
Rapport du Président
Proposition de prêt
République-Unie de Tanzanie
Programme de résilience des systèmes alimentaires
en Tanzanie – HorticultureNuméro du projet: 2000004073

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POUR: APPROBATION**Mesures à prendre:** Le Conseil d'administration est invité à approuver la recommandation telle qu'elle figure au paragraphe 82.

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Table des matières

Carte de la zone du programme	ii
Résumé du financement	iii
I. Contexte	1
A. Contexte national et justification de l'intervention du FIDA	1
B. Enseignements à retenir	2
II. Description du programme	3
A. Objectifs, zone d'intervention et groupes cibles	3
B. Composantes, résultats et activités	3
C. Théorie du changement	5
D. Alignement, appropriation et partenariats	5
E. Coût, avantages et financement	6
III. Gestion des risques	10
A. Risques et mesures d'atténuation	10
B. Catégorie environnementale et sociale	10
C. Classement au regard des risques climatiques	10
D. Soutenabilité de la dette	11
IV. Exécution	11
A. Cadre organisationnel	11
B. Planification, suivi-évaluation, apprentissage, gestion des savoirs et communication	13
C. Plans d'exécution	13
V. Instruments et pouvoirs juridiques	14
VI. Recommandation	14
Appendices	
I. Negotiated financing agreement	
II. Logical framework	
III. Integrated programme risk matrix	

Équipe d'exécution du programme

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Carte de la zone du programme



Les appellations employées et la présentation des données n'expriment aucune position particulière du FIDA quant au tracé des frontières ou limites ni aux autorités concernées.

Carte établie par le FIDA | 04/04/2024

Résumé du financement

Institution initiatrice:	Association internationale de développement (IDA) – Groupe de la Banque mondiale
Emprunteur/bénéficiaire:	République-Unie de Tanzanie
Organisme d'exécution:	Ministère de l'agriculture
Coût total du programme:	2,133 milliards d'USD
Montant du prêt du FIDA:	21 500 000 USD
Conditions du prêt du FIDA:	Particulièrement concessionnelles: 40 ans, y compris un différé d'amortissement de 10 ans, avec une commission de service de 0,75% l'an en droit de tirage spécial (ajustement pour les prêts en une seule monnaie)
Cofinancier:	IDA
Montant du cofinancement:	300 millions d'USD
Conditions du cofinancement:	Prêt
Contribution de l'emprunteur/du bénéficiaire:	1,793 milliard d'USD
Déficit de financement:	18,5 millions d'USD
Montant du financement climatique apporté par le FIDA:	17,39 millions d'USD
Institution coopérante:	IDA

I. Contexte

A. Contexte national et justification de l'intervention du FIDA

Contexte national

1. La République-Unie de Tanzanie est un pays à revenu intermédiaire de la tranche inférieure, qui compte une population de 61,7 millions d'habitants¹. Son produit intérieur brut (PIB) a augmenté de 4,6% en 2022, croissance qui devrait s'accroître en 2023 pour atteindre 5,3%.
2. La pauvreté a augmenté, passant de 26,2% en 2019 à 27% en 2021. Cette hausse peut être expliquée par la pandémie de COVID-19 et la guerre en Ukraine. La République-Unie de Tanzanie est classée 160^e sur 189 pays selon l'indice de développement humain des Nations Unies de 2022.
3. Les principaux facteurs contribuant à l'insécurité alimentaire sont les épisodes de sécheresse de longue durée et les précipitations irrégulières, qui entraînent une baisse de la production agropastorale, ainsi que les ravageurs et les maladies, les mauvaises infrastructures et l'accès insuffisant aux marchés, qui sont à l'origine d'une forte hausse des prix et d'un faible pouvoir d'achat.
4. À l'échelle du pays, le secteur agroalimentaire est l'un des principaux moteurs d'une croissance inclusive et d'une réduction de la pauvreté en milieu rural. En 2021, l'agriculture en Tanzanie continentale représentait environ 26,1% du PIB et 30% des exportations, employait 65,6% de la population active et couvrait 90 à 95% des besoins alimentaires du pays. La stabilité de sa production a contribué au maintien d'une inflation faible. À Zanzibar, ce secteur représentait 21,2% du PIB en 2019 et employait 70% de la population en 2020.

Aspects particuliers relatifs aux thématiques transversales prioritaires du FIDA

5. Conformément aux engagements en matière de transversalisation, le programme a été validé comme:
 - incluant un financement climatique;
 - axé sur les jeunes;
 - incluant des activités relatives à la capacité d'adaptation.
6. **Prise en compte des enjeux climatiques.** Le programme appuiera: i) une augmentation des capacités de production fondée sur la mise à disposition constante, la production accrue et l'adoption généralisée de variétés de semences améliorées résilientes aux changements climatiques (résistantes à la chaleur ou à la sécheresse, notamment); ii) la prestation de services de conseil numériques en matière de gestion des ressources en eau, telle que soutenue globalement par le Programme de résilience des systèmes alimentaires en Tanzanie (TFSRP).
7. **Approche soucieuse des jeunes.** Les jeunes peinent à accéder à la terre et aux financements, ce qui contribue à les exclure du secteur agricole. Perçus comme un groupe à risque élevé, ils sont rarement ciblés par les investissements, en particulier dans le secteur agricole. Le programme donnera aux jeunes les moyens de participer aux filières ciblées, en tant qu'entrepreneurs ou en tant qu'actifs, grâce à: i) un renforcement de leurs capacités; ii) un meilleur accès aux avoirs productifs; iii) la création d'emplois décents, agricoles ou non, à leur intention.

¹ Bureau national des statistiques, recensement de 2022.

8. **Nutrition.** Le Programme de résilience des systèmes alimentaires en Tanzanie – Horticulture (TFSRP-H) contribuera à l’obtention de résultats en matière de nutrition en encourageant la recherche et la diffusion de variétés et de pratiques nouvelles favorisant la diversification des filières culturelles et une meilleure gestion post-récolte afin d’accroître la disponibilité d’aliments nutritifs.
9. **Égalité femmes-hommes.** Le programme contribuera à l’égalité des chances pour les jeunes femmes et les jeunes hommes. Plus précisément, il permettra:
 - i) de renforcer l’autonomisation économique des jeunes femmes en facilitant leur accès aux avoirs productifs et leur contrôle sur ceux-ci; ii) d’améliorer la participation des jeunes femmes aux organisations communautaires.

Justification de l’intervention du FIDA

10. Le financement du FIDA constitue un complément à l’investissement de l’IDA, qui permettra d’en renforcer l’impact de développement global par la mise en place d’activités spécifiques et de groupes cibles. Alors que le programme TFSRP de l’IDA est axé sur la résilience des systèmes alimentaires à grande échelle, le financement du FIDA se concentre sur l’horticulture climato-compatible, moteur fondamental des systèmes agroalimentaires.
11. La principale raison justifiant l’implication du FIDA est le leadership reconnu du Fonds dans la transformation des systèmes alimentaires. En effet, cofinancer le TFSRP est une occasion pour le FIDA de contribuer et d’apporter une valeur ajoutée aux principaux investissements des pouvoirs publics et de la Banque mondiale dans le secteur agricole.
12. La valeur ajoutée au programme par le FIDA réside dans son expertise reconnue, d’une part, en matière d’agriculture en République-Unie de Tanzanie (plus particulièrement en horticulture) et, d’autre part, dans le ciblage des jeunes. Ce point est particulièrement important, ces deux domaines n’étant pas entièrement pris en compte dans le document de préévaluation du programme de l’IDA et appelant une plus grande attention.

B. Enseignements à retenir

13. Les rapports de supervision de la Banque mondiale ne répondent pas aux exigences du FIDA en termes de communication des résultats. Pour y remédier, une lettre de nomination détaillée spécifiera les exigences en matière de rapports et de responsabilité, et le FIDA participera aux missions de supervision.
14. Les expériences du FIDA dans la sous-région montrent qu’une approche axée sur les filières est essentielle pour bâtir un secteur horticole inclusif, capable d’offrir aux jeunes et aux femmes de nombreuses possibilités d’emploi et d’améliorer sensiblement leurs moyens d’existence.
15. Le programme s’appuiera sur les expériences de la Banque mondiale financées au titre de son Programme pour les résultats (PforR)², et le financement du FIDA se fondera exclusivement sur les indicateurs liés aux décaissements (DLI). Les enseignements tirés correspondants sont les suivants: i) la liste des DLI concernant les résultats obtenus tôt et de manière relativement facile, les résultats plus difficiles à atteindre étant prévus pour les dernières étapes du programme; ii) la manière d’associer un financement PforR à un financement de projets d’investissement en vue de fournir une assistance technique; iii) la conception d’un système de vérification des résultats qui garantit: a) la conformité aux systèmes de redevabilité les plus exigeants; b) le recours à un organisme de vérification pour confirmer ou contester les résultats.

² Le PforR est équivalent à la modalité de prêts axés sur les résultats du FIDA.

II. Description du programme

A. Objectifs, zone d'intervention et groupes cibles

16. En tant qu'initiative relevant d'un financement PforR, le TFSRP appuie un programme public en cours, le Programme de développement du secteur agricole II (ASDP II).
17. L'objectif de développement du programme est de soutenir la résilience des systèmes alimentaires en renforçant la prestation de services agricoles, en favorisant l'adoption de technologies climato-compatibles et en améliorant la performance budgétaire dans le secteur agricole.
18. Le TFSRP-H contribuera aux deux objectifs stratégiques du programme d'options stratégiques pour le pays (COSOP): objectif stratégique 1 – renforcer la résilience climatique des systèmes de production pour accroître la productivité des petits producteurs; objectif stratégique 2 – améliorer l'accès des petits producteurs aux marchés et aux microentreprises et petites et moyennes entreprises.
19. **Zone cible et ciblage géographique.** Les programmes ASDP II et TFSRP sont tous deux de portée nationale. Le prêt de l'IDA cible l'agriculture en général; le FIDA se concentrera sur les sites présentant un avantage comparatif en matière d'horticulture.
20. La sélection des districts sera fondée sur des critères tels que: i) population jeune et densité de population; ii) marché potentiel; iii) vulnérabilité face aux changements climatiques; iv) complémentarité avec d'autres initiatives, projets et programmes et potentiel de cofinancement (Banque mondiale et autres organismes) et avec d'autres projets du FIDA.
21. La stratégie de ciblage aidera à la définition de différentes catégories de jeunes, ce qui permettra de proposer des ensembles de prestations adaptés à cette population.
22. **Groupe cible.** Le programme bénéficiera directement à 250 000 jeunes femmes et jeunes hommes (âgés de 18 à 40 ans). Il bénéficiera indirectement à environ 330 000 personnes, dont 50% de jeunes femmes et 5% de personnes appartenant à des catégories vulnérables, notamment des personnes handicapées.
23. Les jeunes bénéficiaires directs seront sélectionnés parmi les trois groupes socioéconomiques suivants: i) jeunes ruraux pauvres en situation d'insécurité alimentaire et disposant d'avoirs de production limités; ii) jeunes producteurs ruraux en situation d'insécurité alimentaire modérée actifs dans l'horticulture de subsistance ou participant à cette filière; iii) jeunes à la tête d'une petite ou moyenne entreprise économiquement active et disposant d'un marché potentiel, confrontés à des contraintes de productivité et de commercialisation.
24. La stratégie de ciblage des jeunes s'appuiera sur les moyens suivants: i) autociblage, les activités correspondantes étant axées sur les besoins des jeunes ruraux en situation d'insécurité alimentaire actifs dans l'horticulture; ii) ciblage direct des jeunes vulnérables et/ou marginalisés; iii) mesures d'autonomisation et de renforcement des capacités destinées à garantir que les jeunes ciblés pourront bénéficier des avantages du projet grâce à des approches innovantes de mobilisation et de ciblage des jeunes; iv) établissement d'un environnement porteur et contribution à l'élaboration des politiques dans l'optique de créer un contexte incitatif pour les jeunes.

B. Composantes, résultats et activités

25. Le programme est composé de trois domaines de résultats (*Result Areas* – RA) relevant du PforR et concernant la Tanzanie continentale, et de composantes relevant d'un financement de projets d'investissement, qui concernent la Tanzanie continentale et Zanzibar. Le financement proposé s'adresse

au domaine RA 1 et à toutes les composantes relevant d'un financement de projets d'investissement.

