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**Rapport du Président****Proposition de prêt****République fédérative du Brésil****Projet de développement durable de la forêt  
tropicale atlantique (Parceiros da Mata)**Numéro du projet: 2000004316

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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 69.

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## Table des matières

<b>Carte de la zone du projet</b>	<b>iii</b>
<b>Résumé du financement</b>	<b>iii</b>
<b>I. Contexte</b>	<b>1</b>
A. Contexte national et justification de l'intervention du FIDA	1
B. Enseignements à retenir	3
<b>II. Description du projet</b>	<b>4</b>
A. Objectifs, zone d'intervention et groupes cibles	4
B. Composantes, résultats et activités	5
C. Théorie du changement	6
D. Alignement, appropriation et partenariats	7
E. Coût, avantages et financement	7
<b>III. Gestion des risques</b>	<b>9</b>
A. Risques et mesures d'atténuation	9
B. Catégorie environnementale et sociale	9
C. Classement au regard des risques climatiques	10
D. Soutenabilité de la dette	10
<b>IV. Exécution</b>	<b>10</b>
A. Cadre organisationnel	10
B. Planification, suivi-évaluation, apprentissage, gestion des savoirs et communication	11
C. Plans d'exécution	12
<b>V. Instruments et pouvoirs juridiques</b>	<b>12</b>
<b>VI. Recommandation</b>	<b>13</b>
<b>Appendices</b>	
I. Negotiated financing agreement	
II. Logical framework	
III. Integrated project risk matrix	

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### Équipe d'exécution du projet

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## Carte de la zone du projet



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 | 22/11/2023

## Résumé du financement

<b>Institution initiatrice:</b>	Banque interaméricaine de développement
<b>Emprunteur:</b>	État de Bahia, République fédérative du Brésil
<b>Organisme d'exécution:</b>	Secrétariat du développement rural
<b>Coût total du projet:</b>	150,0 millions d'USD
<b>Montant du prêt du FIDA:</b>	18,0 millions d'USD
<b>Conditions du prêt du FIDA:</b>	Conditions ordinaires, assorties d'un délai de remboursement de 18 ans, y compris un différé d'amortissement de 3 ans, à un taux d'intérêt correspondant au taux de référence du FIDA et incluant la marge variable
<b>Cofinanceur:</b>	Banque interaméricaine de développement
<b>Montant du cofinancement:</b>	100 millions d'USD
<b>Conditions du cofinancement:</b>	Prêt
<b>Contribution de l'emprunteur:</b>	32,0 millions d'USD
<b>Montant du financement climatique apporté par le FIDA:</b>	15,3 millions d'USD
<b>Institution coopérante:</b>	Banque interaméricaine de développement

## I. Contexte

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

#### Contexte national

1. Après avoir enregistré une croissance de 2,9% en 2022, le produit intérieur brut (PIB) du Brésil a affiché de bons résultats durant les deux premiers trimestres 2023, grâce au secteur agricole, principalement. Une croissance de 1,5% est attendue pour 2024, accompagnée d'une inflation de 3,92%. Le Gouvernement brésilien a entrepris de vastes réformes, qui comprennent notamment un nouveau cadre budgétaire et une réforme fiscale. Cependant, les inégalités sont profondes et tenaces dans le pays.
2. Quelque 52 millions de Brésiliens (24% de la population nationale) vivent actuellement sous le seuil de pauvreté, et 14 millions (6,5%) dans l'extrême pauvreté. Près de la moitié de la pauvreté est concentrée dans la région nord-est du pays, qui compte moins d'un tiers de la population nationale. En 2022, 125,2 millions de Brésiliens étaient en situation d'insécurité alimentaire, et plus de 33 millions souffraient de la faim. Le nord-est fait partie des régions du pays les plus vulnérables aux effets des changements climatiques.
3. L'agriculture familiale, qui assure des moyens d'existence à la majeure partie de la population rurale, revêt un caractère stratégique pour la réduction de la pauvreté (objectif de développement durable n° 1) et l'amélioration de la sécurité alimentaire et nutritionnelle (objectif de développement durable n° 2). Le secteur emploie les trois quarts de la main-d'œuvre agricole, représente 77% des exploitations et est à l'origine d'un tiers du revenu agricole national. Toutefois, les agriculteurs familiaux ont un accès insuffisant aux ressources humaines et financières, ce qui limite leur capacité d'adaptation et aggrave l'exode rural, la pauvreté et l'insécurité alimentaire.
4. **État de Bahia.** En 2023, l'État de Bahia comptait plus de 14 millions d'habitants (7% de la population du Brésil), et affichait un PIB représentant 4% de celui du pays. Quelque 45,3% de ses habitants sont en situation d'insécurité alimentaire, et 6,3 souffrent de la faim. Dans les zones rurales, la pauvreté est liée à une faible productivité de l'agriculture et à des difficultés d'accès à la terre, aux financements et aux compétences techniques.

#### Aspects particuliers relatifs aux thématiques transversales prioritaires du FIDA

5. Conformément aux engagements en matière de transversalisation, le projet de développement durable de la forêt tropicale atlantique (Parceiros da Mata) a été validé comme:
  - incluant un financement climatique;
  - porteur de transformations en matière de genre;
  - tenant compte des enjeux nutritionnels;
  - axé sur les jeunes;
  - incluant des activités relatives à la capacité d'adaptation.
6. **Transformations en matière de genre.** Les femmes bénéficieront de nouvelles possibilités de génération de revenus dans le cadre de plans de développement de la production et de plans d'activité, et leur accès aux ressources naturelles, ainsi que leur contrôle sur celles-ci, seront renforcés. L'utilisation de carnets de bord agroécologiques permettra de donner davantage de visibilité à leur contribution à l'économie. Leur participation aux activités du projet sera facilitée par des services de garde d'enfants, une formation aux fonctions de direction et le renforcement de leur rôle dans les processus décisionnels aux niveaux communautaire et

organisationnel. Leur charge de travail sera diminuée grâce à des technologies sociales d'accès à l'eau permettant un gain de temps. Des actions de sensibilisation à la prévention et à la lutte contre la violence fondée sur le genre sont prévues.

7. **Activités axées sur les jeunes.** L'équipe du projet s'appuiera sur l'expérience acquise dans le cadre d'autres projets soutenus par le FIDA au Brésil. Elle contribuera à faire participer les jeunes à la gestion durable des ressources naturelles, à créer de nouveaux emplois et débouchés, à renforcer les organisations de jeunes, à donner à ces derniers les moyens de prendre part aux processus décisionnels aux niveaux communautaire et organisationnel et à mobiliser les écoles d'agriculture familiale pour relier l'éducation aux activités productives et aux activités de communication sociale et à appuyer les réseaux de la jeunesse rurale.
8. **Prise en compte des enjeux nutritionnels.** Les points de départ possibles du projet en matière de nutrition sont l'amélioration de l'accès des ménages à l'eau et les technologies agricoles et sociales telles que les énergies renouvelables, la récupération et le stockage de l'eau, et la réutilisation de l'eau. L'éducation nutritionnelle portera sur les besoins nutritionnels élémentaires, les pratiques en matière de sécurité sanitaire des aliments, l'assainissement, l'hygiène et les pratiques de transformation et de conservation tenant compte de la nutrition.
9. **Financement climatique et renforcement de la capacité d'adaptation.** Toutes les composantes du projet contribuent au financement climatique. Le montant total alloué par le FIDA au projet 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 15 333 000 USD, soit 85,8% de l'investissement du FIDA, dont 8 854 000 USD pour les activités d'adaptation aux changements climatiques et 6 479 000 USD pour les activités d'atténuation des changements climatiques.
10. **Peuples autochtones et communautés traditionnelles.** Lors de l'élaboration des plans de développement de la production, l'équipe tiendra compte des aspects sociaux et culturels, ainsi que des connaissances et des modes de vie traditionnels. Ces communautés bénéficieront d'un plus large accès à l'eau pour l'usage domestique et la production et à d'autres technologies sociales (énergie et assainissement, notamment), ce qui leur permettra d'améliorer leurs moyens d'existence. Le projet œuvrera en faveur de l'attribution de titres fonciers aux communautés quilombolas et renforcera l'organisation sociale des peuples et communautés traditionnels, des associations communautaires aux commissions régionales et commissions de l'État dotées d'une représentation politique.

