agreements and related payments financed under the Project (including but not limited to those in relation to goods, works, services, consultancy, non-consulting services, community contracts, grants and financing contracts), are recorded in IFAD-OPEN in accordance with IFAD's applicable policies and procedures. The Borrower shall ensure that the related data is updated on a quarterly basis during Project implementation.

10. The Key Project Personnel are: Project Manager, Financial Specialist, Officer for Monitoring and Evaluation, Knowledge Management Officer, Procurement Officer, Social Inclusion and Gender Specialist, Community Development Specialist and Environment and Climate Assessment Specialist. In order to assist in the implementation of the Project, the PMU, unless otherwise agreed with IFAD, shall employ or cause to be employed, as required, key staff whose qualifications, experience and terms of reference are satisfactory to IFAD. Key Project Personnel shall be seconded to the PMU in the case of government officials or recruited under a consulting contract following the individual consultant selection method in the IFAD Procurement Handbook, or any equivalent selection method in the national procurement system that is acceptable to IFAD. The recruitment of Key Project Personnel is subject to IFAD's prior review as is the dismissal of Key Project Personnel. Key Project Personnel are subject to annual evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's Social, Environmental and Climate Assessment Procedures, as may be amended from time to time by the Fund (SECAP). Repeated short-term contracts must be avoided, unless appropriately justified under the Project's circumstances.

II. SECAP Provisions

1. For projects presenting high or substantial or moderate social, environmental and climate risks as determined by the Fund, the Borrower shall carry out the implementation of the Project in accordance with the Social, Environmental and Climate Assessment Procedures ("SECAP"), as may be amended from time to time by the Fund.

2. The Borrower shall not amend, vary or waive any provision of the Management Plan(s), unless agreed in writing by the Fund.

3. When there is a potential risk of resettlement, the Borrower shall not, and shall cause the Executing Agency, all its contractors, its sub-contractors, and suppliers not to commence implementation of any works, unless all Project affected persons have been compensated and/or resettled in accordance with the specific RAP, FPIC and/ or the agreed works and compensation schedule.

4. For high risk projects, the Borrower shall disclose (i) the draft and final versions of the Environmental, Social and Climate Management Framework (ESCMF): (ii) the draft and final Environment and Social Impact Assessment (ESIA) reports and (iii) other relevant other relevant Management Plan(s), as applicable, with Project stakeholders and interested parties in an accessible place in the Project-affected area, in a form and language understandable to Project affected persons and other stakeholders. The disclosure will take into account any specific information needs of the community (e.g. culture, disability, literacy, mobility, or gender) and will be done in accordance with national laws and regulations.

5. The Borrower shall ensure (or cause the Implementing Agency to ensure) compliance with the relevant SECAP procedures and the Management Plans during the Project

implementation. All bidding documents and contracts for goods, works and services shall contain provisions that require contractors, sub-contractors and suppliers to comply at all times during the implementation of the Project with the standards, measures and requirements set forth in the SECAP and the Management Plan(s), if any.

6. If an incident with respect to environmental, social (including labor and community), or health and safety (ESHS) issues occurs in the context of the Project or during the implementation of the Borrower's activities, the Borrower must, in good faith, promptly notify IFAD and agree to follow procedures indicated either in the Project Implementation Manual (PIM) or as may be designated by IFAD in consultation with the Borrower. In all cases, the procedures must comply with IFAD's Incident Procedures.

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

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

- (a) Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP, ESCMPs and the Management Plan(s) (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- (b) Reports of any social, environmental, health and safety incidents occurring during the implementation of the Project and proposed remedial measures, in accordance with IFAD's Incident Procedures. The Borrower will disclose relevant information from such reports to affected persons promptly upon submission of the said reports; and
- (c) Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

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

Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons reached by project-supported activities				M&E System	Semi-annual/Annual	PMU, M&E Unit, Component leads	Continued political and economic stability in Jordan
	Males - Males	0	3360	8400				
	Females - Females	0	2240	5600				
	Young - Young people	0	840	2100				
	Total number of persons receiving services - Number of people	0	5600	14000				
	1.a Corresponding number of households reached				M&E System	Semi-annual/Annual	PMU, M&E Unit, Component leads	
	Households - Households	0	5600	14000				
1.b Estimated corresponding total number of households members				M&E System	Semi-annual/Annual	PMU, M&E Unit, Component leads		
Household members - Number of people	0	26320	65800					
Project Goal Enhance the resilience and food security of rural smallholders engaged in	Reduction in the prevalence of food insecurity measured with Food insecurity experience scale (FIES)				COI Survey (FIES methodology)	Baseline, Mid-term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact)	Continued political and economic stability in Jordan

small ruminants' value chains, contributing to sustainable, inclusive and healthy food systems	Percent reduction - Percentage (%)	0	7	15			assessment contractors)	
	Percentage increase in the HH assets' ownership index				COI Survey	Baseline, Mid-term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Households - Percentage (%)	0	10	20				
	Households reporting an increase in resilience measured through the ability to recover from shocks (ATR)				COI Survey	Baseline, Mid-term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
Households - Percentage (%)	0	10	25					
Development Objective Sustainably improve, resilience, profitability and contribution of the small-ruminants value chains to advance livelihoods	2.2.1 Persons with new jobs/employment opportunities				M&E System, COI Survey	Annual, Baseline, Mid-term and Completion	PMCU, M&E Unit, and IPs (Baseline, Mid-term and Impact assessment contractors)	Continued political and economic stability in Jordan. Capacity building results in adoption of climate-resilient inputs and technologies.
	Males - Males	0	480	1200				
	Females - Females	0	320	800				
	Young - Young people	0	320	800				
	Total number of persons with new jobs/employment opportunities - Number of people	0	800	2000				
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				COI Survey	Baseline, Mid-term and Completion		
	Total number of household members - Number of people	0	10124	25310				
	Households - Percentage (%)	0	15	38				
	Households - Households	0	2154	5385				
	Smallholders and MSMEs reporting at least 20% increase in income				COI Survey	Baseline, Mid-term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Smallholders - Number	0	486	1215				
	MSMEs - Number	0	56	140				
	3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered					Baseline & Completion	IFAD/FAO PMU M&E unit	