26. **La composante 1 – amélioration de la prestation de services en matière de recherche, de vulgarisation et de systèmes semenciers** – vise à soutenir la mise en œuvre du programme ASDP II, à renforcer la résilience et à accroître la capacité de la Tanzanie continentale à s'adapter aux changements climatiques par un renforcement de la capacité des institutions de recherche à développer des technologies et à les adapter, par la diffusion de solutions numériques permettant un accès accru aux technologies climato-compatibles et par une amélioration de l'approvisionnement en semences de grande qualité résistantes face aux changements climatiques. Trois indicateurs liés aux décaissements sont associés à cette composante: DLI 1 – financement durable destiné au développement et à la diffusion de technologies résilientes face aux changements climatiques dans l'agriculture; DLI 2 – extension de la portée de la vulgarisation, y compris par le biais de solutions informatiques visant la promotion de pratiques climato-compatibles; DLI 3 – amélioration des liens fonctionnels dans la filière des semences.
27. **La composante 2 – mise en place d'une infrastructure rurale résiliente** – est conçue comme un complément aux investissements en capital des pouvoirs publics dans les infrastructures qui sont essentielles pour augmenter la productivité et renforcer la résilience, notamment face aux changements climatiques. Les indicateurs liés aux décaissements correspondant à cette composante sont les suivants: DLI 4 – contrats d'exploitation, de gestion et d'entretien fondés sur les résultats établis et exécutés; DLI 5 – gestion efficace des installations publiques d'entreposage.
28. **La composante 3 – renforcement de la performance budgétaire dans les domaines d'investissement prioritaires** – est destinée à améliorer la performance institutionnelle. Un budget agricole mieux établi et la réaffectation de certaines aides publiques permettront de gagner en efficacité et en impact dans la prestation des services, d'assurer une meilleure planification locale et d'accroître les investissements en matière de gestion des ressources naturelles. Ainsi, les agriculteurs, leurs organisations professionnelles et les autres acteurs des filières seront moins vulnérables face aux chocs d'origine climatique. Les indicateurs liés aux décaissements correspondant à cette composante sont les suivants: DLI 6 – amélioration du suivi et de la prévisibilité de la trajectoire budgétaire en matière agricole; DLI 7 – augmentation des évaluations et amélioration de la gestion en matière de santé des sols.
29. **La composante relevant d'un financement de projets d'investissement en Tanzanie continentale** permettra le recrutement de trois experts supplémentaires (un(e) spécialiste des questions relatives à la jeunesse et au ciblage, un(e) expert(e) en horticulture et un(e) expert(e) en agriculture numérique, à temps partiel), qui rejoindront l'équipe de gestion du programme de Tanzanie continentale. Au besoin, cette composante servira aussi à compléter la contribution de l'IDA destinée à l'assistance technique.
30. **La composante 1 (Zanzibar)**, « Amélioration de la prestation de services en matière de recherche, de vulgarisation et de systèmes semenciers », vise le renforcement de la capacité des différents acteurs à conduire des recherches pertinentes en matière de technologies agricoles, notamment sur de nouvelles variétés, à développer et à diffuser ces technologies et à fournir les services de vulgarisation nécessaires pour promouvoir leur adoption.
31. **La composante 2 (Zanzibar)**, « Remise en état des infrastructures rurales à des fins de résilience climatique », vise la remise en état des infrastructures d'irrigation et de drainage, le forage de puits et la remise en état de certaines routes agricoles. Par ailleurs, la Banque mondiale soutiendra la construction de magasins publics

destinés aux exploitations et de trois aires de séchage dans les centres de prestation de services aux exploitants.

32. **La composante 3 (Zanzibar)**, « Exécution et supervision du projet », permettra le recrutement de trois experts supplémentaires (un(e) spécialiste des questions relatives à la jeunesse et au ciblage, un(e) expert(e) en horticulture et un(e) expert(e) en agriculture numérique, à temps partiel), qui rejoindront l'équipe de gestion du programme de Zanzibar. Au besoin, cette composante servira aussi à compléter la contribution de la Banque mondiale destinée à une assistance technique spécifique.

C. Théorie du changement

33. La théorie du changement présente trois chaînes de résultats qui se renforcent mutuellement au profit de la résilience des systèmes alimentaires: une prestation de services agricoles plus performante, une gestion efficace des infrastructures d'irrigation et d'entreposage et un renforcement institutionnel aux fins d'une meilleure performance budgétaire dans ce secteur.
34. L'approche adoptée consiste à renforcer la résilience des systèmes alimentaires nationaux en favorisant le développement d'une capacité de production agricole inclusive et climato-compatible par les moyens suivants: i) une transformation de la prestation de services en matière de recherche, de vulgarisation et de semences; ii) une gestion plus résiliente des infrastructures d'irrigation et d'entreposage; iii) une meilleure performance budgétaire de la part du Ministère de l'agriculture et de ses organismes.
35. Les résultats concrets en matière de renforcement de la résilience le long de ces trois chaînes de résultats sont: une augmentation des capacités de production fondée sur la mise à disposition en continu, la production accrue et l'adoption généralisée de variétés de semences améliorées; une utilisation efficace de l'eau garantissant des réserves en cas de sécheresse; des changements dans la gestion des terres et les pratiques de production permettant de préserver les sols, d'améliorer leur qualité et de constituer des réserves de nutriments; une diversification des chaînes d'approvisionnement et une réduction des pertes après récolte grâce à une amélioration des installations de stockage et de transformation primaire et des pratiques de gestion; une exploitation efficace des marchés et du commerce régionaux.

D. Alignement, appropriation et partenariats

36. Le programme est conforme aux objectifs de développement durable n^{os} 1 (pas de pauvreté), 2 (faim zéro), 5 (égalité entre les sexes), 8 (travail décent et croissance économique) et 13 (lutte contre les changements climatiques).
37. Ce programme relevant d'un financement axé sur les résultats, ses activités sont entièrement conformes à l'ASDP II. En outre, il contribue au Plan quinquennal de développement II, à la Vision du développement national 2025 et à la Vision du développement de Zanzibar à l'horizon 2050, ainsi qu'à la mise en œuvre de la Building a Better Tomorrow Youth Initiative (initiative « bâtir des lendemains meilleurs » à l'intention de la jeunesse), outil visant à contribuer à la réalisation de l'Agenda 10/30. Enfin, le programme est aligné sur la Stratégie nationale de développement de l'horticulture (2021-2030) et le Plan de développement de Zanzibar (2021-2026).
38. Le programme est entièrement conforme au COSOP 2022-2027, dont l'objectif global est de transformer les systèmes agroalimentaires en vue d'une amélioration de la productivité et de la nutrition et d'un accroissement des revenus et de la résilience des populations rurales pauvres.

E. Coût, avantages et financement

39. Le financement total prévu par le FIDA à destination du TFSRP-H est de 40 millions d'USD, dont 21,5 millions d'USD issus de la Douzième reconstitution des ressources du FIDA (FIDA12). Le déficit de financement restant, qui s'élève à 18,5 millions d'USD, pourra être financé dans le cadre de cycles ultérieurs du Système d'allocation fondé sur la performance ou dans celui du Mécanisme d'accès aux ressources empruntées (selon des conditions de financement à définir et sous réserve des procédures internes et de l'approbation ultérieure du Conseil d'administration), ou par un cofinancement à déterminer pendant l'exécution.
40. Dans les différentes composantes du programme, le pourcentage alloué au titre du financement de l'action climatique est le suivant:
- DLI 1 – financement durable destiné au développement et à la diffusion de technologies résilientes face aux changements climatiques dans l'agriculture: financement de l'action climatique par le FIDA à 100%.
 - DLI 2 – extension de la portée de la vulgarisation, y compris par le biais de solutions informatiques visant la promotion de pratiques climato-compatibles: financement de l'action climatique par le FIDA à 50%.
 - DLI 3 – amélioration des liens fonctionnels dans la filière des semences: financement de l'action climatique par le FIDA à 50%.
 - Assistance technique correspondant au financement de projets d'investissement en Tanzanie continentale: financement de l'action climatique par le FIDA à 50%.
41. Le montant total alloué au programme par le FIDA au titre du financement de l'action climatique, calculé suivant les méthodes des banques multilatérales de développement pour le suivi du financement de l'adaptation aux changements climatiques et de l'atténuation de leurs effets, est estimé à 17,39 millions d'USD.

Coût du programme

42. Le coût total du programme s'élève à 2,133 milliards d'USD, provisions pour imprévus incluses: 913 millions d'USD (43%) pour RA 1, 958 millions d'USD (45%) pour RA 2, 238 millions d'USD (11%) pour RA 3 et 26,5 millions d'USD (1%) pour la composante relevant d'un financement de projets d'investissement .

Tableau 1
Coût du programme par source de financement et par type de prêt
(en millions d'USD)

Type de prêt	Source de financement	Montant	Pourcentage
Prêts axés sur les résultats	IDA	280	13,3
	FIDA	17,6	0,83
	Déficit de financement	15,9	0,75
	Gouvernement	1 793	85,12
Total prêts axés sur les résultats		2 106,5	98,76
Financement de projets d'investissement	IDA	20	0,75
	FIDA	3,9	0,15
	Déficit de financement	2,6	0,10
Total financement de projets d'investissement		26,5	1,24
Total		2 133	100,00

Tableau 2
Coût du programme pour le FIDA par domaine de résultats, par indicateur lié aux décaissements, par composante et par année du programme
(en millions d'USD)

Indicateur lié aux décaissements		Total des dépenses	2024/2025	2025/2026
<i>Tanzanie continentale</i>				
DLI 1	Financement durable destiné au développement et à la diffusion de technologies résilientes face aux changements climatiques dans l'agriculture	7,5	4,8	2,7
DLI 2	Extension de la portée de la vulgarisation, y compris par le biais de solutions informatiques visant la promotion de pratiques climato-compatibles	3,3	-	3,3
DLI 3	Amélioration des liens fonctionnels dans la filière des semences	6,9	3,9	2,9
<i>Financement de projets d'investissement</i>		0,5	0,25	0,25
<i>Zanzibar</i>				
Composante		Total des dépenses	2024/2025	2025/2026
Composante n° 1	Amélioration de la prestation de services en matière de recherche, de vulgarisation et de systèmes semenciers	0,6	0,50	0,10
Composante n° 2	Remise en état des infrastructures rurales à des fins de résilience climatique	2,3	-	2,3
Composante n° 3	Exécution et supervision du projet	0,5	0,25	0,25
		21,5	9,7	11,8
		Cumul	9,7	21,5

Tableau 3

Coût du programme par domaine de résultats, par indicateur lié aux décaissements et par source de financement

(en millions d'USD)

<i>Domaine de résultats</i>	<i>Indicateurs liés aux décaissements</i>	<i>Total</i>	<i>Emprunteur</i>	<i>IDA/Banque mondiale</i>	<i>FIDA12</i>	<i>Déficit de financement</i>
RA 1: Amélioration de la prestation de services en matière de recherche, de vulgarisation et de systèmes semenciers	DLI 1: Financement durable destiné au développement et à la diffusion de technologies résilientes face aux changements climatiques dans l'agriculture	246,98	202,00	37,00	7,475	5,575
	DLI 2: Extension de la portée de la vulgarisation, y compris par le biais de solutions informatiques visant la promotion de pratiques climato-compatibles	239,00	189,00	32,00	3,275	3,475
	DLI 3: Amélioration des liens fonctionnels dans la filière des semences	427,00	393,00	26,00	6,850	6,85
Total RA 1		912,98	784,00	95,00	17,6	15,90
RA 2: Mise en place d'une infrastructure rurale résiliente	DLI 4: Contrats d'exploitation, de gestion et d'entretien fondés sur les résultats établis et exécutés	271,00	201,00	70,00	-	-
	DLI 5: Stockage et commercialisation	685,00	643,00	42,00	-	-
Total RA 2		956,00	844,00	112,00	-	-
RA 3: Renforcement de la performance budgétaire dans les domaines d'investissement prioritaires	DLI 6: Amélioration du suivi et de la prévisibilité de la trajectoire budgétaire en matière agricole	170,00	129,00	41,00	-	-
	DLI 7: Gestion de la santé des sols améliorée	68,00	36,00	32,00	-	-
Total RA 3		238,00	165,00	73,00	-	-
Budget total au titre du PforR		2 106,5	1 793,00	280,00	17,60	15,90
<i>Composantes</i>		<i>Total</i>	<i>Emprunteur</i>	<i>IDA/Banque mondiale</i>	<i>FIDA12</i>	<i>Déficit de financement</i>
Composante 1 (Zanzibar):	Amélioration de la prestation de services en matière de recherche, de vulgarisation et de systèmes semenciers	2,50	-		0,60	1,90
Composante 2 (Zanzibar):	Remise en état des infrastructures rurales à des fins de résilience climatique	2,50	-		2,30	0,20
Composante 3 (Zanzibar):	Exécution et supervision du projet	0,5			0,50	-
Composante supplémentaire (financement de projets d'investissement en Tanzanie continentale):	Renforcement des capacités et assistance technique	21,00	-	20,00	0,50	0,50
Budget total au titre du financement de projets d'investissement		26,500	-	20,00	3,90	2,60
	Budget total	2 133,00	1 793,00	300,00	21,50	18,50

Stratégie et plan de financement et de cofinancement

43. Les sources de financement du programme sont le Gouvernement tanzanien (1,793 milliard d'USD, soit 84%), l'IDA (300 millions d'USD, soit 14%) et le FIDA (40 millions d'USD, soit 2%). Le programme sera administré par la Banque mondiale conformément à sa politique et à ses directives, y compris en ce qui concerne la gestion financière. Conformément à l'accord de financement de l'IDA/la Banque mondiale, les dépenses autorisées financées par le FIDA incluront les taxes et les droits.
44. L'IDA et le FIDA auront tous deux recours à des financements relevant à la fois du PforR et du financement de projets d'investissement. La contribution de l'IDA se décompose en 280 millions d'USD (93%) relevant du PforR et 20 millions d'USD (7%) relevant du financement de projets d'investissement. La contribution totale du FIDA comprend 33,5 millions d'USD (84%) au titre du PforR et 6,5 millions d'USD (16%) au titre du financement de projets d'investissement; ces fonds proviendront de FIDA12 à hauteur de 21,5 millions d'USD, un déficit de financement de 18,5 millions d'USD restant à combler.

Décaissement

45. Les décaissements du FIDA respecteront les procédures de décaissement de l'IDA et seront effectués par le biais du portail Client Connection de la Banque mondiale.
46. Les décaissements au titre du PforR seront effectués à la réalisation des DLI correspondants. Le Gouvernement tanzanien préfinancera toutes les activités relevant du PforR et sera remboursé par l'IDA et le FIDA à l'atteinte des résultats convenus au préalable. Des avances pourront être accordées à titre provisoire. La réalisation des DLI sera vérifiée tous les six mois par le Bureau de l'Auditeur général interne et/ou un organisme de vérification tiers, conformément aux protocoles de vérification en vigueur. La Banque mondiale enverra des instructions de décaissement au FIDA, accompagnées d'une communication officielle confirmant la réalisation des DLI. À réception de cet avis, le FIDA décaissera les fonds à destination du compte bancaire du programme ouvert à la Banque de Tanzanie pour recevoir les fonds du FIDA.
47. Les fonds liés aux activités relevant du financement de projets d'investissement seront décaissés par le FIDA à destination de deux comptes bancaires désignés distincts à la Banque de Tanzanie (pour la Tanzanie continentale et Zanzibar). Ces décaissements seront fondés sur les rapports financiers intermédiaires trimestriels, qui seront présentés à la Banque mondiale dans les 45 jours suivant la fin du trimestre, et les demandes de retrait seront soumises directement dans le portail Client Connection de la Banque mondiale. Les rapports financiers intermédiaires seront communiqués au FIDA.