#### **Justification de l'intervention du FIDA**

11. Le FIDA et la Banque interaméricaine de développement (BID) ont signé un accord de partenariat en 1978. Il s'agira de la deuxième opération de prêt cofinancée par la BID et du deuxième projet de type C au Brésil. Le partenariat avec la BID permet au FIDA de donner suite à la demande de l'État visant à reproduire à plus grande échelle le Projet de développement rural durable dans la région semi-aride de Bahia [Pró-semiárido (PPS)].
12. Le projet permettra d'étendre à la forêt tropicale atlantique l'approche du FIDA en matière d'intensification agricole durable par l'intermédiaire des organisations rurales. Le partenariat apportera les produits suivants au FIDA: i) mobilisation de ressources supplémentaires pour investir dans les populations rurales, et application de ses priorités en matière de développement et de son expérience dans le cadre de ce cofinancement; ii) élargissement des interventions et de la base de connaissances du FIDA à la forêt tropicale atlantique, en profitant de l'expérience de la BID dans ce biome; iii) accroissement de la portée; iv) augmentation des investissements publics en faveur de l'inclusion sociale et de la durabilité; v) réduction des coûts administratifs liés à la conception et à la

supervision; vi) mobilisation des connaissances et de l'expertise complémentaires du FIDA et de la BID; vii) consolidation du travail du FIDA en matière de gestion des connaissances et de coopération Sud-Sud et triangulaire (CSST); viii) renforcement du partenariat du FIDA avec l'État de Bahia, après trois projets successifs couronnés de succès.

## **B. Enseignements à retenir**

13. Il est essentiel de disposer d'une équipe expérimentée pour faire démarrer rapidement les projets, notamment en ce qui concerne la planification, la passation des marchés et l'élaboration des plans communautaires. Les expériences fructueuses menées dans le cadre du projet PPS appuyé par le FIDA, toujours en cours, ont été mises à profit lors de la conception, ce qui sera vital pour le démarrage. Le maintien d'une partie de l'équipe principale de ce projet sera indispensable pour tirer parti du capital humain constitué lors de l'exécution.
14. Le don du FIDA au programme Semear a ouvert la voie à la collaboration du Fonds à la gestion des connaissances au Brésil, et a contribué à l'étude et à l'échange des bonnes pratiques. L'équipe du PPS a recruté des consultants en gestion des connaissances pour rassembler ses enseignements et ses expériences, ce qui a permis de développer de solides capacités.
15. L'équipe du PPS a fait de bonnes expériences lors d'échanges internationaux. Elle a reçu la visite de spécialistes techniques venus d'Angola et du Mozambique, et a organisé le premier atelier consacré aux projets du FIDA dans les pays du Marché commun du Sud.
16. Des données de qualité et des informations fondées sur des éléments probants sont indispensables pour mettre en lumière la manière dont le projet est exécuté, répertorier les nouvelles opérations et favoriser la concertation sur les politiques. Elles témoignent également de l'efficacité des interventions du type de celles menées par le FIDA. L'État dispose d'un système de suivi-évaluation fiable.
17. Le dialogue continu du FIDA avec les autorités de l'État, la société civile et les organisations paysannes a renforcé ses relations avec les décideurs et a facilité la mise en place de nombreuses innovations du projet PPS, telles que les carnets de bords agroécologiques, destinées à être intégrées dans les programmes publics. Le nouveau projet influera également directement sur les politiques publiques grâce aux innovations qu'il apportera dans la forêt tropicale atlantique.
18. En faisant appel à des organisations de la société civile locale pour l'assistance technique, l'équipe du PPS a bénéficié de l'expérience et des compétences au niveau local et a constitué des capacités d'exécution à cet échelon. Ces capacités sont particulièrement utiles pour promouvoir l'agroécologie, les transformations en matière de genre et l'inclusion des jeunes. Elles seront précieuses dans le biome du nouveau projet.
19. L'expérience acquise par le FIDA au Brésil a prouvé qu'il était important de répondre aux besoins des ménages en eau potable pour la consommation humaine, en particulier dans le contexte des changements climatiques. Elle a également montré l'intérêt des technologies sociales (telles que les citernes, les biodigesteurs, les fourneaux écologiques, la réutilisation des eaux ménagères, etc.) pour la résilience face aux changements climatiques. L'équipe du projet s'attachera à appliquer ces solutions et à leur adjoindre d'autres technologies d'assainissement innovantes qui permettent d'améliorer la santé et la nutrition des populations et de réduire la dégradation de l'environnement.
20. Les investissements productifs devront être complétés par la commercialisation des produits, car l'équipe du projet travaillera avec des chaînes de valeur consolidées, telles que celle du cacao. Elle s'associera à des entreprises privées, des organisations non gouvernementales, des fédérations de coopératives qui utilisent

le modèle d'entrepôt Central da Caatinga et des unions de coopératives pour innover dans le domaine de la commercialisation.

21. L'introduction par le FIDA des éléments de l'agroécologie dans les écoles rurales au Brésil a favorisé une réelle participation des jeunes et suscité l'intérêt de la jeune génération pour une production durable et une nutrition diversifiée. L'expérience considérable en matière d'écoles d'agriculture familiale acquise par l'équipe du PPS sera renforcée dans le Projet Parceiros da Mata.
22. Le PPS a employé des jeunes des communautés en qualité d'agents communautaires ruraux. Intégrés dans l'équipe du projet, les agents communautaires ruraux ont appuyé l'exécution en renforçant les organisations locales, tout en veillant à la prise en main des activités par les communautés, à l'accessibilité physique et à la confiance. Ce modèle sera appliqué dans le nouveau projet Parceiros da Mata.
23. Le bureau du FIDA à Salvador (Brésil) joue un rôle essentiel en rassemblant les cofinancements apportés par d'autres partenaires et en reproduisant les interventions à plus grande échelle. Ces contributions ont été déterminantes lors de la définition du projet et de la collaboration avec la BID. L'appui à la conception, à la supervision et à l'exécution assuré par le bureau de Salvador apportera, tout comme le PPS, une contribution essentielle à la réussite du projet.

## II. Description du projet

### A. Objectifs, zone d'intervention et groupes cibles

24. Les **objectifs généraux** du projet sont d'améliorer les revenus, la nutrition et la sécurité alimentaire, l'accès aux services essentiels et l'adaptation aux changements climatiques de la population rurale et de protéger la base de ressources naturelles de la région. Les **objectifs spécifiques** sont les suivants:
  - i) accroître l'utilisation des technologies agricoles, en mettant l'accent sur celles qui contribuent à l'adaptation aux changements climatiques, et en donnant la priorité aux femmes, aux jeunes et aux peuples et communautés traditionnels;
  - ii) améliorer l'intégration des producteurs dans les chaînes de valeur, en donnant la priorité aux femmes, aux jeunes et aux peuples et communautés traditionnels;
  - iii) améliorer les conditions environnementales des familles rurales et de leur milieu; iv) améliorer l'accès à l'eau potable et au traitement des eaux usées dans les communautés rurales.
25. Le projet Parceiros da Mata ciblera les ménages de petits exploitants vivant dans la pauvreté et dans l'extrême pauvreté. Le projet bénéficiera directement à 88 000 ménages (352 000 personnes environ) dans les communautés rurales. Les ménages bénéficiaires seront pour 50% dirigés par une femme, pour 30% dirigés par une personne jeune et pour au moins 5% issus de communautés traditionnelles.
26. **Ciblage géographique.** Le projet couvrira les zones rurales de 77 municipalités situées dans quatre territoires de la forêt tropicale atlantique de l'État de Bahia: Baixo Sul, Litoral Sul, Médio Rio das Contas et Vale do Jiquiriçá. Ces municipalités ont été retenues en raison de leur faible indice de développement humain, de la médiocrité de leurs services d'approvisionnement en eau et d'assainissement, de leur productivité agricole peu élevée, de leur accès insuffisant aux services d'assistance technique et de l'existence de processus de dégradation de l'environnement.
27. **Ciblage social.** La population cible comprend les agriculteurs familiaux pauvres et les autres populations rurales pauvres, la primauté étant accordée aux femmes, aux jeunes, aux communautés traditionnelles et aux personnes LGBTQIAPN+ (lesbiennes, gays, bisexuels, transgenres, queers, intersexes, asexuels/aromantiques/agenres, pan/poly, non-binaires et autres) issues des



communautés rurales prioritaires. Un panachage des méthodes de ciblage direct et d'autociblage garantira l'inclusion sociale et une forte participation des groupes cibles. Les activités destinées aux groupes cibles seront associées à des critères de sélection clairement définis, à des quotas et à des mesures de renforcement des capacités et de sensibilisation pour garantir la participation des groupes les plus vulnérables.