	Hectares of land - Area (ha)	0			FAO Ex-act methodology and GLEAMi			
	tCO2e/20 years - Number	0						
	tCO2e/ha - Number	0						
	tCO2e/ha/year - Number	0						
Outcome 1. Increased productivity and climate resilience of small ruminants' systems	SF.2.1 Households satisfied with project-supported services				COI Survey and M&E System	Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Targeted communities are willing and able to adopt improved technologies, practices, and services that enhance productivity and market engagement.
	Household members - Number of people	0	19740	49350				
	Households - Percentage (%)	0	30	75				
	Households - Households	0	4200	10500				
	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices				COI Survey and M&E System	Baseline, Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total number of household members - Number of people	0	15792	39480				
	Households - Percentage (%)	0	24	60				
	Households - Households	0	3360	8400				
	1.2.4 Households reporting an increase in production				COI Survey and M&E System	Baseline, Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total number of household members - Number of people	0	15792	39480				
	Households - Percentage (%)	0	24	70				
	Households - Households	0	3360	8400				

	1.2.8 Women reporting minimum dietary diversity (MDDW)			COI Survey and M&E System	Baseline, Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Women (%) - Percentage (%)	0	24				60
	Women (number) - Females	0	1344				3360
	Households (%) - Percentage (%)	0	24				60
	Households (number) - Households	0	3360				8400
	Household members - Number of people	0	15792				39480
	Women-headed households - Households						
	IE.2.1 Individuals demonstrating an improvement in empowerment			COI Survey and M&E System	Baseline, Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Young - Percentage (%)	0	16				40
	Young - Young people	0	560				1400
	Total persons - Percentage (%)	0	10				25
	Total persons - Number of people	0	1400				3500
	Females - Percentage (%)	0	24				60
	Females - Females	0	840				2100
	Males - Percentage (%)	0	16				40
Males - Males	0	560	1400				
Output 1.1 Increased production	1.1.3 Rural producers accessing production inputs and/or technological packages			M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact	Farmers willing to actively engage in the

and dissemination of improved genetic material	Males - Males	0	2640	6600			assessment contractors)	breeding and animal health program
	Females - Females	0	1760	4400				
	Young - Young people	0	660	1650				
	Total rural producers - Number of people	0	4400	11000				
	Artificial Inseminations (AI) performed				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	AI performed - Number	0	30000	90000				
	Genetically improved breeding stock disseminated				M&E System	Baseline, Mid-term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Animals disseminated - Number	0	600	1500				
	Upgraded livestock information and traceability system				M&E System	Baseline, Mid-term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Registry system - Number	0	0	1				
Output 1.2 Strengthened disease control system and proximity animal health service delivery	Veterinary diagnostic laboratories upgraded				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Veterinary service providers willing to enhance animal health services
	Laboratories - Number	0	5	12				
	Proximity vet clinics established or rehabilitated				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Proximity vet clinics - Number	0	44	110				
	Community Animal Health Workers (CAHWs) trained and deployed				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	CAHWs - Number	0	20	50				
	Governorates veterinarians trained on animal diagnostics				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Male - Number	0	40	80				
	Females - Number	0	20	40				
	Young people - Number	0	35	90				

	Total veterinarians trained - Number	0	60	120				
Output 1.3 Sustainable feed and water solutions that enhance livestock resilience tested and disseminated.	3.1.4 Land brought under climate-resilient practices				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Capacity building results in adoption of enhanced production techniques and adequate climate resilient practices and NRM
	Hectares of land - Area (ha)	0	720	1800				
	3.1.1 Groups supported to sustainably manage natural resources and climate-related risks				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total size of groups - Number of people	0	138	345				
	Groups supported - Groups	0	5	12				
	Males - Males	0	83	207				
	Females - Females	0	55	138				
	Young - Young people	0	21	52				
	Number of farmers receiving and cultivating drought- and heat-tolerant fodder species/varieties							
	Males - Number	0	480	1200				
	Females - Number	0	320	800				
	Young people - Number	0	120	300				
	Total farmers supported - Number of people	0	800	3000				
	Number of youth-led MSMEs supported for feed and fodder production				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
Youth-led MSMEs - Number	0	5	12					
Output 1.4 Strengthened producers' capacity on	1.1.4 Persons trained in production practices and/or technologies				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact	Capacity building results in adoption of new and improved

climate-smart livestock practices, business management, nutrition and social inclusion	Men trained in livestock - Males	0	1303	3258			assessment contractors)	practices. Capacity building results in adoption of enhanced and nutrition-sensitive production and processing techniques. Willingness of target groups to invest in new technologies and/or production practices
	Women trained in livestock - Females	0	869	2172				
	Young people trained in livestock - Young people	0	326	815				
	Total persons trained in livestock - Number of people	0	2172	5430				
	1.1.8 Persons provided with targeted support to improve their nutrition				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total persons participating - Number of people	0	2016	5040				
	Males - Males	0	1210	3024				
	Females - Females	0	806	2016				
	Households - Households	0	2016	5040				
	Household members benefitted - Number of people	0	9475	23688				
Young - Young people	0	302	756					
Outcome 2. Increased poor rural households' capacities to establish and manage climate smart businesses along the livestock value chain, including improved access to finance	1.2.5 Households reporting using rural financial services				COI Survey and M&E System	Baseline, Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Private sector actors and financial institutions remain engaged and responsive to opportunities for investment, service delivery, and inclusive value chain development.
	Total number of household members - Number of people	0	80	200				
	Households - Percentage (%)	0	24	60				