Résumé des avantages et analyse économique

48. L'efficacité *ex ante* du programme sur la période 2023-2040 est évaluée selon une comptabilité coût-avantages. La valeur actuelle nette du programme sur 19 ans (2023-2040) est estimée à 4,01 milliards d'USD, avec un taux de rentabilité interne de 14,7% et un ratio bénéfices/coût de 2/1.

Stratégie de retrait et durabilité

49. L'un des instruments prévus relevant du PforR est l'assistance en matière budgétaire à l'appui du plan sectoriel du Gouvernement. Il est prévu que l'appropriation du programme par le Gouvernement intègre le retrait et la pérennisation. L'appui budgétaire contribuera à améliorer l'efficacité et la prévisibilité du financement. En outre, le programme renforcera les institutions telles que les comités de gestion de l'irrigation, gage de durabilité pour les investissements en matière d'infrastructures. Impliquer le secteur privé dans le développement des systèmes de semences horticoles contribuera aussi à la pérennisation des activités.

III. Gestion des risques

A. Risques et mesures d'atténuation

50. Globalement, les risques inhérents et les risques résiduels du TFSRP-H sont jugés modérés. Les risques les plus élevés concernent le contexte environnemental et climatique, la gestion financière et la passation des marchés au titre du programme.
51. Pour atténuer ces risques, le programme élaborera des plans d'exécution clairs et améliorera les systèmes de suivi-évaluation, et la Banque mondiale assurera un suivi étroit des procédures financières et de passation des marchés du programme.
52. Les risques liés au contexte environnemental seront atténués par la mise en œuvre d'interventions à visée climato-compatible et par l'établissement de plans de gestion environnementale, sociale et climatique spécifiques à chaque site.
53. Le risque fiduciaire global est considéré comme substantiel. Les mesures d'atténuation figurant dans la matrice intégrée des risques du programme visent à renforcer les capacités et les performances du système fiduciaire dans l'objectif d'offrir un degré d'assurance raisonnable que les fonds seront utilisés aux fins prévues, en tenant dûment compte des principes d'économie, d'efficacité, d'efficacité, de transparence et de responsabilité.

Tableau 4

Synthèse des risques

<i>Aspect du risque</i>	<i>Niveau de risque inhérent</i>	<i>Niveau de risque résiduel</i>
Contexte national	Substantiel	Substantiel
Stratégies et politiques sectorielles	Modéré	Modéré
Contexte environnemental et climatique	Substantiel	Substantiel
Portée du programme	Modéré	Modéré
Capacités institutionnelles d'exécution et viabilité	Modéré	Modéré
Gestion financière	Substantiel	Substantiel
Passation des marchés	Substantiel	Substantiel
Impact environnemental, social et climatique	Modéré	Modéré
Parties prenantes	Modéré	Modéré
Risque global	Modéré	Modéré

B. Catégorie environnementale et sociale

54. Le **risque environnemental et social** du TFSRP est jugé modéré par la Banque mondiale. Les risques potentiels et les effets néfastes sont prévisibles et devraient être temporaires et/ou réversibles. Aucun chantier de grande ampleur n'est prévu, et le programme n'aura pas d'incidence sur des zones sensibles ni ne sera préjudiciable à l'habitat naturel ou à la biodiversité. Les investissements concernant les infrastructures se limiteront essentiellement à l'exploitation, à l'entretien et à la gestion, et n'emploieront qu'un personnel limité. Les activités agricoles proposées se limiteront aux terres déjà irriguées et n'auront pas lieu dans des zones exposées à des risques géophysiques; le risque est donc jugé minime. Les bénéficiaires des sous-projets seront tenus d'élaborer des plans de gestion environnementale et sociale spécifiant les risques et les possibilités potentiellement induits par les activités proposées, ainsi que les mesures d'atténuation et/ou d'amélioration associées.

C. Classement au regard des risques climatiques

55. Au regard des **risques climatiques**, le classement préliminaire du TFSRP est « substantiel » en raison, d'une part, de l'exposition de la République-Unie de Tanzanie à des phénomènes météorologiques extrêmes tels que des sécheresses, des inondations, des températures élevées, des vagues de chaleur et des épisodes

de sécheresse et, d'autre part, de la fréquence et de l'intensité accrues de fortes pluies, de tempêtes de grêle et de vents violents, ainsi que de l'élévation du niveau de la mer. La vulnérabilité des bénéficiaires ciblés face aux chocs d'origine climatique constitue un risque susceptible d'empêcher le programme d'atteindre ses objectifs.

D. Soutenabilité de la dette

56. Selon l'analyse de la soutenabilité de la dette menée en 2021 par le Fonds monétaire international et l'IDA, le risque de surendettement public extérieur de la République-Unie de Tanzanie reste modéré. Ce rapport souligne l'importance pour le pays d'obtenir des financements extérieurs à des conditions concessionnelles. En outre, pour maintenir la soutenabilité de la dette et la viabilité budgétaire, les autorités sont appelées à améliorer la gestion des investissements publics et à mettre en œuvre des projets d'investissement ayant des retombées socioéconomiques.

IV. Exécution

A. Cadre organisationnel

Gestion et coordination du programme

57. Le Ministère de l'agriculture désignera une équipe de gestion du programme dont le personnel sera employé à temps plein pour superviser la gestion des opérations au quotidien. En outre, des correspondant(e)s seront désigné(e)s dans les services et les unités concernés du Ministère de l'agriculture et du PO-RALG pour travailler avec les équipes du programme. Les activités liées à la passation des marchés et à la gestion financière seront conduites par les services concernés du Ministère de l'agriculture et du PO-RALG.
58. À Zanzibar, le Ministère de l'agriculture, de l'irrigation, des ressources naturelles et de l'élevage (MAINRL) supervisera l'exécution des activités relevant d'un financement de projets d'investissement qui concernent spécifiquement ce territoire. L'exécution du programme sera intégrée aux dispositifs institutionnels existants du MAINRL, qui désignera une équipe à temps plein (équipe de gestion du programme – Zanzibar) pour superviser la gestion du programme au quotidien.
59. En outre, chaque équipe de gestion du programme sera assistée par un(e) spécialiste des questions relatives à la jeunesse et au ciblage, à temps plein, un(e) expert(e) en horticulture, à temps plein, et un(e) expert(e) en agriculture numérique, à temps partiel.
60. Divers organismes participeront à l'exécution des activités. Le Ministère de l'agriculture sera responsable de toutes les activités à mettre en œuvre telles que présentées ci-dessus. Il est possible que le Tanzania Research Institute soit chargé de renforcer les capacités des agents de vulgarisation. Cette mesure contribuera à nouer des relations entre la recherche et la vulgarisation, ce qui permettra de renforcer les liens fonctionnels. Les autres partenaires d'exécution seront les autorités publiques locales, le Corridor sud de la croissance agricole de la Tanzanie et l'Association tanzanienne d'horticulture. Les autorités publiques locales seront chargées des services de vulgarisation dans le cadre du dispositif institutionnel existant.
61. La Commission nationale de l'irrigation (NIRC) supervisera la mise en œuvre des interventions portant sur l'irrigation.

Gestion financière, passation des marchés et gouvernance

62. Le programme sera administré par la Banque mondiale conformément à sa politique et à ses directives en matière de gestion financière. Les systèmes fiduciaires, y compris les dispositifs de mise en œuvre et institutionnels, la capacité de gestion fiduciaire et la performance de l'exécution, sont déjà évalués par la Banque mondiale, à tous les niveaux. En ce qui concerne les financements au titre du PforR,

le FIDA se fondera sur les systèmes de gestion financière du programme au niveau du pays.

63. Les registres financiers concernant les financements relevant du PforR seront tenus à l'aide du système intégré de gestion financière. Les états financiers annuels seront élaborés conformément à la comptabilité d'exercice des Normes comptables internationales pour le secteur public (IPSAS).
64. Les registres financiers de la composante financée par projet d'investissement seront tenus en comptabilité de caisse IPSAS dans des tableaux Excel, le Ministère ne disposant pas d'un logiciel de comptabilité.
65. Des audits internes concernant les financements relevant du PforR seront effectués par des auditeurs internes du Ministère de l'agriculture dans le cadre de leur plan annuel. Des audits internes concernant la composante financée par projet d'investissement seront réalisés au moins deux fois par an. La Banque mondiale communiquera les rapports d'audit interne au FIDA.
66. Conformément au document d'évaluation du projet de la Banque Mondiale, les rapports d'audit externe concernant la composante financée par projet d'investissement seront présentés à la Banque mondiale dans les six mois suivant la fin de chaque exercice financier.
67. Des audits externes concernant les financements relevant du PforR seront effectués par l'institution supérieure de contrôle des finances publiques du pays et présentés à la Banque mondiale dans les neuf mois suivant la fin de l'exercice financier. L'approbation par le Conseil d'administration du FIDA d'une dérogation à la section 9.03 b) des Conditions générales applicables au financement du développement agricole a été demandée pour permettre une soumission des états financiers annuels audités neuf mois après la fin de chaque exercice financier, aussi bien pour les composantes relevant du PforR que pour les financements par projet d'investissement.
68. Le programme respectera les Directives de la Banque mondiale pour la prévention et la lutte contre la fraude et la corruption. Comme indiqué dans le document de préévaluation du programme, le Gouvernement adoptera également des mesures appropriées pour prévenir la fraude et la corruption.
69. Conformément à l'accord-cadre en matière de marchés publics conclu en septembre 2023 par le FIDA et la Banque mondiale, les politiques, règlements, règles et instructions du cofinancier principal s'appliqueront à la passation des marchés de biens, de travaux et de services.

Participation et retours d'information du groupe cible, et mécanisme de réponse aux doléances

70. Le consentement préalable, libre et éclairé, des plans de participation des parties prenantes et un mécanisme de réponse aux doléances seront les outils à disposition pour gérer les conflits sociaux potentiels au cours du lancement et de l'exécution du projet. Des circuits de communication appropriés seront mis en place conformément aux exigences de la Banque mondiale et du FIDA, sur la base des pratiques existantes.

Mécanisme de réponse aux doléances

71. Le programme mettra en œuvre les mécanismes de réponse aux doléances de la Banque mondiale, qui sont entièrement conformes aux exigences du FIDA, comme relevé dans l'analyse des lacunes prévue dans les Procédures d'évaluation sociale, environnementale et climatique. La stratégie de réponse aux doléances intégrera aussi des approches actuellement mises en œuvre par les autorités publiques qui ont été évaluées positivement par la Banque mondiale. Les interlocuteurs et les circuits de réponse aux doléances du FIDA seront intégrés au mécanisme de réponse aux doléances du TFSRP.

B. Planification, suivi-évaluation, apprentissage, gestion des savoirs et communication

72. Le cadre de suivi-évaluation du programme s'appuiera sur les données des pouvoirs publics, la plupart des données relatives aux indicateurs émanant du Système de données agricoles de routine du Ministère de l'agriculture. Une mise à jour de ce système est prévue pendant la première année de l'exécution. Certains indicateurs seront évalués à partir d'autres bases de données des autorités publiques, tandis que quelques-uns seront suivis par le biais de systèmes de gestion des informations établis. L'utilisation des systèmes des autorités publiques garantira la conformité des modalités de suivi-évaluation du TFSRP au cadre général de suivi-évaluation du Gouvernement et leur cohérence avec les plateformes de suivi-évaluation créées pour l'ASDP.
73. La gestion des connaissances sera intégrée à la mise en œuvre du programme par le biais du système de suivi-évaluation. Une stratégie de gestion des connaissances sera mise en place au début du programme. L'équipe de gestion du programme documentera et diffusera les leçons tirées à intervalles réguliers lors des missions de supervision, à l'examen à mi-parcours et à l'achèvement du programme. La Banque mondiale travaille actuellement à l'amélioration de ses systèmes de suivi-évaluation; la gestion des connaissances est l'un des domaines qu'elle entend affiner pour tirer des enseignements de la mise en œuvre effective des programmes et des modalités de financement. Il s'agira notamment de tirer des leçons particulièrement utiles pour le FIDA, plus spécifiquement sur les modalités des financements au titre du PforR.

Innovations et reproduction à plus grande échelle

74. La conception du TFSRP met l'accent sur le soutien à l'innovation et l'amélioration des connaissances, en particulier en ce qui concerne les difficultés à surmonter pour élargir l'accès aux technologies climato-compatibles et aux systèmes d'alerte précoce. Le programme entend instaurer de nouveaux modèles opérationnels, qui maximiseront l'impact des investissements publics, en particulier ceux qui visent à limiter l'effet potentiel des pénuries d'eau sur les systèmes d'irrigation existants, à réduire les pertes après récolte et à accroître l'efficacité et l'efficience des budgets et des instruments de politique.
75. Dans le cadre de sa stratégie d'innovation, le TFSRP-H développera l'adoption de solutions numériques pour élargir l'accès aux technologies climato-compatibles et améliorer la diffusion de semences de grande qualité résilientes face aux changements climatiques.
76. Les interventions du TFSRP-H pourront facilement être transposées à plus grande échelle au sein du programme ASDP II, beaucoup plus vaste, conduit par le Gouvernement, et dans le cadre d'autres initiatives publiques.

C. Plans d'exécution

Plans de préparation à l'exécution et de démarrage

77. L'ASDP II est en cours d'exécution; le financement de l'IDA est déjà effectif. L'unité de coordination du programme est déjà en place et entièrement prête à mettre en œuvre les activités financées par le FIDA.

Supervision, examen à mi-parcours et plans d'achèvement

78. Une mission de supervision conjointe sera conduite chaque année par le Gouvernement, la Banque mondiale et le FIDA pour analyser et évaluer l'avancement de l'exécution. Le FIDA participera à la planification de cette mission ainsi qu'à l'élaboration et à la validation de son mandat. En fonction des besoins spécifiques et des éventuels goulets d'étranglement rencontrés au cours de l'exécution du programme, des missions d'appui à l'exécution pourront être entreprises à la demande.