## **B. Composantes, résultats et activités**

### **Composante 1. Systèmes de production résilients, régénération de l'environnement et renforcement des capacités**

28. Cette composante permettra de financer des plans pour améliorer la production et la commercialisation, restaurer les terres dégradées, renforcer les capacités des familles et de leurs organisations et apporter une assistance technique. Elle prévoit des plans de développement durable communautaire pour des ensembles de communautés rurales contiguës, axés sur les groupes cibles et fondés sur un diagnostic participatif. Chaque plan de développement durable communautaire comprendra un plan de développement de la production destiné à financer les intrants, les outils et le matériel qui permettront d'utiliser les technologies favorisant l'amélioration de la sécurité alimentaire et la production durable, ce qui contribuera à réduire la déforestation et à faciliter l'adaptation aux changements climatiques, ainsi qu'un plan de renforcement socioculturel qui financera la formation et le matériel nécessaire pour accroître les capacités des femmes, des jeunes et des organisations communautaires et faciliter l'inclusion des groupes prioritaires dans les activités des projets. Cette composante prévoit en outre des initiatives de rémunération des services environnementaux, une régularisation foncière et environnementale et des plans d'activité pour les coopératives et d'autres organisations économiques dans les territoires sélectionnés, l'objectif étant d'ajouter de la valeur aux produits et d'améliorer la commercialisation en finançant des investissements et une assistance technique spécialisée.

### **Composante 2. Sécurité hydrique et assainissement rural**

29. Cette composante financera des travaux à petite échelle dans les communautés rurales, notamment: i) des structures destinées à améliorer l'accès à l'eau potable, telles que des citernes domestiques pour recueillir l'eau de pluie et des réseaux communautaires reliés aux habitations; ii) des réseaux d'assainissement pour le traitement des effluents et des eaux ménagères; iii) des modules d'assainissement domestique comprenant à la fois des toilettes et des lavoirs. Un appui technique sera également apporté pour la conception et l'exécution d'un projet pilote de gestion des déchets solides en milieu rural, reposant sur la classification et le traitement adéquat des différents déchets, en coordination avec les autorités municipales et les organisations communautaires telles que les coopératives de tri et les organisations multicommunautaires.

### **Composante 3. Renforcement des institutions et gestion des connaissances**

30. Cette composante permettra de renforcer les principales institutions publiques de développement rural, les prestataires de services d'assistance technique sous contrat et les organisations de bénéficiaires. Les plans de renforcement des capacités pourront comprendre l'organisation de formations et l'amélioration des systèmes d'information, du matériel et des véhicules. Cette composante favorisera la mise en place de systèmes multicommunautaires de gestion de l'eau pour assurer la durabilité des interventions menées dans le cadre de la composante 2. Elle appuiera en outre la gestion des connaissances et la CSST, notamment par des itinéraires d'apprentissage et un programme pour la jeunesse rurale. Elle comprendra des activités de suivi-évaluation qui renforceront la gestion axée sur les résultats du projet.

31. **Gestion du projet.** Ces activités comprendront: i) l'administration et la gestion du projet; ii) le suivi-évaluation; iii) les audits.

### **C. Théorie du changement**

32. L'objectif du projet est d'améliorer les revenus, la nutrition et la sécurité alimentaire, et l'accès aux services de base ainsi que la résilience face aux changements climatiques des populations rurales pauvres, et de protéger la base de ressources naturelles de la région. Il permettra d'accroître la résilience des agriculteurs et de s'attaquer aux causes profondes de la pauvreté et de la malnutrition. Il vise aussi à lutter contre les inégalités de genre et l'exclusion sociale, et à autonomiser les femmes, les jeunes, les peuples et communautés traditionnels et la communauté LGBTQIAPN+.
33. Les systèmes de production se caractérisent actuellement par une faible productivité, un manque de diversification et une dégradation de plus en plus importante de la forêt tropicale atlantique, liée en particulier à la déforestation et à une vulnérabilité extrêmement forte face aux changements climatiques. Ils présentent diverses déficiences au regard de l'inclusion sociale, générationnelle et raciale, lesquelles perpétuent la pauvreté, la vulnérabilité, l'insécurité alimentaire et la malnutrition. Les exploitants familiaux ont peu de moyens d'accéder à des technologies adaptées, des services et des marchés axés sur le développement des activités de production durable d'aliments et des possibilités d'emploi. Pour surmonter ces difficultés, l'équipe du projet travaillera dans le cadre de trois composantes qui permettront d'obtenir les résultats attendus et de réaliser l'objectif du projet.
34. Dans le cadre de la composante 1, les ménages ruraux et les organisations paysannes amélioreront leurs systèmes de production alimentaire et leur nutrition en accroissant leur utilisation des technologies contribuant à l'adaptation aux changements climatiques. Cette composante permettra d'intégrer les producteurs dans les chaînes de valeur en leur donnant accès à de nouveaux marchés et en augmentant leurs ventes, et de faire en sorte que les familles rurales et leurs communautés jouissent de meilleures conditions environnementales. À cette fin, l'équipe s'emploiera à: investir dans les communautés et les organisations paysannes au moyen de plans de développement territorial, pour mettre en place des systèmes de production diversifiés, résilients et nutritifs, renforcer la gestion durable des ressources naturelles et accroître les revenus; garantir des investissements dans des améliorations ou adaptations avec des unions de coopératives au moyen de plans d'activité, afin d'améliorer la commercialisation des produits issus de l'agriculture familiale agroécologique; aider à la régularisation foncière et environnementale, notamment au profit des communautés quilombolas; promouvoir des initiatives de rémunération des services environnementaux pour améliorer la conservation et le reboisement de la forêt tropicale atlantique.
35. La composante 2 permettra aux familles et communautés rurales d'améliorer leur accès à l'eau et à l'assainissement au moyen de technologies sociales. À cette fin, l'équipe s'emploiera à: garantir les investissements dans des solutions collectives d'accès à l'eau et d'assainissement domestique, notamment dans le cadre d'une gestion multicommunautaire; promouvoir l'investissement dans des technologies sociales de récupération et de stockage de l'eau de pluie pour la consommation humaine et la production.
36. Dans le cadre de la composante 3, l'équipe du projet appuiera la formation et la génération de connaissances, essentielles pour assurer la durabilité des investissements.

## **D. Alignement, appropriation et partenariats**

37. Les objectifs du projet sont conformes au Programme de développement durable à l'horizon 2030 visant à ne laisser personne de côté, et en particulier avec les objectifs de développement durable suivants: 1 (pas de pauvreté), 2 (faim zéro et agriculture durable), 5 (égalité entre les sexes), 6 (eau propre et assainissement), 7 (énergie propre et d'un coût abordable), 10 (inégalités réduites), 12 (consommation et production responsables), 13 (mesures relatives à la lutte contre les changements climatiques) et 15 (vie terrestre).
38. Le projet contribuera aux cinq thématiques transversales de la Douzième reconstitution des ressources du FIDA (FIDA12) et aux objectifs stratégiques du Cadre stratégique du FIDA 2016-2025: objectif stratégique 1 (accroissement de la production), objectif stratégique 2 (participation accrue au marché) et objectif stratégique 3 (renforcement de la résilience). Il contribuera également aux objectifs stratégiques du programme d'options stratégiques pour le pays (COSOP) 2016-2022 pour le Brésil et au nouveau COSOP (dont l'élaboration est en cours d'achèvement): i) renforcer la production agricole durable, la sécurité alimentaire, la nutrition et l'accès aux marchés, en mettant l'accent sur la durabilité environnementale et la protection des biens publics mondiaux; ii) renforcer les politiques et les programmes publics en les affinant à partir d'éléments factuels et en diffusant les meilleures pratiques; iii) renforcer les capacités des institutions gouvernementales et des organisations des populations rurales pauvres pour favoriser le développement rural durable tout en préservant les biens publics mondiaux.
39. Le projet est totalement en phase avec les politiques de développement rural de l'État de Bahia, en particulier le Plan pluriannuel pour 2020-2023 et le Plan de développement intégré 2035. Il s'inscrit également dans la ligne de plusieurs politiques et programmes nationaux de développement rural durable, tels que la contribution déterminée au niveau national, la Stratégie nationale d'adaptation et le Plan national d'adaptation aux changements climatiques, le Plan national de sécurité hydrique, le Programme national d'assainissement rural, la Politique nationale d'assistance technique et de vulgarisation rurale pour l'agriculture familiale et la réforme agraire, le Programme d'achat de produits alimentaires, le Programme national d'alimentation scolaire et le programme de crédit rural pour l'agriculture familiale. Il est cohérent avec la Politique nationale pour le développement durable des peuples et communautés traditionnels et le Plan national d'action en faveur des personnes LGBTQIAPN+. Il sera également en concordance avec le Plan national pour l'agroécologie et la production biologique, actuellement élaboré par le Gouvernement fédéral avec l'appui du FIDA.