	Households - Households	0	80	200				
	2.2.6 Households reporting improved physical access to markets, processing and storage facilities							
	Households reporting improved physical access to markets - Percentage (%)		0	70				
	Size of households - Number of people		0	3948				
	Households reporting improved physical access to markets - Households		0	840				
Output 2.1 Improved infrastructure, equipment and capacities for market access, value addition, and food safety in small ruminants' value chain.	2.1.2 Persons trained in income-generating activities or business management				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Targeted communities, including women, youth, and MSMEs, are willing and able to adopt improved technologies, practices, and services that enhance productivity and market engagement.
	Males - Males	0	288	720				
	Females - Females	0	192	480				
	Young - Young people	0	72	180				
	Persons trained in IGAs or BM (total) - Number of people	0	480	1200				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
	Total number of facilities - Facilities		3	6				
	Market facilities constructed/rehabilitated - Facilities		3	6				
	Total expected users - Number of people		700	1200				

Output 2.2 Developed and provided tailored financial products (grants and loans) for smallholders, women, youth, and MSMEs	Number of smallholder producers and MSMEs receiving grants for improved milk/meat production and processing equipment or infrastructure			M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Targeted communities, including women, youth, and MSMEs, are willing and able to adopt improved technologies, practices, and services that enhance productivity and market engagement.	
	Males - Number	0	255					638
	Females - Number	0	170					425
	Young people - Number	0	64					159
	Total individuals supported - Number of people	0	425					1063
	MSMEs - Number	0	25					63
	1.1.5 Persons in rural areas accessing financial services			M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)		
	Men in rural areas accessing financial services - credit - Males	0	80					200
	Women in rural areas accessing financial services - credit - Females	0	53					134
	Young people in rural areas accessing financial services - credit - Young people	0	20					50
	Total persons accessing financial services - credit - Number of people	0	133					334
Enterprises - Enterprises	0	48	119					

Outcome 3. Policy and regulatory context favourable to sustainable development of the small ruminants' value chains, smallholder participation and private investments.	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers				COI Survey and M&E System	Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	National institutions, including the Ministry of Agriculture and local service providers, maintain strong commitment and coordination capacity to implement policy and institutional reforms across the small ruminants' value chain.
	Household members - Number of people	0	9513	23782				
	Households - Percentage (%)	0	14	36				
	Households - Households	0	2024	5060				
	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment				COI Survey and M&E System	Baseline, Mid-Term and Completion	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	
Number - Number	0	1	2					
Output 3.1 Strengthened policies and institutional systems supporting livestock services to enable inclusive and climate-resilient development.	Policy 1 Policy-relevant knowledge products completed				M&E System	Semi-annual/Annual	PMU, M&E Unit (Baseline, Mid-term and Impact assessment contractors)	Willingness of policy makers to develop/adopt new policies
	Number - Knowledge Products	0	2	5				

Integrated Project Risk Matrix

Risk Categories and Subcategories	Inherent	Residual
Country Context	Moderate	Moderate
Political Commitment	Moderate	Moderate
<p>Risk: Nearly 1.5 million voters (31% voter turnout) cast their ballots on September 10, 2024, to elect members of the House of Representatives. These elections were the first to be held under the new party and electoral laws that were adopted after Jordan's King Abdullah II formed a royal commission to modernize the political system in 2021. The Islamic Action Front (IAF), the political arm of the Jordanian Muslim Brotherhood, made significant gains in the country's parliamentary elections, it won 31 seats (out of 138), up from the seven seats it had in the previous parliament. Although the voter turnout is as low as the elections held during the COVID-19 virus, the overall political situation in the country remains stable. This is in addition to the fact that the political commitment to IFAD's interventions has always been very positive, with a strong standing relationship of over 40 years and nine programmes successfully implemented; including SIGHT phase 1, which the government has now requested to be scaled-up, thus further emphasizing its commitment to this programme.</p>		
<p>Mitigations: Continue to monitor for any changes in the political situation.</p>		
Governance	Low	Low
<p>Risk: Overall, Jordan has a stable and well-established governance structure. Jordan is ranked 49th on the list of transparency international in 2024, with a score of 59/100. In World Bank's Governance Indicators Jordan generally performs well in Government Effectiveness and Rule of Law, indicating a relatively efficient and reliable public sector and judicial system compared to regional peers in MENA. It also scores above the regional average in Control of Corruption, corroborating the findings of Transparency International.</p>		
<p>Mitigations: Will ensure guidance and supervision of e.g. procurement, financial management, recruitment and grant ward processes.</p>		
Macroeconomic	Substantial	Substantial
<p>Risk: Jordan has been grappling with high levels of public debt, which have been exacerbated by regional instability, economic slowdowns, and the costs associated with hosting a large number of refugees. As of 2023, Jordan's public debt stands at approximately 110% of GDP. Jordan's economy is heavily dependent on external aid and remittances, which make it vulnerable to external shocks. The unemployment rate stood at 21.4% in 2024, 36.6% of them are from 15-24 and 53% are aged 25-39 years. Youth unemployment higher in 2023 (15-19, 20-24, and 25-29 has reached 53.5%, 40.5% and 29.0%, respectively and fiscal space to respond to growing social needs is limited. Jordan relies heavily on energy imports to meet its</p>		