V. Instruments et pouvoirs juridiques

79. L'octroi à l'emprunteur du financement proposé est régi par un accord de financement entre la République-Unie de Tanzanie et le FIDA. Une copie de l'accord de financement négocié figure à l'appendice I.
80. La République-Unie de Tanzanie est habilitée, en vertu de son ordre juridique, à recevoir un financement du FIDA.
81. Je certifie que le financement proposé est conforme aux dispositions de l'Accord portant création du FIDA, et aux Principes et critères applicables aux financements du FIDA.

VI. Recommandation

82. Je recommande au Conseil d'administration d'approuver le financement proposé par la résolution suivante:

DÉCIDE: que le Fonds accordera à la République-Unie de Tanzanie un prêt à des conditions particulièrement concessionnelles d'un montant de vingt et un millions cinq cent huit mille sept cent trente-quatre dollars des États-Unis (21 500 000 USD), qui sera régi par des modalités et conditions conformes en substance aux modalités et conditions indiquées dans le présent rapport.

Le Président
Alvaro Lario

Negotiated financing agreement

(Negotiations concluded on 13 September 2024)

Loan No: _____

Project name: *Tanzania Food Systems Resilience Programme - Horticulture*
("the TFSRP-H"/ "the Operation")

The United Republic of Tanzania (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 co-financing the Programme and Project (both of them collectively the "Operation") described in Schedule 1 to this Agreement;

WHEREAS, the Operation is financed by the World Bank Group – International Development Association (the "Cooperating Institution") through a loan amounting to three hundred million United States dollars (USD. 300 000 000). The Borrower and the Cooperating Institution have entered into a financing agreement dated 30 June 2023 (the "World Bank - IDA Agreement") to provide financing for the Operation as defined in the World Bank - IDA Agreement;

WHEREAS, in May 2023, the Cooperating Institution approved Tanzania Food Systems Resilience Program (the "TFSRP"), which is financed by a US\$ 300 million World Bank loan. TFSRP is supporting an existing Government program, the Agricultural Sector Development Program II (the "ASDP II") which became effective in 2023 for a period of 5 years closing in July 2028 and is being implemented by the Ministry of Agriculture (the "MoA") in the Mainland and the Ministry of Agriculture Irrigation, Natural Resources and Livestock (MAINRL) in Zanzibar and coordinated by their respective Program Management Teams (the "PMTs").

WHEREAS, IFAD, the Cooperating Institution and the Government of the United Republic of Tanzania (the "GoT") have agreed to IFAD's co-financing of TFSRP, to bring a more specific focus on youth, horticulture, and access to finance. TFSRP-Horticulture will support the overall program.

WHEREAS, the Cooperating Institution and IFAD will sign a letter of appointment (the "Cooperation Agreement") detailing the responsibilities, arrangements and obligations of the two parties in supervising the Operation, including requirements for reporting and accountability from the Cooperating Institution and IFAD will ensure participation in supervisions.

WHEREAS, the Fund has agreed to provide co-financing for the Operation;

NOW THEREFORE, the Parties hereby agree as follows:

Section A

1. The following documents collectively form this Agreement: this document, the Programme 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, except for the provisions identified in Section E paragraph 4 below. 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 a Loan (the "Financing") to the Borrower, which the Borrower shall use to implement the Operation in accordance with the terms and conditions of this Agreement.

Section B

1. The amount of the loan is twenty-one million five hundred thousand United States dollars (USD 21,500,000).
2. The Loan is granted on highly concessional terms (the "HCT") and shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency. The Loan shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board.
3. The principal of the HCT Loan will be repaid at four and half per cent (4.5%) of the total principal per annum for years eleven (11) to thirty (30), and one per cent (1%) of the total principal per annum for years thirty-first (31) to forty (40).
4. The Loan Service Payment Currency shall be in United States dollars.
5. The first day of the applicable Fiscal Year shall be 1 July.
6. Payments of principal and service charges shall be payable on each 15 February and 15 August.
7. There shall be (3) Designated Accounts in USD, two for Mainland Tanzania (one for IPF and one for PforR) and one for Zanzibar (for IPF) which will be for the exclusive use of the Operation opened in the Bank of Tanzania (the "BOT"). The Borrower shall inform the Fund of the officials authorized to operate the Designated Account(s).
8. There shall be (3) Programme Accounts in TZS, two for Mainland Tanzania (one for IPF and one for PforR) and one for Zanzibar (for IPF) for the benefit of the Operation in a commercial bank account.
9. The Borrower shall provide financing for the Operation in the amount of one billion seven hundred and ninety-three million United State dollars (US\$ 1. 793 Billion) which will form part of the larger Agriculture Sector Development Programme Phase II".

Section C

1. The Lead Programme Agency shall be the Ministry of Agriculture (MoA).
2. Additional Programme Parties are described in Schedule 1 Part I.
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 Programme.
4. The Programme Completion Date shall be the fourth (4) anniversary of the date of entry into force of this Agreement (the "Effective Date") and the Financing Closing Date shall be 6 months later, or such other date as the Fund may designate by notice to the Borrower.
5. Procurement of goods, works and services financed by the Financing shall be carried out:
 - (a) in accordance with the Cooperating Institution's procurement guidelines in so far as they pertain to the Investment Project Financing ("IPF") components; or
 - (b) in accordance with the provisions of the Borrower procurement regulations where it pertains to Program-for-Results ("PforR") elements.

Section D

1. The Financing shall be administered, and the Operation supervised by the World Bank as the Cooperating Institution.

Section E

1. The following are designated as additional grounds for suspension of this Agreement:
 - (a) The Operation Manual and the Project Operation Manual and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Cooperating Institution 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 Operation.
 - (b) In the event that the Borrower did not request a disbursement of the Financing for a period of at least 12 months without justification.
 - (c) the Cooperation Agreement, as further defined in Article III of the GCs / or the co-financing Agreement has failed to enter into full force and effect within 180 days of the date of this Agreement, and substitute funds are not available to the Borrower.
 - (d) the right of the Borrower to withdraw the proceeds under the World Bank - IDA Agreement has been suspended, cancelled or terminated, in whole or in part, or the loans advanced under the World Bank - IDA Agreement have become due and payable prior to the agreed maturity thereof; or any event has occurred which, with notice or the passage of time, could result in any of the foregoing.
2. The following are designated as additional grounds for cancellation of this Agreement:

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

3. The following are designated as additional specific conditions precedent to withdrawal of the proceeds of the Financing:

- a) IFAD will have provided its clearance to the Operations Manual and the Project Operations Manual.
- b) Key Programme Personnel has been appointed as per Schedule 1 and 3 of this Agreement.
- c) the Cooperation Agreement, as further defined in Article III of the GCs / or the Co-financing Agreement has entered into full force and effect within 180 days of the date of this Agreement.
- d) The designated and operational accounts have been opened as per section B of this agreement.
- (e) the right of the Borrower to withdraw the proceeds under the World Bank - IDA Agreement has not been suspended, cancelled or terminated, in whole or in part, or the loans advanced under the World Bank - IDA Agreement have not become due and payable prior to the agreed maturity thereof; or any event has occurred which, with notice or the passage of time, could result in any of the foregoing.

4. For the purposes of this Agreement the following Articles of the General Conditions shall be amended to read as follows:

- (a) Article VII, Section 7.05 (Procurement): the procurement of goods, works and services to be financed out of the proceeds of the financing corresponding to the IPF activities under the Operation shall be subject to and governed by: Cooperating Institution's procurement policies, regulations, rules and instructions as per Procurement Framework Agreement between IFAD and the Cooperating Institution.
- (b) Article IX, Section 9.03 (Audit of Accounts): Programme Accounts, financial statements, and statements of expenditure shall be audited by independent auditors acceptable to the Cooperating Institution, in accordance with auditing standards acceptable to the Cooperating Institution. The audited financial statements shall be submitted by the Borrower within nine months after each fiscal year-end (for both PforR and IPF), to align with the Cooperating Institution's timeframe for audit report submission.
- (c) Article XI, Section 11.01 (Taxation): The Agreement shall permit the Borrower to use the Financing in alignment with the approach used in the World Bank – IDA Agreement Schedule 2 Section IV signed by the last party to that agreement on 30 June 2023.

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

For the Borrower:

Minister of Finance
Ministry of Finance, United Republic of Tanzania

Government City -Mtumba
P.O. Box 2802
Dodoma, Tanzania

For the Fund:

The 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 UNITED REPUBLIC OF TANZANIA

Dr. Natu El-maamry Mwamba
Permanent Secretary

Date: _____

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

Alvaro Lario
President

Date: _____

Schedule 1

Programme Description and Implementation Arrangements

I. Programme Description

1. *Target Population.* The Programme shall benefit an estimated 250,000 young (18 to 40) females and males. Indirectly the Programme will reach approximately 330,000 people. This will include 50 per cent young women, and 5 per cent vulnerable categories including Persons with Disabilities.

2. *Programme area.* The Programme will have a national scope. The International Development Association (IDA) loan targets agriculture in general, and IFAD will focus on the locations that have a comparative advantage for horticulture. (*the "Programme Area"*).

3. *Objectives.* The objective of the Programme is to support food systems resilience by strengthening agricultural service delivery, the adoption of climate resilient technologies and fiscal performance in the agricultural sector. The district selection will be guided by criteria that include: a) youth population and population density; b) potential for markets; c) vulnerability to climate change; d) complementarity with other initiatives/projects/programmes and potential for co-financing (i.e., World Bank and others) and other IFAD projects.

4. *Components.* The Operation is structured into, three Results Areas (RA) for the PforR in Mainland Tanzania, and Components for the IPF in Mainland and Zanzibar. The Financing will contribute to RA1 and to all IPF components as follows:

5. **Result Area 1: Improving service delivery in research, extension, and seed systems** seeks to support the delivery of ASDP II, build resilience, and increase the capacity of the Mainland to adapt to climate change by accelerating the ability of research institutions to develop and adapt technologies, expand the use of digital solutions to enable increased access to climate-smart technology and improve the supply to high-quality climate resilient seeds. There are three disbursement-linked indicators, namely: DLI1: Sustainable financing for the development and dissemination of climate resilient technologies in agriculture; DLI2: Extension outreach strengthened, including through ICT solutions for promoting climate-smart practices, and DLI3: Improved functional linkages in the seed value chain.

IPF Component Mainland: The Financing for the IPF component in mainland will finance the 3 additional experts (youth and targeting expert; horticulture expert; part-time digital agriculture expert) to be aggregated to the Mainland PMT. In addition, for the technical assistance, Financing will complement the World Bank loan where necessary, with focus on strengthening the M&E capacity, responding to green growth and carbon financing opportunities, and building institutional capacity.

6. **Component 1 (Zanzibar):** Improving service delivery in research, seed, and extension. This component focusses on strengthening different actors' capacities to undertake relevant research on agriculture technologies such as new varieties, multiply and disseminate these technologies, and to provide the necessary extension services to promote the adoption of these technologies.

7. **Component 2 (Zanzibar):** Rehabilitation of rural infrastructure to enhance climate resilience. Under this component, TFSRP will finance the rehabilitation of irrigation and drainage infrastructure, the drilling of boreholes, market infrastructure and the rehabilitation of some farm roads. In addition, this component will support construction of government-owned farm level stores, and construction of three drying areas in farmers' service centres.

8. **Component 3 (Zanzibar):** Project implementation and supervision. As for the IPF Mainland, under this component IFAD will finance the 3 additional experts (youth and targeting expert; horticulture expert; part-time digital agriculture expert) to be aggregated to the Zanzibar PMT. In addition, the Financing will complement, where necessary, the World Bank loan with regards to specific technical assistance in project management, financial management, and procurement, social and environmental, monitoring and evaluation, and reporting requirement, including the preparation and approval of annual work plans, the project operation manual, environmental and social instruments, and other related documents. Under the environmental and social management-related activities, the support will enable the MAINRL in Zanzibar to coordinate, monitor, and report on implementing the relevant environmental and social management processes.

II. Implementation Arrangements

9. *Lead Programme Agency.* The Ministry of Agriculture.

10. *Operation Oversight Committee.* All committees established for TFSRP will also be employed for this Operation.

The Joint Steering Committee (JSC) will provide strategic oversight and promote coordination between the entities in Tanzania and Zanzibar who implement the operations and activities. JSC meets at least once a year to review lessons derived from TFSRP implementation.

In addition to the JSC, two Steering Committees exist – one for Tanzania Mainland and one for Zanzibar, chaired respectively by the Permanent Secretary of MoA (Mainland) and of MAINRL (Zanzibar).

The mandates of the SC are to review and assess the progress and performance of TFSRP, including the horticulture interventions and approve fund releases, including: (i) approve the annual work plan and budget for the following year, (ii) approve bi-annual fund release requests, (iii) approve annual reports, (iv) review progress in achieving Disbursement Linked Indicators (for Mainland) and overall implementation progress (Zanzibar), (v) review and endorse reports substantiating and validating the performance assessment including the Independent Verification Reports, (vi) approve annual work plan and budgets for the technical assistance activities, and (vii) approve Operation Manual and its amendments.

The Mainland will also have a Technical Committee (TC) composed of directors and heads of institutions involved in TFSRP implementation. The mandate of the TC will be to: (i) review and scrutinize implementation progress of TFSRP interventions, and (ii) provide technical guidance to the implementing institutions for the implementation of their respective activities, including procurement and financial management performance, and achievement of DLIs.

11. *Programme Management Teams (Mainland and Zanzibar).* Both Programme Management Teams established for TFSRP will also be employed for this Operation. The MoA has appointed a Programme Management Team (PMT) team of full-time staff to oversee day-to-day management of the operation.