## **E. Coût, avantages et financement**

### **Coût du projet**

40. Le coût total du projet s'élèvera à 150 millions d'USD, sur lesquels 100 millions d'USD (66,7%) seront financés par un prêt de la BID, 18 millions d'USD (12,0%) par un prêt du FIDA et 32 millions d'USD (21,3%) par une contribution de contrepartie de l'État. En outre, les bénéficiaires du projet apporteront une contribution à hauteur de 15 millions d'USD environ, qui n'a pas été incluse dans le coût total du projet, conformément aux procédures de la BID, mais qui sera suivie par l'unité de gestion du projet (UGP) et prise en compte par le FIDA lors des missions de supervision. Le Gouvernement fédéral apportera sa garantie souveraine pour l'opération.
41. Les différentes composantes du projet seront financées proportionnellement par le FIDA, la BID et l'État de Bahia, ce qui offrira au FIDA une participation et une visibilité totales. Le financement de contrepartie de l'État de Bahia sera apporté en espèces.

Tableau 1  
**Coût du projet par composante et par source de financement**  
(en milliers d'USD)

<i>Composante</i>	<i>État de Bahia</i>		<i>Prêt du FIDA</i>		<i>Prêt de la BID</i>		<i>Total</i>	
	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>	<i>Montant</i>	<i>%</i>
1. Systèmes de production résilients, régénération de l'environnement et renforcement des capacités	18 000	56	10 100	56	56 000	56	84 100	56
2. Sécurité hydrique et assainissement rural	7 900	25	4 400	25	24 600	25	36 900	25
3. Renforcement des institutions et gestion des connaissances	3 000	9	1 700	9	9 500	9	14 200	9
Gestion du projet	3 100	10	1 800	10	9 900	10	14 800	10
<b>Total</b>	<b>32 000</b>	<b>100</b>	<b>18 000</b>	<b>100</b>	<b>100 000</b>	<b>100</b>	<b>150 000</b>	<b>100</b>

Tableau 2  
**Coût du projet par composante et par année du projet**  
(en milliers d'USD)

<i>Composante</i>	<i>Année 1</i>	<i>Année 2</i>	<i>Année 3</i>	<i>Année 4</i>	<i>Année 5</i>	<i>Année 6</i>	<i>Total</i>
	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>	<i>Montant</i>
1. Systèmes de production résilients, régénération de l'environnement et renforcement des capacités	3 900	9 700	15 800	20 600	20 800	13 300	84 100
2. Sécurité hydrique et assainissement rural	1 700	4 200	6 900	9 100	9 100	5 900	36 900
3. Renforcement des institutions et gestion des connaissances	700	1 600	2 700	3 500	3 500	2 200	14 200
Gestion du projet	700	1 700	2 800	3 600	3 700	2 300	14 800
<b>Total</b>	<b>7 000</b>	<b>17 200</b>	<b>28 200</b>	<b>36 800</b>	<b>37 100</b>	<b>23 700</b>	<b>150 000</b>

### **Stratégie et plan de financement et de cofinancement**

42. Conformément aux politiques de la BID, le tableau d'affectation des fonds est ventilé par composante. Afin de simplifier les modalités d'exécution, le suivi budgétaire et les prescriptions en matière d'information financière, le tableau d'affectation des fonds figurant dans l'accord de financement du FIDA sera présenté par composante et non pas par catégorie. Le tableau relatif aux coûts du projet par catégorie de dépenses et par source de financement n'a donc pas été intégré.

#### **Décaissement**

43. L'État de Bahia ouvrira un compte désigné en dollar des États-Unis, qui sera utilisé exclusivement pour les ressources apportées par le FIDA. Les fonds seront virés en monnaie locale depuis le compte désigné vers les comptes opérationnels de l'État de Bahia. Une clause pari passu sera appliquée pour les composantes cofinancées par la BID et le FIDA.
44. Les responsables du projet utiliseront les modèles et procédures de la BID pour présenter les justificatifs de dépenses et les demandes de décaissement d'avances, lesquels sont conformes aux procédures de décaissement du FIDA. Ils soumettront les demandes de retrait (justificatifs de dépenses et demandes de décaissement d'avances) simultanément à la BID, pour examen, et au FIDA (sur le Portail clients du FIDA). La BID examinera les demandes de retrait pour s'assurer de leur conformité avec les dispositions de l'accord de financement du FIDA et confirmera

par écrit au Fonds que les conditions de décaissement ont été remplies avant le versement.

### Résumé des avantages et analyse économique

45. L'analyse coûts-avantages évalue les avantages du prêt, notamment en ce qui concerne l'accroissement des revenus des agriculteurs, la baisse des coûts et les gains liés à un meilleur accès à l'eau et à l'assainissement. Les résultats confirment la viabilité économique du projet, qui présente une valeur actuelle nette de 32 millions d'USD et un taux de rentabilité interne de 18% sur une période de 20 ans.

### Stratégie de retrait et durabilité

46. Les responsables du projet mettront en œuvre une stratégie de retrait visant à assurer la durabilité des interventions. Plusieurs facteurs contribueront à la durabilité: i) le programme de formation intensive à l'intention des bénéficiaires et des équipes d'assistance technique; ii) la diffusion de pratiques agroécologiques adaptées au contexte et le renforcement de l'accès aux marchés; iii) les partenariats avec des organisations de la société civile et des organisations paysannes; iv) le renforcement des institutions; v) la diffusion des expériences par l'intermédiaire des activités de gestion des connaissances et de CSST.
47. De plus, l'approche territoriale garantira que les activités du projet sont intégrées dans la dynamique des territoires d'identité, et permettra une complémentarité entre les différents projets, programmes et politiques mis en œuvre dans ces territoires par le Gouvernement de l'État de Bahia. Le projet appuiera également la création de systèmes d'assainissement communautaires; les bénéficiaires participeront directement à leur gestion, leur maintenance et leur exploitation.

## III. Gestion des risques

### A. Risques et mesures d'atténuation

48. La matrice intégrée des risques du projet a été établie conformément aux directives du FIDA. Le risque global inhérent au projet est modéré, tout comme le risque résiduel.

Tableau 3  
Synthèse des risques

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

### B. Catégorie environnementale et sociale

49. Le FIDA a procédé à une analyse des lacunes consistant à comparer le Cadre de politique environnementale et sociale de la BID avec les Procédures d'évaluation sociale, environnementale et climatique (PESEC) du FIDA, actualisées en 2021. L'analyse a confirmé que l'utilisation du cadre de politique environnementale et sociale de la BID permettrait de répondre de manière satisfaisante aux engagements du FIDA sur le plan social et environnemental et en matière de changements climatiques. D'après le cadre de la BID, le projet est classé dans la

catégorie B, car les activités prévues pourraient entraîner des impacts environnementaux et sociaux négatifs modérés à moyen terme, qui seront réversibles avec les mesures d'atténuation disponibles. Un suivi adéquat et une vérification du respect des mesures de protection sont envisagés pour toute la durée du projet.

### **C. Classement au regard des risques climatiques**

50. Le risque lié aux catastrophes et aux changements climatiques est jugé « modéré » pour l'intervention en raison des effets des inondations et des sécheresses sur les travaux et les activités du projet. Les mesures d'atténuation des risques ont été définies, et le projet comprendra une analyse des risques liés aux catastrophes et aux changements climatiques.

### **D. Soutenabilité de la dette**

51. La dette de l'État de Bahia a été notée « A » (solvabilité) en 2023, compte tenu d'un ratio d'endettement de 51,55%. En outre, la notation du Secrétariat national du Trésor du Ministère de l'économie, qui englobe l'endettement, l'épargne courante et les liquidités, permet à l'État de bénéficier d'une garantie souveraine du Gouvernement fédéral du Brésil. Le prêt sera donc garanti par ce dernier.

## **IV. Exécution**

### **A. Cadre organisationnel**

#### **Gestion et coordination du projet**

52. L'organisme d'exécution sera le Secrétariat du développement rural (SDR) du Gouvernement de Bahia. Le SDR signera un accord subsidiaire avec la Compagnie de développement et d'action régionale (CAR), qui sera responsable de la gestion technique et fiduciaire du projet et créera une UGP au sein de sa structure. La CAR est une entreprise publique liée au SDR; elle a une grande expérience de l'exécution de projets appuyés par des organisations internationales et a déjà géré trois précédents projets financés par le FIDA.