domestic energy needs, making it susceptible to global energy price fluctuations. Jordan is one of the most water-scarce countries in the world, which poses a significant risk to agricultural productivity, human health, and overall economic stability. Finally geopolitical risks and instability in the region may negatively impact Jordan's economy, particularly tourism and investor confidence		
Mitigations: The financing structure of SIGHT-II will consist of at least 36% grant financing to reduce the implications of the high debt distress facing the country. The programme will also focus on generating employment for women and youth in rural areas. The programme will also focus on promoting climate resilient practices and circular economy that focus on natural resource management, with strong emphasis on water and feed scarcity.		
Fragility and security	Low	Low
Risk: Jordan is not on the World Bank's list of fragile countries, and it is a center of stability and peace in a volatile region. However, geopolitically, the intensifying levels of conflict in Jordan's neighbouring countries, has placed Jordan in a precarious situation, which increases the risk of unintentional collateral damage. Nonetheless, the overall risk of a significant deterioration in the security situation in the country remains low and the country is expected to maintain its neutral stance on regional disputes.		
Mitigations: Closely monitor the situation in close collaboration with IFAD security and UNDSS		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Low	Low
Risk: There is a risk that Jordan's future strategies and policies governing the rural and agricultural sector will not sufficiently pro-poor and aligned with IFAD inclusiveness priorities (e.g. on land, environment, climate, gender, nutrition, youth, private sector engagement), undermining SIGHT-II implementation and the achievement of programme development objectives. This is especially pertinent as the current national agricultural strategy of the government expires in 2025 as does the green growth national action plan.		
Mitigations: SIGHT-II focus on climate smart livestock development will likely continue to align to governments priorities, also post 2025. However, IFAD continues to monitor the situation and SIGHT-II will support the policy formulation and review process, including the formulation of a small ruminant strategy under the upcoming new agricultural strategy, to ensure that national policies are conducive to the achievements of the project outcomes.		
Policy development & implementation	Moderate	Moderate
Risk: That up-scaling efforts will be reduced by limited capacity of domestic public partners to ensure sufficient public financing of		

operational and maintenance costs of infrastructure (breeding stations) and activities under their responsibility (breeding, veterinary public health, extension).		
Mitigations: SIGHT-II will engage with both public and private service providers with a view to diversify risks and also to ensure commercial sustainability. However, concerted efforts will be devoted to ensuring that core public institutions, will be engaged proportionally to their capacities, and allocate sufficient budget to ensure operationality and sustainability of activities.		
Environment and Climate Context	Moderate	Moderate
Programme vulnerability to environmental conditions	Moderate	Moderate
Risk: The key environmental issues that are pertaining to the programme scope and targeted groups include: rangeland degradation, overexploitation of water resources, inadequate wastewater treatment at the breeding stations and dairy facilities, poor environmental conditions at the livestock markets, insufficient capacity for manure and waste management at large, and insufficient awareness of environmental considerations and their impact on the small ruminants sector and the value chain.		
Mitigations: The programme is expected to mainstream environmental sustainability considerations through the promotion of integrated natural resources management practices including: i) restoration of rangelands and support to community-based rangeland management; ii) rainwater harvesting; iii) preliminary wastewater treatment at the breeding stations and dairy facilities; (iv) solid and liquid waste management at the newly constructed or rehabilitated livestock markets;,, as well as (iv) providing matching grants and access to credit for the MSEs to invest in manure/ waste management; and (v) raising awareness and build capacities on environmental management		
Programme vulnerability to climate change and more frequent/extreme weather events	Moderate	Moderate
Risk: The programme will be implemented in all 12 governorates, which can have varying exposure levels to hazards and climate variability. However, the trends indicate that the country will face increased water scarcity and drought, river floods, greater variability and decreases in precipitation, and increases in temperature accompanied by more frequent heat waves. These hazards will expose the livestock sector to significant risks, particularly increased water stress. Furthermore, they may exacerbate the vulnerability of rural communities reliant on the small ruminants sector, by intensifying competition over limited water resources, and increasing the cost of accessing water, thus threatening both food security and livelihoods.		
Mitigations: To increase the adaptive capacity of targeted rural population, SIGHT-II will support restoration of rangelands and community-based rangeland management as well as rainwater harvesting. It will also introduce, test and disseminate drought and heat-resistant fodder species, and support businesses in this field. In		

addition, the project will increase awareness and build capacities in climate considerations, including water harvesting, novel feed and fodder technologies, climate sensitive diseases, as well as Measurement Reporting and Verification (MRV) for livestock emissions, Furthermore, SIGHT-II will support waste management, thus reducing greenhouse gases emissions.		
Programme Scope	Moderate	Moderate
Programme relevance	Moderate	Moderate
<p>Risk: The risk that SIGHT-II objectives and interventions are not well aligned with national development and IFAD priorities or are not sufficiently relevant or responsive to the needs and priorities of the intended target group appears very low. GoJ remains adamant to support the livestock sector both for food security and poverty alleviation purposes, and priority targeting of poorest Governorates for component 2 will allow SIGHT-II to reach out the intended target group of rural poor.</p>		
<p>Mitigations: SIGHT-II will continue to align closely with relevant government policies and also engage in the policy dialogue shaping the overall regulatory and strategic framework for inclusive development of the livestock sector (including through the support to the development of a national small ruminants strategy and animal health strategy). It will support Jordan's ambitions to transition small-scale producers into resilient and commercially viable entrepreneurs in ways that enhance resilience and ensures better management of natural resources in general and water and rangelands in particular.</p>		
Technical soundness	Moderate	Moderate
<p>Risk: SIGHT-II builds on SIGHT lessons and will avoid engaging again in activities and domains that are highly risky. Despite incorporation of new technical domains (animal health, feed, water) under component 2, the project remains simple, with limited number of implementing partners which will simplify implementation. While SIGHT-Included a sub-component for graduation of poor and extreme poor households including Syrian refugees, in domains that were not always related to livestock, that raised multiple implementation challenges, SIGHT-II will be less complex, more coherent and focused only on the small ruminants sub-sector. Addressing these additional domains of animal health, feed, and water, will actually improve project relevance and coherence, as an important lesson from SIGHT was that these issues were limiting the impact of breeding efforts. There are some risks to land and water governance, access to resources and the management of common resources that need to be considered and assessed to ensure that field activities under both components will work.</p>		
<p>Mitigations: In order to avoid excessive implementation complexity, and considering that SIGHT-II will now embrace new topics such as animal health, feed and water, the project will rely on few reliable partners including in particular the relevant technical departments of MoA. The scope of the project, now focused</p>		