For Zanzibar, the Ministry of Agriculture, Irrigation, Natural Resources and Livestock (MAINRL) in Zanzibar will oversee implementation of Zanzibar-specific IPF activities. The programme implementation will be mainstreamed into the existing institutional arrangements of the MAINRL, who will appoint a team of full-time staff to oversee the day-to-day management of the programme (PMT – Zanzibar).

Furthermore, each PMT will be supported with: a full-time youth and targeting specialist; a full-time horticultural expert; and a part-time digital agriculture expert. The key Programme Personnel roles to be filled as a condition prior to all withdrawals include, for

both the PMT and PMT-Zanzibar, include: (i) the project coordinator; (ii) the accountant; (iii) the youth and targeting specialist.

In addition, the PMT should fill the M&E officer and the PMT Zanzibar should fill the procurement officer positions prior to withdrawals.

12. *Implementing partners.* Various agencies will be involved in implementing planned activities, including amongst others different state agencies and ministries in Mainland and/or Zanzibar, Non-Governmental Organisations, farmer groups, research centres/institutes and associations.

13. *Monitoring and Evaluation.* The TFSRP M&E framework will rely on the Government's data, with most of the data for the indicators generated through the MoA's Agriculture Routine Data System (ARDS). Some indicators will be derived from other Government administrative information databases, while a few will be monitored through established information management systems. Using the Government's systems will ensure that the TFSRP M&E arrangements are aligned with the Government's overall M&E framework and are consistent with the M&E platforms created for the ASDP.

14. *Knowledge Management.* Knowledge management will form part of the programme implementation through the M&E. A knowledge management (KM) strategy will be developed at the beginning of the programme. The documentation and sharing of lessons on the PfoR and IPF implementation will be conducted at process level by both PMTs and periodic intervals during supervision missions, at mid-term review and at programme completion.

15. *Programme Implementation Manual.* The Operations Manual and the Project Operations Manual equivalent to the IFAD Programme Implementation Manual (PIM) will be updated to reflect the additional operations brought through TFSRP-H.

Schedule 2

Allocation Table

1. Allocation of Loan.

(a) Table 1 below sets out (i) the categories of Eligible Expenditures to be financed by the Loan and (ii) the allocation of the amounts to each category of the Financing. The amounts allocated in Table 1 [will be disbursed alongside the funds governed by World Bank – IDA Agreement. There will be no recurrent costs under the PforR categories. Recurrent costs financed by IFAD loan for the IPF components shall not exceed 15% of the total allocated amount for IPF components:

Table 1

Category (including Disbursement Linked Indicator as applicable)	Amount of the Financing Allocated to each Category (expressed in USD)	Percentage of Eligible Expenditures to be Financed under the Project (inclusive of taxes)
(1) DLI 1 - Sustainable financing for the development and dissemination of climate resilient technologies in agriculture. - Mainland	7 475 000	
(2) DLI 2 - Extension outreach strengthened, including through Information and Communication Technology (ICT) solutions for promoting climate smart practices. - Mainland	3 275 000	
(3) DLI 3 - Improved functional linkages in the Seed value chain - Mainland	6 850 000	
(4) IPF Mainland - Consulting and non-consulting services, Training and Workshops.	500 000	100%
(5) IPF Zanzibar - Goods, works, consulting and non-consulting services, Training and Workshops, Incremental Operating Costs.	3 400 000	100%
TOTAL	21 500 000	

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

- (i) DLI is the disbursement linked indicator/s described in the matrix of Table 2 below. The DLIs are used to measure achievement of particular milestones or disbursement-linked indicators that will trigger the disbursements to the Borrower.
- (ii) Category 4 expenditures are relating to Technical Assistance and Studies.
- (iii) Category 5 includes costs relating to improving service delivery in research, seed, and extension, and rehabilitation of rural infrastructure to enhance climate resilience.
- (iv) In category 5; Goods mean cost relating to equipment and machinery, and consulting and non-consulting services include cost relating to capacity building, training, Technical Assistance and studies.

2. *Disbursement Arrangements*

(a) Disbursements Arrangements for Categories (1) through (3) of Table 1

- (i) The funds (inclusive of Taxes), will be disbursed on the basis of the results achieved by the Borrower, as measured against specific DLIs set out in the Table 2 below. Withdrawal applications shall be submitted directly to the World Bank's Client Portal.
- (ii) Upon entry into force, the Borrower shall appoint an independent verification agent with experience and qualifications and under terms of reference acceptable to the Cooperating Institution to verify the data and other evidence supporting the achievement of the DLIs/DLRs, as set forth in the Table 2 below.
- (iii) Progression towards the achievement of the DLIs will be verified by the Verification Agency (the "VA") where applicable. The VA will be guided by the verification protocols and guidance notes. Verification reports with evidence of total or partial achievement of DLIs will be submitted to the Cooperating Institution. The Financing will be disbursed to Borrower upon the Cooperating Institution's acceptance of results achieved.
- (iv) The Borrower shall ensure that the Verification Agency carries out the verification process in accordance with the Verification Protocol (targeted for March and September) and submits the verification reports to the World Bank on semi-annual basis in form and substance satisfactory to the World Bank.

(b) Disbursement arrangements for Categories (4) through (5) of Table 1

Funds for the Investment Project Financing (IPF) activities will be disbursed (inclusive of taxes) based on submission of quarterly Interim Financial Reports (IFRs), which will be submitted to the World Bank within 45 days after the end of each quarter. Withdrawal applications will be submitted directly to the World Bank's Client Portal. IFRs will also be submitted through IFAD's Client Portal for IFAD's information.

(c) Financing of taxes

To adopt a harmonized policy on taxes as reflected in section E 4(c) of this Financing Agreement.

(d) Audit arrangements

Programme Accounts, financial statements, and statements of expenditure shall be audited by independent auditors acceptable to the Fund and the Cooperating Institution, in accordance with auditing standards acceptable to the Cooperating Institution. The audited financial statements shall be submitted by the Borrower within nine months after each fiscal year-end (for both PforR and IPF), to align with the Cooperating Institution's timeframe for audit report submission.

Table 2

TABLE 2 Disbursement Linked Indicator Matrix				
DLI 1	Sustainable financing for the development and dissemination of climate resilient technologies in agriculture; P4R RDLIs- Mainland			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	7 475 000	35%
Period	Value		Allocated Amount	Formula
Baseline	-			
Prior Results	-		-	DLI 1.1 + DLI 1.2
FY2024/25	-		4 787 500	DLI 1.1 + DLI 1.2
FY2025/26	-		2 687 500	DLI 1.1
DLI 1.1	TARI's annual budget outturn for horticulture research			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	5 375 000	25%
Period	Value		Allocated Amount	Formula
Baseline	30			
Prior Results			-	
FY2024/25	50		2 687 500	\$ 537 500 per every 1% budget outturn rate increase
FY2025/26	55		2 687 500	\$ 537 500 per every 1% budget outturn rate increase
DLI 1.2	TARI Horticulture Investment Plan 2025-2030 approved			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	2 100 000	10%
Period	Value		Allocated Amount	Formula
Baseline	No			

Prior Results	Yes		-	
FY2024/25	Yes		2 100 000	Disbursement if TARI horticulture investment plan is developed
DLI 2	Extension outreach strengthened, including through ICT solutions for promoting climate smart practices in horticulture; P4R RDLIs- Mainland			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	3 275 000	15%
Period	Value		Allocated Amount	Formula
Baseline	-			
Prior Results	-		-	
FY2024/25	-		-	DLI 2.1 + DLI 2.2
FY2025/26	-		-	DLI 2.1 + DLI 2.2
FY2026/27	-		3 275 000	DLI 2.1 + DLI 2.2
FY2027/28	-		-	DLI 2.1 + DLI 2.2
DLI 2.1	Number of extension staff trained on climate smart practices and e-agric. Solutions			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	2 870 000	13%
Period	Value		Allocated Amount	Formula
Baseline	-			
Prior Results	-		-	
FY2026/27	1 111		2 870 000	\$4 474 per extension officers (at least 30% being female) trained on climate smart practices and agricultural solutions
DLI 2.2	Horticulture Farmers (% women) reached with e-extension services			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	405 000	2%
Period	Value		Allocated Amount	Formula
Baseline				

Prior Results				
FY2026/27	150 000		405 000	\$27 per 10 farmers (3 being female) that have received early warning messages and/or submitted queries through the M-Kilimo
DLI 3	Improved functional linkages in the Seed value chain; P4R RDLIs-Mainland			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Tons/Year	6 850 000	32%
Period	Value		Allocated Amount	Formula
Baseline	-			
Prior Results	-		-	DLI 3.1 + DLI 3.2
FY2024/25	-		2 620 000	DLI 3.1.1 + DLI 3.1.2
FY2025/26	-		1 310 000	DLI 3.1.1 + DLI 3.1.2
FY2026/27	-		1 310 000	DLI 3.1.1 + DLI 3.1.2
FY2027/28	-		1 610 000	DLI 3.2
DLI 3.1.1	Number certified seeds produced (in tons) by ASA			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Tons/Year	2 620 000	12%
Period	Value		Allocated Amount	Formula
Baseline	-		-	
Prior Results	-		-	
FY2024/25	0.5		1 310 000	\$5 240 per additional KG of certified seeds produced year on year
FY2025/26	0.75		655 000	\$5 240 per additional KG of certified seeds produced year on year
FY2026/27	1		655 000	\$5 240 per additional KG of certified seeds produced year on year
DLI 3.1.2	Number of certified seedlings produced by ASA			

Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	Yes	Tons/Year	2 620 000	12%
Period	Value		Allocated Amount	Formula
Baseline	-		-	
Prior Results	-		-	
FY2024/25	1 000		1 310 000	\$ 1 310 per additional certified seedling produced year on year
FY2025/26	2 000		655 000	\$ 1 310 per additional certified seedling produced year on year
FY2026/27	3 000		655 000	\$ 1 310 per additional certified seedling produced year on year
DLI 3.2	Number of young TOSCI Authorized Seed Inspectors/2			
Type of DLI	Scalability	Unit Measure	Total Allocated Amount	As % of Total Financing Amount
Intermediate Outcome	No	Number	1 610 000	7%
Period	Value		Allocated Amount	Formula
Baseline				
Prior Results				
FY2027/28	9		1 610 000	\$178 889 per (young) seed inspector trained and authorised.

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 Programme:

1. The PforR financial records for the operation will be maintained using the integrated financial management system (IFMIS) and the IPF Component project financial records will be maintained manually in excel worksheet as the ministry does not have an accounting software to maintain project records. Both PforR and IPF financial statements will be prepared under the International Public Sector Accounting Standards (IPSAS) as described in the World Bank PAD to satisfy International Accounting Standards, World Bank-IDA and IFAD's requirements.

2. *Planning, Monitoring and Evaluation.* All Planning, Monitoring and Evaluation of Operation activities will be administered through Cooperating Institution, with the Fund being kept informed throughout.

3. The Key Programme Personnel are: (i) the project coordinator; (ii) the accountant; (iii) the youth and targeting specialist, for both the PMT and PMT-Zanzibar.

In addition, the M&E officer for the PMT and the procurement officer for the PMT-Zanzibar are considered Key Programme Personnel. In order to assist in the implementation of the Operation, the PMT, 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 Cooperating Institution. Key Programme Personnel shall be seconded to the PMT in the case of government officials or recruited under a consulting contract following the individual consultant selection method in accordance with the Cooperating Institution's procurement rules where it relates to IPF activities, or any equivalent selection method in the national procurement system where it relates to PforR. Key Programme Personnel are subject to annual evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Programme Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Operation's circumstances.

II. SECAP Provisions

1. *Environmental, Social and Climate safeguards.* The borrower shall ensure that the IPF activities under the Programme will be implemented in compliance with the Environmental and Social Standard requirements specified in the World Bank - IDA Agreement and shall ensure that : (a) all Operation activities are implemented in strict conformity with the Borrower's relevant laws and regulations; (b) all Operation activities give special consideration to the practices of the local population in compliance with the World Bank policy; (c) Free Prior Informed Consent is obtained from all persons whose access to land and resources may be affected or hindered by Operation activities. In the event of unforeseen land acquisition or involuntary resettlement under the Operation, the Borrower shall immediately inform IDA and the Fund and prepare necessary planning documents, to be disclosed on IFAD website and at local level; (d) women and men shall be paid equal remuneration for work of equal value under the Operation; (e) recourse to

child labour is not made under the Operation; (f) fair treatment, non-discrimination, and equal opportunity of Operation workers; (g) the measures included in the Gender Action Plan are undertaken, and the resources needed for their implementation are made available, in a timely manner; (h) all necessary and appropriate measures to implement the Gender Action Plan to ensure that women can participate and benefit equitably under the Operation are duly taken; and (i) easily accessible and responsive Operation-level grievance redress mechanism is established and operates effectively.

2. This ESMF highlights the necessity of preparing site-specific ESF instruments, namely ESIA/ESMPs and underlines the project implementation arrangements. In compliance with the Environment and Social Commitment Plan (ESCP), the Government of Zanzibar shall develop an ESMP for the IPF activities to guide operations, maintenance and implementation arrangements for the irrigation and post-harvest infrastructure. The ESMPs will be site-specific and will be revised and contextualised at sub-project level.

3. Both the TFSRP and the Horticulture component designs include a strong focus on climate change resilience and adaptation. However, specific adaptation measures are not comprehensively provided for in the ESMF. For projects presenting substantial climate risks, the Borrower shall carry and conduct a Targeted Adaptation Assessment (TAA), in accordance with SECAP requirements for Substantial climate risk category projects. The mitigation measures outlined in the Targeted Adaptation Plan should be mainstreamed in project interventions. The TAA will further be revised and contextualised at sub-project level.

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

5. *Fraud and Corruption.* The borrower shall ensure that: (a) the PforR activities under the Programme are carried out in accordance with the provisions of the "World Bank's Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing", dated February 1 2012 and revised on July 10 2015; and (b) the IPF activities under the Operation are carried out in accordance with the provision of the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016." For the purposes of this Agreement, a finding of corruption pursuant to the provisions of either of the foregoing guidelines, shall be deemed a finding of corruption under the "IFAD Policy on Preventing Fraud and Corruption in its activities and operations" as may be amended from time to time.

6. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and Cooperating Institution shall ensure that the Operation is carried out in accordance with the provisions of the Cooperating Institution's sexual harassment policy where it relates to IPF components and the Borrower's systems or IFAD's policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse.

Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services promoted or supported by the project				MIS, Digital Systems (M-Kilimo)	Annually	Ministry of Agriculture	"There is availability and willingness of the targeted youth to participate in the project and contribute to household livelihoods. The Government of Tanzania has put in place systems to reach the targeted youth and has capacity to provide the services as provided in the project design. "
	Males - Males			125000				
	Females - Females			125000				
	Young - Young people			250000				
	Total number of persons receiving services - Number of people			250000				
	Persons with disabilities - Number			12500				
	1.b Estimated corresponding total number of households members				MIS, Digital Systems (M-Kilimo)	Annually	Ministry of Agriculture	
	Household members - Number of people			1250000				
1.a Corresponding number of households reached				MIS, Digital Systems (M-Kilimo)	Annually	Ministry of Agriculture		
Households - Households			250000					
Development Objective To support food systems resilience by strengthening agricultural service delivery, the adoption of climate resilient technologies and fiscal performance in the agricultural sector	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices				HH survey	Midline, end line surveys	External M&E service provider	There is willingness and capacity by the targeted youth to adopt and sustain the climate resilient technologies in their horticulture enterprises. The Government extension services have capability to deliver and reach the targeted youth with the climate resilient technologies. The youth horticulture enterprises are sustainable and have potential to create new jobs/employment opportunities for other people. The government is willing to support the growth of youth horticulture enterprises with all the necessary resources that grow and sustain them.
	Total number of household members - Number of people			250000				
	Households - Percentage (%)			20				
	Households - Households			50000				
	2.2.1 Persons with new jobs/employment opportunities				HH survey	Midline, end line surveys	External M&E service provider	
	Males - Males			25000				
	Females - Females			25000				
	Young - Young people			50000				
	Total number of persons with new jobs/employment opportunities - Number of people			50000				
	Persons with disabilities - Number			2500				
Outcome Results Area 1: Improving service delivery in research, extension, and seed Mainland								
Output DLI 1. Sustainable financing for the development and dissemination of climate resilient technologies in agriculture; P4R RDLIs- Mainland	Increase in budget disbursed for horticulture				Audited reports	Annually	TALI	There is willingness and capacity from government to improve the service delivery in research, extension, and seed systems. The government is willing has the capacity to make the initial investment to achieve these deliverables to trigger the disbursement of funds on time.
	Type of seed (TBC) - Percentage (%)			45				
	TARI Strategic Plan 2025-30 approved to include horticulture investment plan, including Mid-term Expenditure Framework (this a deliverable for year 2025)				TARI records, surveys of farmers and agricultural experts		Type of component supported.	
Horticulture investment plan approved (including Mid-term Expenditure Framework) by type of component supported - Percentage (%)			1					
Output DLI 2. Extension outreach strengthened, including through ICT solutions for promoting climate smart practices; P4R RDLIs- Mainland	Number of extension staff trained on climate smart practices and e-agric. Solutions				Ministry of Agriculture training records	Annually	Ministry of Agriculture	There is willingness by extension services to participate in trainings related to climate smart practices and deployment of e-agriculture solutions. There is willing to utilise e-agric solutions within government.
	Male - Number			560				
	Female - Number			240				
	Young People - Number							
	Farmers reached with extension services					Annually		

	Male - Number			175000	MIS, Digital Systems (M-Kilimo)		Ministry of Agriculture	There is technical support for the relevant staff to fully utilise the e-agric solutions. The e-agric solutions are user friendly to both government staff and the targeted youth. There is supportive infrastructure in the geographic areas to support the functionality of the e-agric solutions.
	Female - Number			75000				
	Young people - Number			250000				
Output DLI 3. Improved functional linkages in the Seed value chain; P4R RDLIs- Mainland	Number certified seeds produced (in tons) by ASA				ASA records	Annually	TOSCI	There is expertise and infrastructure to support the production of certified seeds. There is limited red tape in getting the seed certified to get into mainstream seed market systems.
	Type of seed (TBC) - Number			45	TOSCI records	Annually	TOSCI	
	Number of TOSCI Authorized Seed Inspectors/2							
	Male - Number			32				
	Female - Number			8				
	Young People - Number			40				
Outcome IPF Component: Project Activities in Zanzibar								
Output IPF Component 1: Zanzibar Support to Zanzibar	Number of ZARI Lab equipped with facilities (soil, tissue culture and entomology etc.)				ZARI records	Annually	ZARI	There is willingness by the government to rehabilitate ZARI Labs. There is availability of staff or students willing to pursue postgraduate studies in areas of need within ZARI. There is expertise and infrastructure to support the production of certified seeds. There is limited red tape in getting the seed certified to get into mainstream seed market systems. There is willingness by extension services to participate in trainings related to climate smart practices and deployment of e-agriculture solutions. There is willingness and capacity by the targeted youth to be trained, adopt and sustain the climate resilient technologies in their horticulture enterprises.
	Labs equipped with facilities - Number			1	ZARI records	Annually	ZARI	
	Number of additional professional staff with a post-graduate degree (master's and PhD) at ZARI							
	Male - Number			1				
	Female - Number			1				
	Young people - Number			2	ZARI records	Annually	ZARI	
	Number of climate resilience enhancing technologies developed and released in Zanzibar							
	Climate resilience - Number			2	ZARI records	Annually	ZARI	
	Seed certification system established							
	System established - Number			1	Ministry of Agriculture (Zanzibar) records, surveys of extension staff	Annually	Ministry of Agriculture	
	Number of extension staff trained on climate smart practices and e-agric solutions							
	Male - Number			3				
	Female - Number			3				
	Young people - Number			6	Ministry of Agriculture (Zanzibar) records,	Annually	Ministry of Agriculture	
	Number of farmers that completed a farmer field school program supported by the project							
	Male - Number							
	Female - Number							

	Young People - Number			1000	surveys of extension staff			
Output IPF Component 2: Zanzibar Rehabilitation of rural infrastructure to enhance climate resilience	Number of Farmer's Service Centers rehabilitated (incl. drying area)				Ministry of Agriculture (Zanzibar) records	Annually	Ministry of Agriculture	The Ministry of Agriculture supports the rehabilitation of the Farmer Service Centers. The Farmer Service Centers are available and accessible for rehabilitation.
	Service centers rehabilitated - Number							
Output IPF Component 3: Zanzibar improved access to markets	Number of youths certified on food safety standards				Ministry of Agriculture (Zanzibar) records	Annually	Ministry of Agriculture	There is willingness and capacity by the targeted youth to participate in food safety certification programmes, adopt and sustain these in their horticulture enterprises
	Male - Number							
	Female - Number							
	Young people - Number			1000				
	Number of youths supplying local markets with horticulture produce				Ministry of Agriculture (Zanzibar) records	Annually	Ministry of Agriculture	
	Male - Number							
	Female - Number							
Young People - Number			1000					

Integrated programme risk matrix

Risk categories and subcategories	Inherent	Residual
Country context	Substantial	Substantial
Political commitment	Substantial	Substantial
<p>Risk(s): Tanzania is characterized by a good socio-political stability, by the absence of political turmoil including during elections, and a very low occurrence of inter-ethnic tensions or clashes, contrary to other countries in the Region. Following the demise of former President Magufuli, President Samia Suluhu Hassan, former Vice-President, was sworn in on March 19, 2021, as the United Republic of Tanzania, sixth president. Her policies and programs remain guided by the Tanzania Development Vision 2025 and are outlined in the third Five-Year Development Plan (FYDP-III 2021/22 – 2025/26). The government has revived proactive engagement with multilateral and bilateral development partners, which had been disrupted during the previous administration, leading to the suspension of financing by several development partners, including IFAD. Several IFAD projects that had been designed during this period never reached the stage of signature of Financing Agreement, which affected the renewal of the Country portfolio.</p> <p>Furthermore, although there are upcoming general elections in 2025, and that cabinet reshuffles happen, the importance of the ASDPII and BBT-YIA are such that they national and government priorities, irrespective of the ministers in charge.</p>		
<p>Mitigations: The World Bank and IFAD will establish a collaboration with the government to ensure that the project aligns with their objectives and receives their support. Developing relationships with stakeholders at all levels in the relevant line ministries and institutions will be crucial, for success.</p>		
Governance	Substantial	Substantial
<p>Risk(s): Risk: In 2021, the Transparency International's Country Corruption Perception Index assesses Tanzania at a substantial level of risk in terms of corruption (39 points in 2021), which places the country in 87th position out of 179 countries (in 2020 the score was 38 and was 97th out of 179 countries). According to the World Bank 2021 Country Policy and Institutional Assessment (CPIA) rating, Tanzania is a medium policy reformer with a score of 3.5 (no change from previous year). The country shows weaknesses in the Structural Policies of the Financial Sector and Business Regulatory Environment (score 3), and in the Public Sector Management and Institutions (Policies & Institutions for Environment Sustainability, Quality of Budgetary & Financial Management, Efficiency of Revenue Mobilization, Quality of Public Administration and Transparency, Accountability & Corruption in Public Sector where Tanzania scored 3). Inadequate governance capacity in the targeted government institutions has the potential to result in corruption, delays and inefficiencies during the implementation of the project.</p>		
<p>Mitigations: The Government of Tanzania has enhanced its efforts to prevent corruption by developing a National Anti-Corruption Strategy and Action Plan and is currently implementing its fourth phase (NACSAP IV / 2023-2030). This phase focuses on building systems of integrity, accountability, and transparency in public and private institutions. Additionally, IFAD's COSOP in Tanzania places the country-level policy engagement (CLPE) at the core of its strategy as one of the three accelerators. Key areas of policy engagement are focusing on increasing investments, improving policy coherence and coordination and improving the business environment for priority value chains. Furthermore, TFSRP</p>		

Risk categories and subcategories	Inherent	Residual
and TFSRP-H both include an important TA component to ensure implementing agencies have the capacity to implement project activities as planned.		
Macroeconomic	Moderate	Moderate
<p>Risk(s): Tanzania is one of the strongest economies in sub-Saharan Africa and one of the top three growth performers in East Africa. Between 2013 and 2018, and before the outbreak of the COVID-19 pandemic, its average GDP growth was 6.5 per cent in average. Economic activity in Tanzania is recovering from the COVID-19 crisis, with the 2022 real GDP growth rate projected to reach 4-5% (2021 at 4.3%, up from 2% in 2020). The hospitality, mining, ICT, transport, and electricity sectors are driving the recovery. High-frequency indicators suggest that while economic activities were expanding, they have not yet reached pre-pandemic levels.</p> <p>As in mainland Tanzania, official data for Zanzibar shows that economic activity is recovering. Real GDP grew by 5.1% in 2021, following significant slowdown to 1.3% in 2020 due to the impact of the COVID-19 pandemic on the tourism-dominated services sector which accounts for nearly 50% of Zanzibar's GDP.</p> <p>The latest joint IMF-World Bank Debt Sustainability Analysis, conducted in September 2021, concluded that Tanzania's risk of external debt distress had increased from low to moderate. The downgrade primarily reflected the collapse of tourism exports during the COVID-19 pandemic in the context of increased non-concessional borrowing and rising debt service. In addition, the new debt-carrying-capacity classification lowered the debt-burden thresholds.</p>		
<p>Mitigations: The government has reiterated its commitment to macroeconomic policies, aimed at not increasing public debt, containing inflation within the target range, and preserving external stability. The authorities have established a track record of sound macroeconomic management, but further reforms to revenue policy and administration, public expenditures, and debt management will be necessary to create adequate space to increase priority social spending and productive investment without jeopardizing fiscal sustainability. C-SDTP will leverage RPSF and other funding mechanisms in order to boost COVID-19 recovery and will invest in rural areas to increase smallholder productivity.</p>		
Fragility and security	Substantial	Substantial
<p>Risk(s): Tanzania is vulnerable to climate events (droughts, floods, water scarcity) climate events (droughts, floods, water scarcity). For instance, in December 2023 and May 2024, Tanzania was hit by torrential rain and flooding linked to the El Nino, which affected other countries in East Africa for weeks, causing dozens of deaths and injuries among the population.</p>		
<p>Mitigations: TFSRP will support the introduction of climate resilient infrastructure (irrigation) and horticulture varieties to mitigate the impact of climate change on project beneficiaries.</p>		
Sector strategies and policies	Moderate	Moderate
Policy alignment	Moderate	Moderate
<p>Risk(s): There is a very minor risk that a shift in government policy priorities make TFSRP-H less relevant and lose political support.</p>		
<p>Mitigations: This risk is mitigated by the fact that, as an RBL, the project is fully integrated into existing Government programmes, such as ASDPII and BBI. Furthermore, the lessons learnt through the implementation of TFSRP-H activities have the potential to feed into the updating of national policies, given that a number of youth policies will "expire" during project implementation.</p>		

Risk categories and subcategories	Inherent	Residual
Policy development & implementation	Moderate	Moderate
Risk(s): There is a possibility that the government may lack the ability to create and execute sector policies that are effective potentially affecting the success of the project particularly under access to finance.		
Mitigations: Offer support, to the government in order to build their capacity in developing and implementing sector policies that are effective. Collaborate with stakeholders including civil society organizations to provide assistance, to the government throughout this process.		
Environment and climate context	Substantial	Substantial
Project vulnerability to environmental conditions	Substantial	Substantial
Risk(s): The project might face challenges related to factors such as droughts, floods and pests, which all have the potential to seriously disrupt agriculture production and the livelihoods of the target groups. Overall, such challenges pose a concrete risk of slowing down implementation, and which in turn could lead the project to not fully achieve its PDO in the envisaged timeline.		
Mitigations: The project has incorporated horticulture climate resilience interventions in its design and implementation to mitigate the impact of such climatic events. The Project will ensure screening of project interventions potential impact on environment and formulation of site specific Environmental and Social Climate Management Plans (ESCMPs) where environmental risks exist to minimize negative environmental impacts when risk is identified. There will be targeted conservation and restoration activities at micro-catchment level/ irrigation scheme level.		
Project vulnerability to climate change impacts	Substantial	Substantial
Risk(s): The inherent risk for vulnerability to climate change is substantial as both Tanzania and Zanzibar are prone to climate change impacts including drought, floods, crop pests and diseases, tropical cyclones and severe storms, wildfires, landslides and increasing saltwater intrusion. These factors might affect the projects progress and overall success.		
Mitigations: The project has incorporated horticulture climate resilience interventions in its design and implementation to mitigate this. Early warning systems, more accessible weather and climate data, climate-resilient infrastructure, climate-smart agricultural practices/technologies, will be promoted to increase resilience. A targeted adaptation assessment will be developed to identify site specific adaptation options.		
Project scope	Moderate	Moderate
Project relevance	Moderate	Moderate
Risk(s): There is a possibility that the project might not address the requirements of the youth in horticulture or the country overall resulting in its failure.		
Mitigations: To mitigate this risk World Bank and IFAD will align with already existing government initiatives such the Building a Better Tomorrow (BBT) programme to ensure that the project is tailored to meet both the needs of the youth population and those of the country as a whole. The project is also providing funds to hire a targeting and youth specialist to ensure relevance of the interventions being provided.		
Technical soundness	Moderate	Moderate
Risk(s): There is a risk that the project design might not be technically robust which could result in some project interventions not being adequate to respond to farmers needs or to address existing technical challenges.		
Mitigations: To address this World Bank and IFAD has conducted a feasibility assessment to ensure that the project design is solid.		