#### **Gestion financière, passation des marchés et gouvernance**

53. **Gestion financière.** L'équipe chargée des finances au sein de l'UGP créée dans la CAR est responsable de la gestion financière du projet. La BID a été désignée comme institution coopérante et sera chargée d'administrer et de superviser l'exécution du financement du FIDA, dans le cadre d'un accord de coopération avec le Fonds prévoyant les modalités détaillées de supervision telles que les missions, l'information financière et les audits, et des dispositions semblables à celles du Projet inclusif et durable au Piauí approuvé précédemment. Afin de simplifier les modalités d'exécution, le FIDA accepte que les politiques et procédures financières de la BID soient appliquées, les ayant examinées pour vérifier leur adéquation avec ses prescriptions fiduciaires. Conformément à ses Conditions générales applicables au financement du développement agricole (ci-après, les Conditions générales), le FIDA maintient l'obligation de conserver les archives pendant une durée minimale de 10 ans après l'exécution, alors que les conditions de la BID prévoient une durée de conservation de 3 ans.
54. **Financement rétroactif.** Par dérogation aux dispositions de la section 4.07 a) ii) des Conditions générales, les dépenses d'un montant inférieur ou égal à 700 000 USD seront considérées comme admissibles si elles ont été engagées après le 24 janvier 2024, date de l'approbation par le Groupe assurance qualité, pour: des services de consultant dans le cadre de la réalisation d'études et de diagnostics, les salaires et indemnités des membres de l'UGP et les dépenses de fonctionnement nécessaires, notamment l'achat du matériel informatique. L'emprunteur pourra demander le remboursement de ces dépenses une fois que les conditions préalables aux retraits auront été remplies.

55. **Audit externe.** Comme le prévoit le manuel de la BID sur les rapports financiers audités et la gestion de l'audit externe, l'équipe du projet devra soumettre des états financiers audités élaborés en vertu de cadres spéciaux, fondés sur des normes comptables cohérentes avec les Normes comptables internationales pour le secteur public, et audités par la Cour des comptes de l'État de Bahia, conformément aux normes internationales d'audit. La BID devra transmettre les états financiers audités au FIDA au plus tard six mois après la clôture de chaque exercice financier.
56. **Manuel d'exécution du projet.** Les modalités de gestion financière, de passation de marchés et de gouvernance sont exposées de manière détaillée dans le manuel d'exécution du projet et sont fondées sur les directives concernant la gestion financière des projets financés par la BID (OP-273-12) et la passation de marchés (GN-2349-15: passation de marchés pour les biens et travaux; GN-2350-15: passation de marchés avec les consultants). Elles profiteront également de l'expérience acquise lors de l'exécution du PPS, appuyé par le FIDA et toujours en cours.
57. Le plan de passation de marchés recensera les éléments soumis à un examen *ex ante* ou *ex post* et nécessitera l'émission par le FIDA d'un avis de non-objection. Conformément à l'analyse des lacunes des directives et procédures de la BID, les procédures ci-après du FIDA seront appliquées par la BID: i) les prestataires et les consultants devront remplir un formulaire d'autocertification pour tous les documents et contrats d'appel d'offres, en application de la Politique du FIDA en matière de prévention de la fraude et de la corruption dans le cadre de ses activités et opérations et de sa Politique en matière de prévention et de répression du harcèlement sexuel et de l'exploitation et des atteintes sexuelles; ii) l'outil de suivi des contrats du FIDA sera utilisé pour enregistrer les contrats signés et actualiser leur statut.

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

58. La conception du projet s'est notamment appuyée sur une consultation publique hybride avec de multiples parties prenantes, des habitants de la zone du projet et des partenaires d'exécution potentiels, comme le Secrétariat d'État à l'environnement.

#### **Mécanisme de réponse aux doléances**

59. Le mécanisme de réponse aux doléances de la BID sera utilisé conformément au Cadre de politique environnementale et sociale de la BID, qui comprend un mécanisme spécifique qui doit être mis en place durant les consultations et être maintenu durant l'exécution du projet.

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

60. Le système de planification et de suivi-évaluation du projet suit le cadre logique du FIDA. Aux fins de conformité avec les critères de transversalisation du FIDA, le cadre logique comprend plusieurs indicateurs de base du Fonds relatifs à la portée, au nombre de personnes disposant de nouveaux emplois et débouchés, au pourcentage de femmes déclarant une diversité alimentaire minimale, aux ménages bénéficiant d'un appui ciblé visant à améliorer leur nutrition, aux tonnes d'équivalent en dioxyde de carbone dont l'émission a été évitée ou le carbone fixé, et l'indicateur d'autonomisation du FIDA, entre autres. Une étude de référence, un examen à mi-parcours et une évaluation de l'impact seront réalisés dans le cadre du projet.

### **Innovations et reproduction à plus grande échelle**

61. Le projet Parceiros da Mata est une collaboration engagée par le FIDA et la BID en réponse à une demande du Gouvernement de l'État de Bahia visant à reproduire à plus grande échelle le PPS, l'un des projets du FIDA en cours dans le monde qui produisent les meilleurs résultats.
62. Le projet permettra de transférer, en la transposant à plus grande échelle, l'approche de développement agricole durable par l'intermédiaire des organisations rurales, mise au point par le FIDA, de la région semi-aride vers la forêt tropicale atlantique. Des innovations seront également introduites, comme la rémunération des services environnementaux et la gestion des déchets solides.
63. L'équipe du projet transposera à plus grande échelle certains aspects de l'intégration et de la transformation durable et inclusive, domaine dans lequel l'action du FIDA est reconnue. L'avantage comparatif du FIDA réside dans le fait qu'il adopte dans le cadre de ses investissements en faveur des populations rurales pauvres différentes approches pour les jeunes, les femmes, les communautés quilombolas et les peuples autochtones. L'approche d'investissement participatif dans les communautés et les organisations paysannes, conjuguée au renforcement des capacités et à l'assistance technique relative aux pratiques agroécologiques résilientes, à la gestion des ressources naturelles durables, à l'ajout de valeur et à l'accès aux marchés, s'est révélée efficace pour réduire la pauvreté rurale. Les investissements dans les technologies sociales éprouvées pour l'accès à l'eau, à l'assainissement et aux énergies renouvelables sont cohérents avec la situation des communautés vulnérables.

### **C. Plans d'exécution**

#### **Plans de préparation à l'exécution et de démarrage**

64. Le PPS a considérablement amélioré la préparation de l'État de Bahia à l'exécution du projet Parceiros da Mata, favorisant ainsi un démarrage rapide et sans heurt du projet. En outre, la BID et le FIDA prépareront une mission de démarrage et prévoient un financement rétroactif à l'appui du processus.

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

65. Le FIDA fera appel à la BID en tant qu'institution coopérante du projet au moyen d'un accord de coordination entre les institutions. En vertu de cet accord, la BID se coordonnera avec le FIDA pour faire progresser les plans relatifs aux missions de supervision et autres. La participation du Fonds aux missions de supervision, d'examen à mi-parcours et d'achèvement portera sur des questions liées aux besoins de coordination avec la BID dans le cadre du projet et pourra être axée sur le ciblage, les thématiques transversales du FIDA (genre, jeunes, nutrition et changements climatiques), la passation des marchés, le suivi-évaluation, la gestion des connaissances et les dispositions fiduciaires.

### **V. Instruments et pouvoirs juridiques**

66. L'octroi du financement proposé à l'emprunteur est régi par un accord de financement entre l'État de Bahia de la République fédérative du Brésil et le FIDA, et par un accord de garantie entre la République fédérative du Brésil et le FIDA. Une copie des accords négociés figure à l'appendice I.
67. L'État de Bahia est habilité, en vertu de son ordre juridique, à recevoir un financement du FIDA.
68. 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**

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

DÉCIDE: que le Fonds accordera à l'État de Bahia, avec garantie souveraine de la République fédérative du Brésil, un prêt à des conditions ordinaires d'un montant de dix-huit millions de dollars des États-Unis (18 000 000 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

### Sustainable Atlantic Rainforest Development Project

#### (Parceiros da Mata)

(Negotiations concluded on 16 May 2024)

Loan No: \_\_\_\_\_

Project Name: Sustainable Atlantic Rainforest Development Project (*Parceiros da Mata*) (Projeto de Desenvolvimento Sustentável da Mata Atlântica da Bahia) ("the Project")

State of Bahia - Federative Republic of Brazil (the "Borrower")

and

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

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

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

**WHEREAS**, the Project shall be co-financed by the Inter-American Development Bank (the "IDB"). The Borrower and the IDB will enter into a financing agreement (the "IDB Loan Agreement") to provide one hundred million United States Dollars (USD 100 000 000) for the Project;

**WHEREAS**, the Fund and IDB will enter into a Coordination Agreement (the "Coordination Agreement") to establish the responsibilities of IDB as the administrator (the "Cooperating Institution") of the execution of the activities financed through the IFAD Loan;

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

**NOW THEREFORE**, the Parties hereby agree as follows:

#### Section A

1. The following documents collectively form this Agreement: this document, the Project Description and Implementation Arrangements (Schedule 1) the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).