only on the small ruminant value chain, will facilitate and simplify implementation, and improve coherence. In order to mitigate the risks related to land (including rangelands) and water governance, all activities involving those aspects (rangeland management, water harvesting support, fodder production) will involve preliminary assessments of these aspects.		
Institutional Capacity for Implementation & Sustainability	Moderate	Moderate
Implementation arrangements	Moderate	Moderate
Risk: The risk that the Project Management Unit (PMU) is not adequately staffed or structured to manage the increasing complexity of project activities, particularly in areas such as livelihoods support, microbusiness development, and AI programme expansion. Some key results in the project's theory of change depend on improving or scaling public programmes (e.g. genetic improvement, veterinary services, livestock traceability, rangeland management) through public entities. However, the project has limited direct control over these institutions, which act as intermediary beneficiaries. There is also a risk of limited continuity in station-level operations due to dependency on short-term contracts. In addition, the livelihoods component may face implementation delays or reduced impact unless more tailored support is provided to struggling microbusinesses.		
Mitigations: The programme design includes measures to strengthen PMU capacity by expanding technical staffing, including additional full-time support to AI laboratories and dedicated staff for follow-up on microbusinesses. In order to address the risk of inadequate participation of public entities in project activities targeting public goods, the project will ensure that systems established (such as identification and disease surveillance systems) are simple and cost effective, involve private sector actors, and that capacity building of the institutions is embedded in activities. Further, the design foresees an embedded coaching schedule for the livelihoods component and improved inter-agency coordination, including formalised roles for NARC and the Ministry of Agriculture in support of station-level operations. The breeding strategy will be finalised prior to closure to ensure the sustainability of genetic improvement initiatives.		
M&E arrangements	Moderate	Moderate
Risk: Risk that the M&E systems of both the PMU and implementing partners (IPs) do not fully capture key performance information, particularly related to loan repayment, microbusiness sustainability, and technical follow-up of the breeding programme. Current practices show gaps in systematic tracking and analysis, which may hinder evidence-based decision-making.		
Mitigations: The programme design incorporates a comprehensive upgrade to include a MIS, ensuring it is capable of tracking real-time data across all components, including breeding programme		

technical data, microbusiness progress, and loan repayment performance. The PMU will be supported by a dedicated M&E officer and will adopt standardised templates and verification tools across implementing partners. IPs will be required to align their reporting systems with these templates, and regular joint reviews will be held to ensure consistency and data quality.		
Programme Financial Management	Substantial	Substantial
Programme Organization and Staffing	Substantial	Substantial
Risk: Limited dedicated financial management staff at PMU and reliance on shared/seconded resources from Ministry of Agriculture may result in inefficiencies and delays in financial processing and reporting, and coordination challenges among implementing partners may undermine effective financial oversight and control.		
Mitigations: The existing PMU of SIGHT Phase I will continue to be in charged for SIGHT-II, recruit or assign a full-time qualified Financial Management staff to the PMU, with clear ToRs. Provide orientation and training on IFAD procedures and reporting tools for staff at different levels		
Programme Budgeting	Moderate	Moderate
Risk: Unrealistic budget and weak integration of the Annual Work Plan and Budget (AWPB) into the national planning systems may lead to delays in fund allocation from different sources.		
Mitigations: The PMU will ensure the timely submission of a realistic budget for approval and its integration into the national planning system. The Annual Work Plan and Budget (AWPB) should be submitted to IFAD for no-objection at least two months prior to the start of the financial year. Additionally, the PMU will establish a mechanism for systematic monitoring of budget versus actual expenditure, allowing for timely adjustments to maintain budget realism and alignment with programme activities.		
Programme Funds Flow/Disbursement Arrangements	Substantial	Substantial
Risk: Complex fund structure; risk of delays; flow of funds from different sources.		
Mitigations: Quarterly Interim Financial Reports (IFRs) together with a cash flow forecast and Withdrawal Applications (WAs) to enable timely disbursements and effective liquidity planning. A separate ledger will be maintained for each source of financing, with monthly reconciliations conducted to ensure accurate financial tracking and reporting across all funding streams. Signed subsidiary agreements between the Ministry of Planning and International Cooperation (MoPIC), PMU, and ACC a will be required prior to any disbursement Ensure sufficient provision of counterpart funding allocation in the annual national budget		
Programme Internal Controls	High	High
Risk:		

Inconsistent internal controls across entities—due to system differences, capacity gaps, and complex fund flows—pose risks of financial mismanagement and weak supporting documents and fiduciary oversight. Absence of internal audit at PMU due to resource constraints may hinder timely identification of control weaknesses and limit assurance on the use of Grants and Loan extended to end beneficiaries for intended purposes.		
Mitigations: Adherence to the Financial Control By-law (2011) and its Amendment (2015) to guide control processes and segregation of duties. Adopt the Financial management of the PIM, which has been prepared during design Include in the annual external audit Terms of Reference (ToR) a requirement for sample-based verification of grants and loans to end beneficiaries.		
Programme Accounting and Financial Reporting	Substantial	Substantial
Risk: Inadequate accounting systems, limited staffing, and inconsistencies in accounting standards required by different financiers may result in delays, reporting errors, and reduced transparency in financial reporting		
Mitigations: Implement an appropriate accounting software system Adopt IPSAS cash basis for the programme's accounts Monitor systematically the actual expenditures incurred by implementing partners and credit lines capture and record domestic contributions Timely submission of the quarterly interim financial reports		
Programme External Audit	Substantial	Substantial
Risk: Non-adherence to the audit scope outlined in the approved Terms of Reference (ToR) and delays in the submission of external audit reports may compromise accountability and fiduciary compliance.		
Mitigations: Engage the Audit Bureau of Jordan to perform an external audit and discuss the audit schedule before the end of the financial year. Conduct pre-and post-audit meeting with auditor to discuss the TORs and the draft audit report		
Programme Procurement	Moderate	Moderate
Part A of the PRM:	Moderate	Moderate
Pillar I – Legal, regulatory and policy framework	Moderate	Moderate
Risk: The legal system is modern (2022) but is a hybrid model with decentralization (up to a certain threshold) and centralization (above the threshold). Multiple committee and stakeholders engage in procurement execution and there is no thorough manual and guidance. There are very few procurement templates in use. Granting is not regulated nationally and needs to follow clear and transparent procedures.		
Mitigations: ICB and consulting services will follow IFAD procedures and templates. A detailed PIM covering procurement and grant procedures should be developed including a RACI matrix for		