Risk categories and subcategories	Inherent	Residual
Additionally IFAD will support the hiring of additional personnel such as targeting and youth specialist, a horticulture specialist and a financial inclusion/agri-business specialist in order to ensure the availability of relevant expertise in the Programme Management Team for the implementation of the IFAD financed activities, particularly activities. Finally, IFAD designs remain sufficiently flexible to change approaches and adapt interventions to the evolving contexts.		
Institutional capacity for implementation and sustainability	Moderate	Moderate
Implementation arrangements	Moderate	Moderate
Risk(s): The implementation arrangements for TFRSP-H are somewhat complex, involving different implementing agencies in the Mainland and Zanzibar. This complexity could create challenges for coordination and implementation of project activities, particularly where interventions of different implementing agencies are interlinked with one another.		
Mitigations: TFSRP-H will rely on the existing central Coordination unit, which includes a Project Coordinator, component leads and technical experts. In addition, the TA component will ensure that any capacity building needs or additional expertise required can be mobilized. IFAD and the World Bank will monitor closely the performance of the PCU and various implementing agencies, and both institutions reserve the right to make changes to the PCU structure if and when needed.		
M&E arrangements	Moderate	Moderate
Risk(s): Existing M&E systems for ASDP II and for the implementing Ministry may not be fully robust enough to provide credible information on IFAD core indicators for the different levels of results (output, outcome and impact) as well as project specific indicators. This is particularly critical when it comes to the measurement and reporting of the DLIs.		
Mitigations: The overall M&E capacity at the MoA needs to be strengthened. TFSRP will strengthen MoA's systems for data gathering, monitoring and evaluation through: (i) designing new sectoral monitoring systems, (ii) procurement of hardware and software to ensure the M&E system is efficient, (iii) design and implementation of the Women's Empowerment Index for Agriculture, and (iv) staff training on procurement, environmental and social risks, and contract management.		
Procurement	Substantial	Substantial
Legal and regulatory framework	Moderate	Moderate
Risk(s): The legal and regulatory framework for public procurement is well structured, with public procurement laws, regulations and procedures and precedence firmly established. Mainland: No statistical data is available to compile the extent of use of non-competitive methods of procurement. Minimum time periods for opening of NCB/ICB are not in compliance with the IFAD Procurement Handbook provisions. PPA and PPR do not contain specific provisions covering the use of life cycle costing or considerations of environmental/social characteristics. Zanzibar: There is no body, independent of ZPPRA, for review of appeals and authority to suspend the award decision and grant remedies. SECAP provisions are not captured either in the PPR or the SBDs. Provision for use of electronic procurement system is not included in the PPDA or PPR. Electronic procurement system is not fully functional. Procurement manual and circulars are not available in the ZPPRA website. SBDs do not sufficiently capture the IFAD SECAP requirements. No user manual or circulars available in the ZPPRA website.	Moderate	Moderate

Risk categories and subcategories	Inherent	Residual
<p>The country (Mainland and Zanzibar) has no policy/strategy in place to implement SPP in support of broader national policy objectives and the legal framework does not have comprehensive measures to address SPP which promotes the integration of three pillars of sustainable development.</p>		
<p>Mitigations: Mainland: Use of any non-competitive method of procurement shall require the prior review and NO, after justification and shall be reflected in the Procurement Plan (PP). Minimum time limits for submission of bids shall be as stipulated by the WB Procurement Framework. The national SBDs shall be used and amended as necessary to fulfil the SECAP requirements.</p> <p>Zanzibar: Enter into policy dialogue with the Zanzibar government for instituting an independent body for review of appeals. The national SBDs shall be used and amended as necessary to fulfil the SECAP requirements. Enter into a policy dialogue with the Zanzibar Government to issue directives for use of electronic procurement system by all the Government Organizations, as in the case of the mainland. Consolidated circulars in the form of manual shall be developed and shall be referred to in the PIM.</p> <p>Engage in policy dialogue to encourage establishment of comprehensive sustainable procurement provisions in the public procurement legal framework.</p>		
<p>Risk(s): Institutional Framework and Management Capacity Despite decentralization of the functions to procuring entities, PPRA is still involved in procurement transaction, particularly in providing authorization to procuring entities on use of less competitive bidding which shifts the accountability to PPRA for such decisions.</p> <p>Zanzibar: Even though electronic procurement system has been developed but is not kept updated. SPN is not published, and the contract award information is not fully updated. Procurement data is not managed and available in the public domain, for any analysis. Procurement capacity, in use of national / Zanzibar procurement framework as well as the WB procurement framework, needs to be improved.</p> <p>Lack of institutions for providing procurement training, certification and registration of procurement professionals hinders the recognition of procurement as a profession.</p>	Moderate	Moderate
<p>Mitigations: Request for use of non-competitive procurement methods must be identified in the Procurement Plan and submitted with justification for prior review.</p> <p>Zanzibar: The project shall publish the SPN and contract award details in the ZPPRA website, for procurements done by the Zanzibar PMU. The project shall make use of the OPEN system for the entire procurement cycle, to enable procurement data collection and analysis. All procurement personnel to be employed in the project will be registered in the BUILDPROC program funded by IFAD and delivered by ITC-ILO.</p> <p>Enter into policy dialogue with the Government to issue policy directives for establishing norms and standards for procurement training, certification and registration.</p>		
<p>Risk(s): Public Procurement and Operations and Market Practices There is no evidence that market research guides a proactive identification of optimal procurement strategies and that comprehensive sustainability criteria are used, except in the context of procurement set-aside for special groups.</p>	Moderate	Moderate

Risk categories and subcategories	Inherent	Residual
<p>Zanzibar: Competitive selection processes are defined in the ZPPDA and ZPPR and conditions for exceptions defined. However, statistical data for use of non-competitive method of selection are not compiled and available in the public domain.</p> <p>PPRA Procurement Performance and VFM audits have observed that contract management is a challenge due to limited capacity of human resources, knowledge, and experience in managing contracts. Training will be required for both procurement and technical staff in contract management to ensure that they are knowledgeable of the requirements of contract management.</p> <p>There are some systemic constraints inhibiting private sector access to the public procurement market. The government is more inclined to using government institutions in delivery of major projects, including the use of Force Account.</p> <p>There is little evidence of sector market analysis to determine sector specific risks and government's scope to influence specific market segments.</p>		
<p>Mitigations: The Project will follow the Project Procurement Strategy which recommends the optimal procurement approach for large contracts based on market research.</p> <p>In accordance with the IFAD Procurement Framework, the Project shall advertise ICB opportunities on UNDB and other internationally accessible sites to attract more qualified bidders.</p> <p>The project shall use systems to facilitate contract management and quickly identify potential vulnerabilities.</p> <p>Engage in policy dialogue with the government to encourage increased access for private sector organizations to the public procurement market.</p> <p>The Project Procurement Strategy for the project, based on market research, will recommend the optimal procurement approach for large contracts.</p>		
Accountability and transparency	Substantial	Substantial
<p>Risk(s): Civil society organizations in Tanzania (including Zanzibar) remain weak due to a variety of constraints, including poor understanding of the legal framework regulating procurement, inadequate resources, too technical procurement documents/reports for easy understanding especially at the grass root level, and low interest in procurement and contract management issues and are largely excluded from public consultation and monitoring.</p> <p>There is no evidence of an established program to train internal and external auditors to ensure that they are qualified to conduct high-quality procurement audits, including performance audits.</p> <p>Zanzibar: The PPR provides for administrative review of any complaints from the bidders on the contract award decision, but the review is done by a review panel appointed by the Accounting Officer of the PDE, not by any independent authority.</p> <p>Standard Bidding Documents issued by PPRA does not contain a declaration confirming that the bidder has not been prosecuted or convicted of fraud, corruption or other prohibited practices.</p> <p>There is no evidence of independent and credible CSOs who are actively engaged in and contributes to shape and improve integrity of public procurement in Tanzania.</p>	Moderate	Moderate

Risk categories and subcategories	Inherent	Residual
<p>Mitigations: Engage more in policy dialogue with the government to encourage increased involvement of civil society organizations in consultation and monitoring.</p> <p>Engage in policy dialogue to encourage establishment of procurement-specific training program for procurement auditors.</p> <p>For all prior review procurement, copies of procurement complaint and resolution shall be sent to IFAD for review and for all post review procurement IFAD shall be kept informed of any procurement complaints.</p> <p>SBD's will be amended to include reference to Policy on Preventing Fraud and Corruption.</p> <p>Undertake policy dialogue to encourage further inclusion of civil society in all phases of the procurement process.</p>		
<p>Risk (s): Assessment of Project Complexity</p> <p>World Bank fiduciary system assessment has identified inadequate capacity of IA procurement staff, which has the potential risk of non-compliance. The project has inter-dependent contracts with multiple partners requiring advanced sequencing and coordination skills and is geographically spread with delegation of the procurement function to various IAs at those locations. Bringing about synergies among these multitude of implementing partners and cooperating agencies is a difficult task, which increases the fiduciary risk to substantial. The Project envisages substantial involvement of community participation with some procurement involved, which if not effectively implemented will have the risk of non-compliance. The Environmental and Social Safeguards Classification has been confirmed to be Substantial and the Climate Risk Classification is Moderate. The security risk is nominal.</p>	Substantial	Substantial
<p>Mitigations: Capacity building of procurement staff at all levels has been identified as a mitigation measure in the World Bank PAD. Suitable timelines and schedule to be drawn for imparting the training.</p> <p>The APP shall be prepared carefully, taking into consideration the sequencing required for execution of various procurement activities. World Bank STEP system has suitable monitoring mechanism for proper sequencing of the activities.</p> <p>Proper procurement planning, market analysis and market approach for optimum selection of procurement delivery partners, close contract monitoring through the STEP system of the World Bank, shall help in overcoming the geographical spread.</p> <p>Delegation of procurement functions to the IAs shall be carefully considered, by defining suitable thresholds, to ensure that high value and complex procurement is undertaking centrally at the PMU (MoA and MAINL) and only low value procurement entrusted to the IAs/LGAs.</p> <p>Oversight mechanism to be strengthened through periodic procurement audits (annual) and joint supervision missions along with the Lead co-financier.</p>		
<p>Risk(s): Assessment of Implementing Agency Capacity</p> <p>There is no evidence the IA's preparation of its annual procurement plan is guided by market research for a proactive identification of optimal procurement strategies. Involvement of multitude of IAs will make it difficult to compile the procurement requirement in time, which might cause delays in implementation. Co-ordination among the multitude of implementing partners will be a challenge. IAs internal capacity both at the MoA as well as at the MAINRL needs augmentation.</p>	Substantial	Substantial

Risk categories and subcategories	Inherent	Residual
<p>Contract clauses are not comprehensive enough to address IFAD's SECAP requirements. Contract Management Plan does not clearly indicate roles and responsibilities. MAINRL and User Departments staff have inadequate knowledge and skills/experience in contract and claims management.</p> <p>Fiduciary risk assessment has identified inadequate records keeping and management system at the ministries and LGAs levels. This has the potential risk of procurement records not available for the missions / audits.</p> <p>MoA staff have inadequate knowledge of procurement processes and the staffing level at the MAINRL is inadequate. Frequent transfer of procurement staff is a flagged risk. Procurement staffs' Job Descriptions do not cover all foreseen functions of the intended project procurement. The IA's and implementing partners' do not have sufficient ICT equipment and connectivity.</p> <p>Non-availability of past performance data on the quantum of restricted bidding has the potential risk of compromising the procurement principles of equal opportunity to eligible bidders, transparency, etc.</p> <p>Zanzibar: Inefficiencies in processing, approving, and managing procurement activities is a risk flagged. Lack of statistical data for analysis has the risk of ineffective monitoring compromising the efficiency and effectiveness of the procurement process. The electronic procurement system (e-ProZ) of Zanzibar is yet to be used effectively. There is no evidence that any contracts have been awarded to SMEs as a matter of principle. No procurement was done with sustainable procurement considerations in mind. Absence of contract management and contract monitoring tools makes it difficult to assess the contracts with cost over-runs.</p>		
<p>Mitigations: The Project shall follow optimal procurement approach for large contracts based on market research. The PMU shall submit a draft AWPB and PP for IFAD's No- Objection at least 60 days prior to commencement of implementation. Time schedule for preparing the APP and AWPB need to be finalized in advance and all stakeholders shall be made aware of the same for adherence. Recruitment of well qualified and experienced procurement staff at both the PMUs (MoA and MAINRL) shall be done.</p> <p>The national SBDs shall be amended as necessary to fulfil the SECAP/EHS requirements. Comprehensive Contract Management Plan identifying roles and responsibilities shall be created and report progress. Conduct training tailored toward addressing weaknesses in contract management for PMU staff and technical departments of the Ministry.</p> <p>Procurement record keeping needs to be strengthened duly maintaining a checklist for each procurement activity undertaken.</p> <p>Establish a sound filing and records management system. Provide storage and working facilities. The project shall maintain all procurement records safely and securely, for the time periods mentioned in the PPRA/PPR.</p> <p>Enter into a policy dialogue with the IA to draw a staff transfer policy, to enable the procurement staff to remain within the PMU for a certain minimum period. Organize a procurement capacity building training as part of the project institutional support. The project shall competitively recruit an experienced Procurement Specialist in the PMU at the MoA and a Procurement Officer in the PMU at the MAINL.</p> <p>Standard job descriptions in terms of TOR shall be prepared for all the procurement staff of the PMU. The project shall procure the necessary</p>		