2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.

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

4. The Loan is to be guaranteed by the Federative Republic of Brazil (the "Guarantor") on the terms and conditions set forth in an agreement, of even date, to be entered into by the Fund and the Federative Republic of Brazil (the "Guarantee Agreement").

**Section B**

1. The amount of the Loan is eighteen million United States dollars (USD 18 000 000)
2. The Loan is granted on ordinary terms and shall have a maturity period of eighteen (18) years, including a grace period of three (3) years starting from the date that the Fund has determined that all general conditions precedent to withdrawal have been fulfilled in accordance with Section 4.02(b) of the General Conditions.
3. The Loan Service Payment Currency shall be in United States dollars (USD).
4. The first day of the applicable Fiscal Year shall be 1 January.
5. Payments of principal and interest shall be payable on each 15 February and 15 August.
6. There shall be a Designated Account opened by and held in the name of the Borrower in USD, for the exclusive use of the Project. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.
7. There shall be a Project Account in Brazilian Real (BRL) for the benefit of the Government of the State of Bahia in a bank selected by the Borrower.
8. The Borrower shall provide counterpart financing for the Project in the amount of thirty-two million United States dollars (USD 32 000 000), which shall also include the payment of taxes and duties, and of which four million nine hundred thousand United States dollars (USD 4 900 000) is considered as counterpart funding towards the IFAD Loan.

**Section C**

1. The Lead Project Agency shall be the Rural Development Secretariat (SDR) acting through the Regional Development Agency (CAR) or its successor with the same attributions and legal competencies, subject to prior approval by the Fund for the purposes of the Project.
2. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Project.
3. The Project Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement and the Financing Closing Date shall be 6 months later, or such other date as the Fund may designate by notice to the Borrower.

**Section D**

1. The Loan shall be administered by the Fund.
2. The Project shall be supervised by the IDB as the Cooperating Institution.

**Section E**

1. The following are designated as additional grounds for suspension of this Agreement:

- (a) The Project Implementation Manual (PIM), or Regulamento Operacional do Projeto (ROP) in IDB terminology, and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Project.
2. The following are designated as additional conditions precedent to withdrawal:
  - (a) The Guarantee Agreement shall have been duly signed, and the signature thereof by the Guarantor shall have been duly authorised by all necessary administrative and governmental authorities;
  - (b) The approval of the PIM/ROP shall have been confirmed in writing by IDB;
  - (c) The Project Designated Account and the operational accounts shall have been opened;
  - (d) The Project Management Unit (PMU) shall have been established within the CAR and the following members appointed: (i) project coordinator; (ii) a financial specialist; and (iii) a procurement specialist.
  - (e) A subsidiary execution agreement between the SDR of the State of Bahia and CAR shall have been signed.
  - (f) The IDB Loan Agreement shall have entered into full force and effect.
  - (g) The right of the Borrower to withdraw the proceeds of the IDB Loan Agreement has not been suspended, cancelled or terminated, in whole or in part, or the IDB Loan has become due and payable prior to the agreed maturity thereof provided that the Parties could not have reached an agreement on a mutual solution.
3. The following provisions of the General Conditions shall be interpreted to read as follows:
  - 3.1 Section 7.05 of the General Conditions: Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the IDB Policy for the Procurement of Goods and Works Financed by the IDB (GN-2349-15) and the Policy for the Selection and Contracting of Consultants Financed by the IDB (GN-2350-15) as referred in the Coordination Agreement between IDB and IFAD.
  - 3.2 Section 7.06 of the General Conditions: The Environmental and Social Policy Framework (ESPF) and the Access to Information Policy (OP-102) of IDB, as amended from time to time, shall apply to this Agreement.
  - 3.3 Section 5.02 c), d), and e) of the General Conditions shall not apply to this Agreement.
  - 3.4. Section 4.07 of the General Conditions shall be interpreted as per Section 2 (b) on Retroactive Financing provided in Annex 2 hereto.
4. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

## For the Borrower:

Estado da Bahia  
 3a Avenida, Centro Administrativo da Bahia 390  
 Centro Administrativo da Bahia  
 Salvador Bahia CEP.: 41.745-005  
 email: [governador@governadoria.ba.gov.br](mailto:governador@governadoria.ba.gov.br)

## Copy to:

Secretaria do Planejamento - 2a Avenida, Centro Administrativo da Bahia 250  
 Centro Administrativo da Bahia  
 Salvador Bahia CEP.: 41.745-003  
 email: [gasec.seplan@seplan.ba.gov.br](mailto:gasec.seplan@seplan.ba.gov.br)

Secretaria da Fazenda 2a Avenida, Centro Administrativo da Bahia 260  
 Centro Administrativo da Bahia  
 Salvador Bahia CEP.: 41.745-003  
 email: [apoiogasecsefaz@sefaz.ba.gov.br](mailto:apoiogasecsefaz@sefaz.ba.gov.br)

## For the Lead Project Agency:

Secretaria de Desenvolvimento Rural - SDR  
 2a Avenida, Centro Administrativo da Bahia 250  
 Conjunto Seplan  
 Centro Administrativo da Bahia  
 Salvador Bahia CEP.: 41.745-001  
 email: [presidencia@car.ba.gov.br](mailto:presidencia@car.ba.gov.br), [gabinete@sdr.ba.gov.br](mailto:gabinete@sdr.ba.gov.br)

## For the Fund:

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

5. The Parties commit to share with the Secretaria de Assuntos Internacionais e Desenvolvimento do Ministério do Planejamento e Orçamento – SEAID copies of all communication related to this Agreement.

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.

THE STATE OF BAHIA

\_\_\_\_\_  
 "[Authorised Representative Name]"  
 "[Authorised Representative title]"

Date: \_\_\_\_\_

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

\_\_\_\_\_  
 Alvaro Lario  
 President

Date: \_\_\_\_\_

## Schedule 1

### *Project Description and Implementation Arrangements*

#### **I. Project Description**

1. *Target Population.* The Project will target smallholder families in poverty and extreme poverty. The Project will directly reach approximately 88,000 families (about 352,000 people) in rural communities, prioritized at municipality level for their low Human Development Index (HDI), poor water and sanitation services, limitations in agricultural productivity, poor access to technical assistance services and the presence of environmental degradation processes. 50% of beneficiary families will be women-led, 30% youth-led, and at least 5% of families will be from traditional communities. To be aligned with the IFAD portfolio in Brazil and IDB requirements, the Project will target families in groups and communities.

2. *Project area.* The Project area will cover 77 municipalities in four territories in the Atlantic Rainforest of Bahia State: Baixo Sul, Litoral Sul, Médio Rio das Contas, and Vale do Jiquiriçá (the "Project Area"). Its total area is 42,695 km<sup>2</sup>, and its population is 1.8 million, of which 30% are rural. Beneficiary communities will be selected based on technical indicators to be included in the Project Implementation Manual (PIM), such as high levels of poverty and vulnerability to climate change, food and nutrition insecurity, and a low HDI.

3. *Goal.* The Project's general objectives are to improve income, nutrition and food security, access to basic services and adaptation to climate change of the poor rural population and protect the region's natural resource base.

4. *Objectives.* The specific objectives are: (i) increase the adoption of agricultural technologies, with emphasis on technologies for adaptation to climate change, prioritizing women, youth, *Povos Originários* and Traditional Peoples and Communities (PCT); (ii) improve the integration of producers into value chains, prioritizing women, youth and PCT; (iii) improve environmental conditions for rural families and their surroundings; and (iv) improve access to drinking water and sewage treatment in rural communities.

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

#### *5.1 Component 1. Resilient production systems, environmental recovery and capacity building*

5.1.1 The component will finance plans to improve production and marketing, recover degraded areas, strengthen the capacities of families and their organizations, and provide technical assistance (TA). It will include: 1) Community Sustainable Development Plans (PCDSs) for groups of contiguous rural communities, focusing on women, young people, *Povos Originários* and traditional peoples and communities and based on a participatory diagnosis. Each PCDS will include a Productive Development Plan (PDP) to finance inputs, tools and equipment to enable the adoption of technologies for improved food security and sustainable production, contributing to reducing deforestation and adapting to climate change, and a Socio-Cultural Strengthening Plan (SCSP) that will finance training and equipment to strengthen the capacities of women, youth and community organizations, and to foster the inclusion of priority groups in Project activities, such as organizations led by women, youth, traditional communities and individuals from the LGBTQIAPN+ community. Activities from this component will include Payment for Environmental Services (PES) initiatives, as well as land and environmental regularization.; 2) Business Plans (BP) for cooperatives and other economic organizations, to add value to products and improve marketing, by financing investments and specialized technical assistance.