roles and responsibilities. A Procurement strategy needs to be elaborated to design critical procurement activities and grant schemes.		
Pillar II: Institutional Framework and Management Capacity	Moderate	Moderate
Risk: Absence of strategic procurement planning, high PIU procurement staff turnover, involvement of a large number of committees and outside of PIU staff in evaluations, ambiguous role of central regulatory and oversight entities, and alignment between AWPB and PP are the major risks.		
Mitigations: Project to use OPEN for procurement planning and to align with the AWPB; to apply the PAL thresholds; Training in BUILDPROC and to enhance procurement capacity in donor funded project for PIU and committees' staff; IFAD startup, supervision and support missions will assess the project's performance during procurement implementation. RACI within the PIM will elaborate the roles and responsibilities, and committee staff should be well acquainted with the PIM and IFAD templates.		
Pillar III – Procurement Operations and Market Practices	Substantial	Substantial
Risk: The risk for Public Procurement Operations and Market Practices is "Substantial" due to the weaknesses noted about lack of statistical information about Contract management, limited dialogue and partnerships between public and private sectors, absence of strategic market engagement.		
Mitigations: The PIU will elaborate a robust CM framework in the PIM including a detailed RACI matrix. The procurement strategy should include thorough market analysis and engagement approaches. IFAD will support projects to apply to its SECAP requirements.		
Pillar IV – Accountability, Integrity and, Transparency of the Public Procurement System	Moderate	Moderate
Risk: Key risks include ambiguity in control, audit and review functions with respects to IFAD projects, limited involvement of civil society, and unclear performance of anticorruption mechanisms.		
Mitigations: The PIM will outline clear roles and responsibilities with respect to internal control, external control, audit and review. IFAD's cross-debarment and reporting hotlines will be adopted for all procurement and grant opportunities.		
Part B of the PRM:	Moderate	Moderate
ASSESSMENT OF PROJECT COMPLEXITY	Moderate	Moderate
Risk(s): The project builds on SIGHT-I and does not introduce new procurement methodologies. Risks arise mainly from geographic dispersion across six governorates, multiple implementing partners (MoA, NARC), and the introduction of technically complex packages. Governance structures are stable, but sequencing and oversight of dispersed activities remain a challenge. Jordan is not considered a fragile state and has robust governance structures, including in public procurement.		

<p>Mitigations:</p> <ul style="list-style-type: none"> • PIM to define a RACI matrix clarifying roles among MoA and NARC. • Strengthen supervision missions and ensure adequate field visits. • Conduct refresher procurement training for new staff to handle complex packages. 		
<p>ASSESSMENT OF IMPLEMENTING AGENCY CAPACITY</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Risk(s): MoA/NARC capacity is sufficient to deliver procurement but faces weaknesses in staffing continuity, record-keeping, contract management, and timely adoption of IFAD practices (NOITA, SECAP clauses).</p> <p>Jordan’s national system (Part A) provides a solid regulatory baseline. Project-level arrangements (Part B) show moderate risks in personnel capacity, record keeping, contract management, and procurement planning. Past experience shows generally satisfactory compliance with IFAD rules, but weaknesses remain in staff continuity, document quality, and monitoring of NARC-managed activities.</p>		
<p>Mitigations:</p> <ul style="list-style-type: none"> • Strengthen capacity with staff training and additional PO recruitment. • Enforce PIM updates to capture IFAD requirements (NOITA, SECAP, record-keeping). • Use OPEN/CMT dashboards for transparency and monitoring. • Strengthen procurement staffing (training + backup officer). • Roll out short-form IFAD-compliant PO template. • Digitize files and enforce 10-year retention. • Mandate NOITA issuance and proper complaint handling. • Include contract management plans and RACI matrices in the PIM. 		
<p>Environment, Social and Climate Impact</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Biodiversity conservation</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Risk: Based on initial assessment of programme activities, it is unlikely that SIGHT-II will have major impact on Jordan’s biodiversity. SIGHT-II will support the small ruminants sector. These activities may have impact on habitats and biodiversity if not managed sustainably.</p>		
<p>Mitigations: The project foresees activities related to restoration of rangelands and support community-based rangeland management (component 1). The geographical clusters of intervention within each governorate will not be located in or around protected areas. Small-scale rural infrastructure, such as water harvesting facilities, will be established in pre-designated agricultural areas and will be constructed or rehabilitated, ensuring they do not require the clearing of natural habitats (e.g., tree removal), and when using material composed of natural resources, preference given to suppliers adhering to environmental management and energy efficiency standards. Furthermore, screening and IFAD exclusion list will apply for the grants and loans delivered through the credit line</p>		