Risk categories and subcategories	Inherent	Residual
<p>facilities with internet connection, computers, and other necessary equipment for the MoA's MPU, MAINL's PMU and for other IPs and LGAs.</p> <p>Use of restrictive bidding shall be included in the procurement plan with due justification and IFAD NO shall be required prior undertaking procurement.</p> <p>Use of the World Bank STEP system to monitor and track the procurement process.</p> <p>The project shall draw a timeline for effective and full use of the e-procurement system, for effective, efficient and transparent procurement process resulting in competitive procurement with value for money.</p> <p>Engage in policy dialogue to encourage amendment to the legal framework to determine a percentage of contracts that should be awarded to SMEs.</p> <p>Any cost/time over-run above thresholds shall require prior review and NO.</p>		
Capability in public procurement	High	High
<p>Risk(s): 1) Project procurement staff have inadequate knowledge of procurement framework and processes, which has potential risk of non-compliance; 2) High attrition of procurement staff leads to insufficient capacity and capability in carrying out procurement process, causing inefficiencies in processing procurement activities; 3) multitude of implementing partners and geographically spread procurement activities makes it difficult to build sufficient capacity to handle procurement function; 4) PMU and User Departments staff have inadequate knowledge and skills / experience in contract and claims management.</p>		
<p>Mitigations: 1) Develop a capacity building plan for the procurement function and liaise with the lead co-financier to provide training on the World Bank Procurement Regulations and procedures, including use of STEP; 2) Develop and operate transition planning to tackle procurement staff attrition and adequately man the project procurement units; 3) Centralize major procurements at the MoA/MAINRL and delegate only low value procurement to the implementing partners and LGAs; 4) Conduct training tailored toward addressing weaknesses in contract management for PDMU staff and technical departments of the Ministry.</p>		
Public procurement processes	High	High
<p>Risk(s): 1) Procurement process is not adhering to the timelines of procurement planning phase, leading to delays and Inefficiencies; 2) There is no evidence that the preparation of annual procurement plan is guided by market research for a proactive identification of optimal procurement strategies; 3) Involvement of multitude of implementing partners will make it difficult to compile the procurement requirement in time for submission and approval, unless close co-ordination is ensured; 4) Contract Management Plans (CMP) of large value contracts do not adequately describe roles and responsibilities of various parties; 5) Absence of contract management and contract monitoring tools makes it difficult to assess the contracts with cost and time overruns; 6) Delays in paying contractors, consultants, and suppliers on time per the terms of the contracts.</p>		
<p>Mitigations: 1) Set up mechanism to ensure timely execution of procurement process, to avoid delays and risk of cost-over-runs; 2) The Project shall follow the Project Procurement Strategy Document (PPSD), developed by the World Bank for the project, which recommends the optimal procurement approach for large contracts based on market research; 3) Set up mechanism and time tables for efficient and timely consolidation of the requirement of individual implementing partners well</p>		

Risk categories and subcategories	Inherent	Residual
ahead of time; 4) For each major contract of the project, a comprehensive Contract Management Plan identifying roles and responsibilities shall be created. The PMU shall follow this plan and report progress; 5) Cost and time overruns, above specified thresholds, shall require prior review and No Objection; 6) The project shall update data in the World Bank STEP system to track timely contract payments.		
Financial management	Substantial	Substantial
Organization and staffing	Substantial	Substantial
Risk(s): Limited number and frequent rotation of accounting staff of the ministry. As a result, a lack of expertise and experience to effectively handle the project's financial management.		
Mitigations: (i) Recruitment of a project accountant as conditions for disbursement and terms of reference for the accountant to be submitted to the World Bank for clearance. (ii) capacity-building training to be conducted on financial management procedures and requirements for the project staff, including internal audit staff.		
Budgeting	Substantial	Substantial
Risk(s): (I) Low budget ceilings are provided for the sector resulting resource constraints and there is no process for budget revisions during the year. Funds released are generally lower than planned, affecting the reliability of the budget. (ii) There is a risk that the project budget might not be realistic or precise, which could result in overspending or insufficient funds.		
Mitigations: (I) Activities to be financed will be established in the program's annual budget under the development budget and recorded in the budget systems PLANREP and CBMS; (ii) The program activities for each implementing agency will be specified in the detailed budget; (iii) The annual work plan and budget, which includes the IFAD financing will be submitted to the World Bank by March each year to meet the ministerial budget timeframe; (iv) JSC will meet at least once a year to review lessons derived from TFSRP implementation and advise on any significant changes in budgets or implementation plans; (v) The World Bank and IFAD together with the Ministry of Agriculture will review the budget and make any adjustments, during the year as needed; (vi) Project budget performance will be reported to the World Bank on a quarterly basis through IFRs.		
Funds flow/disbursement arrangements	Substantial	Substantial
Risk(s): (I) There may be delays in the flow of funds due to the Programme for Results (PforR) approach being utilized by the project, which could impact the project's implementation; (ii) possible delays in disbursements to the implementing partners.		
Mitigations: (i) Develop a clear and realistic plan for the flow of funds and combine the PforR approach with the Investment Project Financing (IPF); (ii) Continuously assess and identify and mitigate potential risks to the flow of funds; (iii) MoA will disburse funds to other implementing agencies and identified LGAs. The recipient implementing agencies will produce financial reports on the progress of execution of program activities and submit to MoA for disbursement and financial reporting purposes.		
Internal controls	Substantial	Substantial
Risk(s): (I) There is a possibility that the government's internal control systems might not be sufficient, which could result in fraudulent activities, wastage, and misuse of resources; (ii) Internal audit departments at LGAs are resource constrained both by headcount and finance and limited number of internal auditors to conduct		

Risk categories and subcategories	Inherent	Residual
regular reviews; (iii) Poor implementation of internal audit recommendations; (iv) risk of lack of effective monitoring of rural finance activities.		
Mitigations: The World Bank and IFAD together with the government will establish robust internal control systems and protocols. Additionally, conducting periodic internal audits will ensure proper management of the project's financial aspects. The Internal Auditor General (IAG) will serve as the independent Verification Agent (VA) for the Program and verify the achievement of the DLIs.		
Accounting and financial reporting	Substantial	Substantial
Risk(s): (I) There is a potential risk that the government's accounting and financial reporting systems may not be sufficient, including limitations in generating the required financial reports resulting manual intervention in the financial report preparation, which is prone to errors. This could create challenges in monitoring progress and detecting issues at an early stage; (ii) Limited knowledge of IFMIS in use, MUSE, by accountants and auditors; (iii) For IPF, the accounting records will be maintained in excel worksheet hence prone to limitations in audit trail.		
Mitigations: (I) The World Bank and IFAD will establish robust accounting and financial reporting systems and implement appropriate procedures; (ii) generating regular financial reports for the project's stakeholders will help ensure transparency and effective oversight; (iii) Rural Finance financial reporting requirements will be clearly indicated in the Subsidiary Loan Agreement and the project implementation guidelines; (iv) MoA and NIRC will be responsible to produce annual financial reports for the program; (v) MUSE (IFMIS) needs to be defined to generate required program financial reports; (vi) Capacity building of accountants and auditors to be provided by MOFP.		
External audit	Substantial	Substantial
Risk(s): There is a potential risk that the external audit of the project might not be effective, there may be delays in conducting the external audit resulting in late submission of the external audit reports and poor implementation of external audit recommendations.		
Mitigations: (I) External audit for IPF component will be performed annually by the Controller and Auditor General of Zanzibar in accordance with International Standards of Auditing. Audit report and management letter will be submitted to the World Bank within 6 months after the end of fiscal year; (ii) PforR external audit will be performed by SAI in accordance with international standards of auditing and audited program financial statements will be submitted to the World Bank within nine months after the end of the fiscal year, which will require a waiver to IFAD GCs.		
Environment, social and climate impact	Moderate	Moderate
Biodiversity conservation	Moderate	Moderate
Risk(s): The project may have adverse effects on biodiversity, such as the potential introduction of harmful pesticides or the destruction of natural habitats that may come with the BBT approach of establishing block farms. There is moderate risk on biodiversity conservation as projects intervention could create specialization and mono cropping in support of high value crops.		
Mitigations: It is recommended to conduct a thorough assessment of the environmental impact and formulate a comprehensive plan to minimize these risks. Additionally, the project is incorporating measures of Good Agricultural Practices (GAP) to enhance resilience in the project's design and implementation.		

Risk categories and subcategories	Inherent	Residual
Resource efficiency and pollution prevention	Moderate	Moderate
Risk(s): The promotion of agricultural production could potentially lead to an unsustainable use of natural resources and increased pollution due to over and inefficient use of fertilizers and pesticides.		
Mitigations: As a core approach of the project, TFSRP-H will promote good agricultural practices, sustainable use of natural resources (through improved irrigation and agricultural practices) and will also promote resource efficient technologies. This comprehensive approach will help to minimize the probability and impact of these risks.		
Cultural heritage	Low	Low
Risk(s): There is a potential risk that the project may cause significant cultural or physical resource degradation as the interventions will be confined to existing land/schemes.		
Mitigations: The project will have in place a grievance redress mechanism and indigenous people will be engaged through FPIC process to ensure consent to all interventions. A Chance Find procedure will be activated in the event of discovery of material of cultural significance.		
Indigenous peoples	Low	Low
Risk(s): There is a risk that the project may cause physical, social, or economic impacts on indigenous peoples, or in threats to or the loss of resources of historical or cultural significance to them.		
Mitigations: A grievance mechanism and strong feedback mechanisms will be put in place for reporting on targeting. Indigenous people (when identified) will be engaged in a consultative and participatory process through FPIC.		
Community health and safety	Low	Low
Risk(s): Increased agricultural production risks increasing the use of harmful chemicals that may then find themselves in the water and food of the communities. This in turn will increase the potential health and safety risks faced by communities that may arise from exposure to agro-chemicals and consuming unsafe water and food.		
Mitigations: The project will aim at reducing the use of agrochemicals and ensuring their proper handling, as well as work on safe food production, thereby reducing the residual risk. Gender mainstreaming support will be embedded in the project design. Communities will access education and awareness on nutrition education as part of other mainstream topics such as financial literacy and business development services.		
Labour and working conditions	Moderate	Moderate
Risk(s): The potential risk is that the projects may cause discriminatory and unsafe/unhealthy working conditions for people employed to work in the irrigation schemes including third parties and primary suppliers. Gender-based violence may occur as a result of youth and women empowerment.		
Mitigations: The projects will promote viable enterprises that will generate enough income for decent labour practices. The project will raise awareness on unsafe working conditions. Required clauses will be included in contracts with producer groups, microenterprises and lead value chain enterprises. Gender Action Learning (GALS) will be introduced to promote inclusive decision making, income utilisation including food and nutrition security.		
Physical and economic resettlement	Low	Low
Risk(s): The risk that the project may cause physical or economic displacement or need for resettlement. The displacement may be full or partial, permanent or temporary.		

Risk categories and subcategories	Inherent	Residual
Mitigations: The PDT considers this risk not to be applicable, as no resettlement activities are envisaged. The project will engage with farmers who own land, or youth who will receive plots of land from government programs which will provide access to government land. Furthermore, the scope of the infrastructure to be built is minor, and/or will be built on public land.		
Greenhouse gas emissions	Low	Low
Risk(s): There is a possibility that the project might contribute to greenhouse gas emissions, which could potentially contribute to climate change.		
Mitigations: To address this concern, the project will implement climate smart approaches that mitigate greenhouse gas emissions. Additionally, the project is incorporating strategies to enhance the project's resilience in both its design and implementation.		
Vulnerability of target populations and ecosystems to climate variability and hazards	Low	Low
Risk(s): The project could encourage the exacerbation of the vulnerability of ecosystems to climate variability and hazards as it is building on the BBT programme that will clear land for block farms.		
Mitigations: Develop an adaptation plan and build resilience into the project design and implementation.		
Stakeholders	Moderate	Moderate
Stakeholder engagement/coordination	Moderate	Moderate
Risk(s): If stakeholders are not effectively engaged and coordinated, it may result in low buy-in conflicts and delays.		
Mitigations: To mitigate this risk, World Bank, IFAD and the Ministry of Agriculture will create a comprehensive plan for engaging stakeholders and ensure its effective implementation. Additionally, establishing mechanisms for continuous communication and feedback with the stakeholders will contribute towards successful stakeholder management. MoA/MAINL have a strong foot hold in the project areas, and this can be leveraged to build multi-dimensional stakeholder engagement and synergy.		
Stakeholder grievances	Moderate	Moderate
Risk(s): Unresolved stakeholder grievances could lead to conflict and delays.		
Mitigations: The World Bank, IFAD and Ministry of Agriculture will establish a grievance redress mechanism and ensure that it is accessible and effective. Monitor and resolve grievances promptly and fairly.		