#### *5.2 Component 2. Water security and rural sanitation*

5.2.1 It will finance small-scale works in rural communities, which will be identified during the elaboration of the PCDSs, and will include: (i) structures to improve access to drinking water, such as family cisterns for rainwater and community networks with metered household connections; (ii) sewage systems for treating effluent and grey water, as well as household sanitation modules that include toilets and tanks for washing clothes. The types of water and sanitation works will depend on population density, physical, environmental and climatic characteristics, and local cultural factors, particularly in traditional communities. They will consider people with special needs due to disabilities. Similarly, training will be given to communities, and a multi-community water management system will be put in place (supported through component 3). The component will also provide technical support and equipment for the design and implementation of rural solid waste management pilots, based on the classification and proper treatment of waste, in coordination with municipal governments and community organizations such as sorting cooperatives and multi-community organisations.

### 5.3 *Component 3. Institutional strengthening and knowledge management*

5.3.1 It will strengthen the rural development institutions of the Borrower, the contracted technical assistance providers, and the beneficiaries' organizations. Capacity building plans may include training, improvements to information systems, equipment and vehicles. This component will also provide support the establishment of multi-community water management system (to ensure sustainability of interventions under component 2). The Component will also support knowledge management (KM) and South-South and Triangular Cooperation (SSTC), including learning routes and a rural youth program. It will also include monitoring and evaluation (M&E) activities to support the project's result-based management.

## **II. Implementation Arrangements**

6. *Lead Project Agency.* The Lead Project Agency shall be the Rural Development Secretariat (SDR) acting through the Regional Development Agency (CAR).

7. *Project Steering Committee.* The Project will have a Management Committee (CGT), whose function will be carried out by the CAR Board of Directors, which will have a strategic planning function, including, among other things, reviewing the annual reports and approving the Annual Work Plans and Budgets (AWPBs). In addition, the Sustainable Territorial Development Committees (CODETER) in the Project Area, organizations for local participation and coordination of government actions, and civil society organizations will have a consultive role over the plans financed by component I.

8. *Project Management Unit (PMU).* The Lead Project Agency, through the PMU, will be responsible for the overall management and coordination of the Project, and will ensure compliance with this Agreement and the PIM. Among other attributions, it will be responsible for: (i) maintaining formal communication with the IDB; (ii) submit justification of expenditure (iii) manage the external audit; (iv) coordinate M&E activities; (v) submit to the IDB the consolidated AWPB, Financial Plan, Multiannual Execution Plan and progress reports; and (vi) coordinate with partners the execution of activities, monitor the execution of the budget and obtain the necessary inputs for the financial records and the due financial reporting to the IDB. The PMU will have the following key staff: (i) Project coordinator; (ii) a financial specialist; (iii) a procurement specialist; (iv) an environmental safeguards specialist; (v) a social safeguards specialist; and (vi) a monitoring and evaluation specialist.

9. *Financial Management.* The Finance Team within the PMU will be responsible for, maintaining project accounts, maintaining adequate internal controls, monitoring budget execution and timely submission of withdrawal applications and justifications of expenditure. The PMU will ensure financial reporting will be generated through an automated system to be operational before the start of Project.

IFAD accepts the IDB formats and procedures for presenting justifications of expenditure and request for disbursements of advances. The PMU will submit withdrawal applications (justifications of expenditure and request for of advances) to the IDB for review and in parallel to IFAD through the IFAD Client Portal (ICP).

10. *Monitoring and Evaluation (M&E)*. The Project will also fund equipment and consultancy needed for administration and management, M&E, knowledge management and auditing.

11. *Knowledge Management (KM) and South-South and Triangular Cooperation (SSTC)*. The Project will produce Knowledge Management materials to enhance the effectiveness of Project activities.

12. *Project Implementation Manual (PIM)*. Project implementation will be in accordance with this Agreement and the PIM or ROP. In case of discrepancy between this Agreement and the PIM, the Agreement will prevail. Any change or modification in the PIM will require prior no objection from the IDB and shall be communicated to IFAD. The PIM will include operational details regarding the IDB and IFAD financing and supervision arrangements.



## Schedule 2

### Allocation Table

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

Component	IFAD Loan Amount Allocated  (Expressed in USD)	Percentage
1. Resilient production systems, environmental recovery and capacity building	10 100 000	100% net of taxes
2. Water security and rural sanitation	4 400 000	100% net of taxes
3. Institutional strengthening and knowledge management	1 700 000	100% net of taxes
Project Management	1 800 000	100% net of taxes
<b>TOTAL</b>	<b>18 000 000</b>	

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

- (i) "Resilient production systems, environmental recovery and capacity building": Eligible Expenditures under Component 1 including small works, consultancies, studies, technical assistance, workshops, training, goods, services, equipment, and materials.
- (ii) "Water security and rural sanitation": Eligible Expenditures under Component 2, including grants and subsidies for productive investments, small works, consultancies, studies, technical assistance, workshops, training, goods, services, equipment and materials;
- (iii) "Institutional strengthening and knowledge management": Eligible Expenditures under Component 3, including small works, consultancies, studies, technical assistance, workshops, training, goods, services, equipment and materials.
- (iv) "Project management": Eligible Expenditures for the operation of the PMU and monitoring and evaluation of the Project including salaries and allowances, consultancies, external audits, studies, workshops, training, goods, services, equipment, and materials.

### 2. *Disbursement arrangements*

- (a) *Start-up Costs.* Withdrawals in respect of expenditures for start-up costs (in Component 3 and Project management) incurred before the satisfaction of the General Conditions precedent to withdrawal shall not exceed an aggregate amount of USD 200,000. Activities to be financed by Start-up Costs will require the no-objection from IFAD to be considered eligible.

- (b) *Retroactive financing.* As an exception to section 4.07(a) (ii) of the General Conditions, specific eligible expenditures incurred as of 2 January 2024 until the date of entry into force of this Agreement shall be considered eligible up to an amount equivalent to seven hundred thousand US dollars (USD 700 000) for activities relating to: consulting services for studies and diagnostics and salaries and benefits of PMU staff and necessary operating costs, including purchase of IT equipment. Activities to be financed by retroactive financing and their respective components will require prior no-objection from IFAD to be considered eligible. Pre-financed eligible expenditures shall be reimbursed to the Borrower once additional conditions precedent to the first disbursement of funds specified in Section E.2 are fulfilled.

**Schedule 3***Special Covenants*

1. Prior to the start of the execution of the works of the collective systems in the rural area within the framework of Component 3 of the Project: (i) the Borrower and each municipality that will own a water management and sanitation centre shall sign a legal instrument which shall enter into force in order to formalize the rights and obligations of the Borrower to carry out water and basic sanitation works in the municipal jurisdiction; and (ii) each respective municipality and water management and sanitation centre shall sign a cooperation agreement which shall enter into force to formalize the obligations related to the operation and maintenance of the collective water and sanitation system.

## **Negotiated financing agreement**

### **Sustainable Atlantic Rainforest Development Project**

#### **(Parceiros da Mata)**

(Negotiations concluded on 16 May 2024)

#### **GUARANTEE AGREEMENT**

This GUARANTEE AGREEMENT is signed on \_\_\_\_\_, 2024 between the FEDERATIVE REPUBLIC OF BRAZIL (hereinafter referred to as "Guarantor") and the INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (hereinafter referred to as "IFAD" or "the Fund" and together the "Parties").

WHEREAS:

Through Financing Agreement No. \_\_\_\_\_ (hereinafter referred to as "Financing Agreement"), entered into on this same date, between IFAD and the State of Bahia (hereinafter referred to as "Borrower"), IFAD has agreed to provide the Borrower with Financing of a Loan of eighteen million United States dollars (USD 18 000 000), provided that the Guarantor guarantees the Borrower's financial obligations for the Loan and remains fully bound until full payment of such obligations stipulated in the referred Financing Agreement and that the said Guarantor contracts the additional obligations specified in this Agreement.

The Guarantor, given the fact that IFAD signed the Financing Agreement with the Borrower, agreed to guarantee unconditionally and irrevocably the due and timely payment of the principal, interest and other charges of the Loan, in accordance with the provisions of this Agreement.