to ensure no financing is directed to projects with potential negative impacts on biodiversity, habitats, or ecosystem (component 2).		
Resource efficiency and pollution prevention	Moderate	Moderate
<p>Risk: Jordan is one of the most water-scarce countries in the world. This has a direct impact on all sectors, including the livestock sector. Potential sources of pollution generated from the activities foreseen under the project (small ruminants production, live animals marketing and meat retailing as well as small scale dairy production and retailing) include wastewater and solid waste generated at the breeding stations, milking units, dairy facilities, and small-scale butcher shops. Poor environmental conditions at the livestock markets, wastewater management, manure and waste management at large, if not adequately addressed, might pose adverse local risk on water, soil and air quality. The project will also support fodder production, however at a small scale, and accordingly the risk related to the primary production of living natural resources sub-category is low</p>		
<p>Mitigations: Water scarcity issues will be addressed by supporting rainwater harvesting. Aspects related to pollutants release to the environment will be prevented by supporting preliminary wastewater treatment at the breeding stations and dairy facilities (prior to discharge in the wastewater treatment plants) as well as supporting solid and liquid waste management at the newly constructed or rehabilitated livestock markets and providing matching grants and access to credit for the MSEs to invest in manure and waste management. For fodder production, drought and heat-resistant varieties will be selected and accordingly any potential additional water stress will be minimal. Awareness and capacity building on water awareness, water savings techniques and waste management will also be provided.</p>		
Cultural heritage	Low	Low
<p>Risk: The risk rating is Low. Unintended negative impact on sites of cultural values is not envisaged. Traditional livestock and dairy production practices are elements of intangible cultural heritage. The project will integrate this traditional knowledge into sustainable livestock and dairy production while ensuring that modernization efforts are fully aligned with cultural traditions.</p>		
<p>Mitigations: The programme will invest in small-scale, home-based activities, and will integrate this traditional knowledge into sustainable livestock and dairy production while ensuring that modernization efforts are fully aligned with cultural traditions. SIGHT-II will support women producers and entrepreneurs to invest and add value to their traditional dairy processing and meat retailing practices, Modernising food processing will not undermine traditional food practices, given the local and small-scale nature of these investments</p>		
Indigenous Peoples	Low	Low

Risk: NA		
Mitigations: Not applicable to the context of Jordan		
Labour and working conditions	Moderate	Moderate
<p>Risks: Agricultural workers in the country often face unsafe and precarious labor conditions, which require the implementation of adequate mitigation strategies Risks related to: OSH and law wages, of rural labourers, might especially affect women and refugees.</p> <p>The agricultural sector is the second-largest industry that employ children in Jordan, accounting for 27.5% of the total child workers in the country^[1]. The incidence of child labour is higher in remote rural areas. Children engaged in agricultural work are exposed to hazardous conditions such as handling dangerous machinery, exposure to harmful pesticides, and performing physically demanding tasks. However, this risk is low in SIGHT-II as children are not engaged in the livestock sector, food and dairy processing.</p> <p>Risk of forced labour, is not a possibility as none of the project activities are expected to utilize forced labor in the project's areas, in addition to the strict adherence to IFAD's exclusion list which includes forced labour.</p> <p>Cases of exclusion/ elite capture may happen due to the community inherited power dynamics and tribal relations in communities</p>		
<p>Mitigation: The project will focus on improving animal health and veterinarian services which will help mitigate these risks by strengthening disease surveillance and prevention. The project will implement safety protocols and training to minimize these risks. Livestock product handling in dairy processing and meat production activities supported by the project will present and ensure food safety and hygiene sensitization and sustainability. The programme will sensitize rural producers and entrepreneurs on the importance that they comply with national legislation on labour conditions, minimum wage (260 JD per month) and OSH standards when hiring workers. This will be considered as a condition to access programme's support. Risk of child labour in agriculture will be mitigated through the implementation of dedicated awareness-raising activities on the impact of labour on children and on the provisions of the law during training activities. Safe labour practices will be promoted among small and medium enterprises (SMEs) working in food production and processing, through the implementation of dedicated training and awareness raising on OSH standards including the use of protective equipment, and first aid boxes. The project will also build on previous successful experiences in Jordan that promoted a decent work environment in home-based microenterprises, mostly dominated by women. This included the provision of training and financial resources to ensure a clean, hygienic and safe working environment.</p>		

<p>The project will comply with ILO labour standard and national regulating labour laws. It'll sensitize implementers and beneficiaries on labour laws with a focus on Child labour negative impacts and obligation to compliance with the law. Further, all contracts, grants, procurement and procedures will ensure compliance with Child labour prohibition measures. Implementing partners will be trained on targeting, and will be well equipped with the selection and exclusion criteria. Applications, M&E, and progress reports will be closely monitored, reported and audited. Activities at community level should be managed and supervised by NGOs or other government organisation to regulate the working relationship among community members and be first point of contact for grievances</p>		
Community health and safety	Moderate	Moderate
<p>Risk: The livestock activities may pose limited health risks, particularly for individuals in direct contact with animals, and water saving methods.</p> <p>Potential disease transmission may occur through handling livestock or animal products, especially in governorates with limited veterinary services and dairy and meat production with no proper OHS, hygiene measures.</p> <p>Related is the danger of ground water pollution from these chemicals.</p> <p>Unintended negative impact on nutrition is not envisaged. Enterprise development activities targeting women and girls and fostering women's economic empowerment processes might unwittingly generate intra-household tensions, which could escalate into domestic violence (GBV).</p>		
<p>Mitigations: The project will focus on improving animal health and veterinarian services which will help mitigate these risks by strengthening disease surveillance and prevention. The project will implement safety protocols and training to minimize these risks. Livestock product handling in dairy processing and meat production activities supported by the project will present and ensure food safety and hygiene sensitization and sustainability Risk of exposure to chemical pesticides will be mitigated through the delivery of training and sensitization on the potential negative health impact of pesticides. This will be integrated in the training curriculum of FFSs and is a core component of the programme's strategy to promote climate-resilient agriculture in the programme's area. Many of the target value-chains are nutrition-sensitive (e.g. meat and dairy etc.) and the programme's interventions, especially those targeting women small-scale producers support the processing of healthy and nutritious food to be sold in local markets. In addition, the programme will deliver training to support behavioural changes in nutrition habits especially aimed at promoting women's dietary diversity and addressing micronutrient deficiencies and obesity, which are common among women.</p>		

The programme will minimize risk of GBV by integrating gender norms dialogue sessions and GBV sensitization in social mobilization and training activities. The Jordanian River Foundation, which is one of the programme's implementing partners has a consolidated experience in integrating GBV sensitization in their operations. A Grievance Redress Mechanism (GRM) system will also be in place to report cases of GBV.		
Physical and economic resettlement	Low	Low
<p>Risk: Given the nature of the project, the risk of physical and economic resettlement is not envisioned. However, rangeland restoration interventions developed through Climate-sensitive Community Action Plans may require temporary closure of degraded areas to allow restoration recovery, which may affect households living around/ dependent on those specific grazing zones.</p>		
<p>Mitigations: The project will ensure community members are aware that these restrictions will be temporary in 12 sites and they aim at enhancing productivity and will not permanently exclude them. Implementation will follow participatory planning processes ensuring that local communities are engaged in the selection of sites and planted fodder.</p>		
Financial intermediaries and direct investments	Moderate	Moderate
<p>Risk: Component 2 of the programme aims to enhance access to rural finance through a dedicated credit line managed by a well-established national financial partners institution. The Agriculture Credit Cooperation will be the primary financial intermediary and facilitate lending through its rural finance facility. Other Commercial banks and microfinance institutions will then be involved as secondary intermediaries to provide loans directly to agricultural SMEs and individuals. ACC has adhered to guidelines ensuring ethical and legal financial operations, but the institution is still in the process to establish an environmental and social management system (ESMS) to assess, manage and monitor the risks and impact of their investments. Consequently, there could be a risk of loan financing with negative climate, environmental and social impact</p> <p>A risk to effective loan disbursement under the programme stems from the widespread issue of over-indebtedness and the severe legal consequences for loan default in Jordan. The country remains one of the few globally where failure to repay even small debts can result in imprisonment (though recently there has been a relaxation of punishment for women). This legal environment creates a chilling effect on both borrowers and lenders. According to estimates, there may be up to quarter of a million Jordanians facing complaints related to debt delinquency, with approximately 2,630 individuals – 16% of the prison population – imprisoned for nonpayment of loans or bounced cheques.⁴³ Alarmingly, 68% of the 158,000 individuals facing charges in 2023 owed less than JOD 5,000,⁴⁴ highlighting the scale of financial vulnerability and the risk of exacerbating borrower distress through additional credit.</p>		

<p>Mitigations: To ensure that ACC operates in alignment with IFAD’s SECAP principles and apply adequate environmental and social screening to loan requests, the agreements signed between the programme, and this financial institution will include a dedicated Environmental and Social Action Plan (ESAP). ESAP is designed to strengthen and enhance the Environmental and Social Management Systems (ESMS) of ACC. Its implementation will be supported by SIGHT-II through the technical assistance provided under Sub-Component 2.2. To mitigate the over-indebtedness risk, the programme will implement strict loan underwriting procedures, which will be documented in the PIM. These procedures will require the PFIs to assess borrower creditworthiness through comprehensive checks of credit history and debt exposure prior to loan approval.</p>		
Climate change	Moderate	Moderate
<p>Risk: The project is not expected to increase absolute GHG emissions since the small ruminants populations are expected to remain stable, or even to decrease since productivity gains will require less animals to satisfy market needs. On top of this, emission intensities (CO2 eq / kg of output – milk or meat) is expected to decrease due to intensification and productivity gains, as documented on other similar projects.</p>		
<p>Mitigations: The programme will enhance productivity without increasing GHG emission in the small-ruminant livestock sector through the following activities: (i) scaling-up the breeding programme, (ii) support delivery of veterinary public health services, (iii) support access to feed and water through restoring rangelands and rainwater harvesting, introducing, testing and disseminating drought and heat-resistant fodder species; (iv) and building the capacity and awareness of the producers.</p>		
Stakeholders	Moderate	Moderate
Stakeholder engagement/coordination	Moderate	Moderate
<p>Risk: The main risk related to stakeholder engagement is the possible low capacity of MoA to allocate sufficient means (especially qualified and continuous human resources) to its three breeding stations involved in the breeding programme, as it has been the case for SIGHT. The main risk related to stakeholder coordination is the possible lack of coordination, including exchange of data and genetic material, between JRF, MoA and NARC stations, although this has been improved significantly under SIGHT, this could potentially affect the efficiency of the whole breeding programme.</p>		
<p>Mitigations: the main mitigation measure for the first risk will be active advocacy by SIGHT-II and IFAD, as it has been the case under SIGHT. In case advocacy is not sufficient, investments by SIGHT-II could be conditioned to effective mobilization of resources for the stations. Regarding the coordination risk, the main mitigation measure will be the creation of a national breeding committee of NARC,</p>		

MoA, and the relevant universities to coordinate and supervise the implementation of the national breeding program.		
Stakeholder grievances	Moderate	Moderate
<p>Risk: Ineffective ESCMP and grievance redress mechanisms (GRM), particularly those relating to allegations of non-compliance with IFAD's SECAP standards, misuse of seed capital, exclusion from benefits, fraud, corruption, or sexual exploitation and abuse (SEA), could lead to unresolved stakeholder grievances that undermine trust and disrupt implementation. There is also a risk that the current GRM channels are not well understood or may not be sufficiently accessible to more vulnerable groups, including women, youth, and poor households, especially in remote areas.</p>		
<p>Mitigations: ESMP and GRM will be developed at the design stage, finalised and initiated at the early implementation stage of the project prior to the initiation of interventions with designated member(s) staff at PMU responsible of implementation and reporting. The programme will continue to operationalize and expand the PMU-led Grievance Redress Mechanism, ensuring that it is fully inclusive, gender-sensitive, accessible to all target groups, well-integrated across all components, and aligned with "Do No Harm" principles. GRM processes will be clearly communicated through awareness sessions in collaboration with IPs at programme orientation and activity rollouts. Special attention will be paid to ensuring that communication materials are adapted to the literacy levels and preferred communication channels of the diverse target groups. Local implementing partners will play a key role in conducting outreach to ensure broad awareness of the system, particularly among vulnerable groups. Feedback loops will be reinforced through regular monitoring and public reporting on grievance trends and resolutions.</p>		