THE PARTIES agree the following:

1. The following documents collectively constitute an integral part of this Agreement: this Agreement, the Financing Agreement, and the Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, as amended in December 2022 (the "General Conditions"). Unless the context otherwise requires, the several terms defined in the General Conditions and the Financing Agreement have the respective meanings therein set forth.
2. The Guarantor hereby unconditionally and irrevocably guarantees, as primary obligor and not as surety merely, the due and timely payment of the principal of, and the payment of interest and other charges on the Loan due under the Financing Agreement whose terms the Guarantor declares to be fully aware of. These financial obligations do not include the commitment by the Borrower to provide additional resources to the execution of the Project.
3. The Guarantor undertakes not to take any action or allow, within the scope of its competence, measures to be taken that hinder or prevent the execution of the Project or obstruct the fulfillment of any obligation of the Borrower established in the Financing Agreement.

4. In cases of amendments to the Financing Agreement, the Borrower must obtain the prior approval of the Guarantor to any modifications or amendments to the Financing Agreement.
5. The Guarantor undertakes to:
  - (a) cooperate, within the scope of its competence, to ensure the fulfillment of the objectives of the Financing;
  - (b) inform IFAD, as urgently as possible, of any fact that makes it difficult or may make it difficult to achieve the objectives of the Financing, or the fulfillment of the Borrower's obligations;
  - (c) within its competence, provide IFAD with the information it reasonably requests regarding the Borrower's situation;
  - (d) facilitate IFAD's representatives, within the scope of its competence, in the exercise of their functions related to the Financing Agreement and the execution of the Project; and
  - (e) inform IFAD, as urgently as possible, if it is, in compliance with its obligations as a joint debtor, making payments corresponding to the Loan.
6. The Guarantor agrees that both the principal and interests, and other charges on the Loan will be paid without any reduction or restriction, free of any taxes, fees, duties or charges set forth in the laws of the Federative Republic of Brazil, and that both this Agreement and the Financing Agreement will be exempt from any applicable tax, fee or duty in connection with the execution, registration and execution of contracts.
7. The Guarantor will not be released from any liability with IFAD until the Borrower has fully complied with all the financial obligations assumed in the Financing Agreement. In the event of any default by the Borrower, the Guarantor's obligation will neither be subject to any notification or challenge, nor to any procedural formality, demand or prior action against the Borrower or against the Guarantor itself. In the event of default by the Borrower, the Fund shall not be required to exhaust its remedies against the Borrower prior to enforcing its rights against the Guarantor. The Guarantor also expressly waives any rights, order or excussion benefits, faculties, favors or resources that assist, or may assist the Guarantor. The Guarantor declares itself aware that it will not release any of its liability to IFAD if there is: (a) an omission or abstention by IFAD in the exercise of any rights, powers or remedies that has against the Borrower; (b) IFAD's tolerance or agreement with the Borrower's default or delays that he may incur in fulfilling its obligations; (c) deadlines, extensions or any other concessions made by IFAD to the Borrower, provided that it has the prior consent of the Guarantor; (d) alteration, amendment or revocation, in whole or in part, of any of the provisions of the Financing Agreement, provided that they are made with the prior consent of the Guarantor.
8. IFAD's delay or abstention in the exercise of the rights agreed in this Agreement cannot be interpreted as a waiver of such rights, nor as an acceptance of the circumstances that would allow it to exercise them.
9. Any dispute that arises between the Parties regarding the interpretation or application of this Agreement, which cannot be resolved by mutual agreement, will be subject to arbitration, as established in Section 14.04 of the General Conditions. For the purposes of this arbitration, all references made to the Borrower in the aforementioned Section apply to the Guarantor.

10. Unless a written agreement stipulates another procedure, all notices, requests or communications that the contracting Parties must send to each other under this Agreement must be made, without exception, in writing and will be considered effective upon their delivery to the addressee, by any usual means of communication, at the address indicated below:

For IFAD:

The President  
International Fund for Agricultural Development  
Via Paolo di Dono 44  
00142 Rome, Italy  
Email: ifad@ifad.org

For the Guarantor:

Ministério da Fazenda  
Procuradoria-Geral da Fazenda Nacional  
Esplanada dos Ministérios, Bloco P, 8º Andar  
CEP: 70.048-900 Brasília, DF  
Brasil  
Email: [apoioconf.df.pgfn@pgfn.gov.br](mailto:apoioconf.df.pgfn@pgfn.gov.br)

Copy to:

Ministério da Fazenda  
Secretaria do Tesouro Nacional  
Coordenação-Geral de Controle da Dívida Pública  
Esplanada dos Ministérios, Bloco P, Ed. Anexo, Ala A, 1º andar,  
sala 121  
CEP 70048-900  
Brasília – DF – Brasil  
Email: [gecod.codiv.df.stn@tesouro.gov.br](mailto:gecod.codiv.df.stn@tesouro.gov.br);  
[codiv.df.stn@tesouro.gov.br](mailto:codiv.df.stn@tesouro.gov.br)

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.

FEDERATIVE REPUBLIC OF BRAZIL

INTERNATIONAL FUND FOR AGRICULTURAL  
DEVELOPMENT (IFAD)

\_\_\_\_\_  
[Name]  
[Position]

\_\_\_\_\_  
Alvaro Lario  
President

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility		
<b>Outreach</b>	<b>1 Persons receiving services promoted or supported by the project</b>				Project System	M&E	Annual	Project Unit	
	Males - Males	0	17600	44000					
	Females - Females	0	17600	44000					
	Young - Young people	0	10560	26400					
	Indigenous people - Indigenous people	0	1760	4400					
	Total number of persons receiving services - Number of people	0	35200	88000					
	<b>1.a Corresponding number of households reached</b>				Project System	M&E	Annual	Project Unit	M&E
	Households - Households	0	35200	88000					
	<b>1.b Estimated corresponding total number of households members</b>				Project System	M&E	Annual	Project Unit	M&E
	Household members - Number of people	0	123200	308000					
	<b>Groups that receive services promoted or supported by the project</b>				Project System	M&E	Annual	Project Unit	M&E
	Groups - Number	0	280	700					
	<b>Communities that receive services promoted or supported by the project</b>				Project System	M&E	Annual	Project Unit	M&E
Communities - Number	0	280	700						
<b>Project Goal</b> Improve income, food and nutritional security, access to basic services and adaptation of the rural population to climate change, in addition to protecting the natural resource base.	<b>Percentage of families that are in poverty or extreme poverty</b>				Impact Survey	Baseline, Mid-Term and End of Project	Consultancy firm	Continuity of public policies and programmes that support rural poverty reduction	
	Households Percentage (%)	49	45	39					
<b>Development Objective</b> Contribute to the protection of the natural resource base, to the environmentally sustainable and diversified growth of rural production, to the increase in income, and to the expansion of access to essential services such as water resources infrastructure and rural sanitation	<b>IE.2.1 Individuals demonstrating an improvement in empowerment</b>				Impact Survey	Baseline, Mid-Term and End of Project	Consultancy firm	Food security policies are maintained. Macroeconomic and fiscal policies are maintained, as well as policies and incentives that favor agro-ecological productive transformation.	
	Total persons Percentage (%)	0	15	15					
	Total persons - Number of people	0	5280	13200					
	Females - Percentage (%)	0	67	67					

Females - Females	0	3520	8800			
Males - Percentage (%)	0	33	33			
Males - Males	0	1760	4400			
<b>1.2.2 Households reporting adoption of new/improved inputs, technologies or practices</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm
Total number of household members - Number of people	0	49280	123200			
Households - Percentage (%)	0	40	40			
Households - Households	0	14080	35200			
<b>1.2.8 Women reporting minimum dietary diversity (MDDW)</b>				Impact Survey	Baseline, Mid-Term and End of Project	Consultancy firm
Women (%) - Percentage (%)	0	50	50			
Women (number) - Females	0	3520	8800			
Households (%) - Percentage (%)	0	20	20			
Households (number) - Households	0	7040	17600			
Household members - Number of people	0	28160	70400			
Women-headed households - Households						
<b>2.2.1 Persons with new jobs/employment opportunities</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm
Males - Males	0	40	100			
Females - Females	0	40	100			
Young - Young people	0	60	150			
Total number of persons with new jobs/employment opportunities - Number of people	0	80	200			
<b>3.2.1 Tons of Greenhouse gas emissions (tCO<sub>2</sub>e) avoided and/or sequestered</b>				Impact Survey - Carbon-Balance Tool (EX-ACT)	Baseline, Mid-term and End of Project	External consultant
Hectares of land - Area (ha)	0	0	20074			
tCO <sub>2</sub> e/20 years - Number	0	0	-749637			



	tCO2e/ha - Number	0	0	-18.37				
	tCO2e/ha/year - Number	0	0	-0.92				
	<b>3.2.4 Biodiversity improvements at ecosystem-level</b>				Adaptation, Biodiversity and Carbon Mapping (ABC-Map)	Baseline, Mid-term and End of Project	Biodiversity team in IFAD's Environment, Climate, Gender and Social Inclusion (ECG) Division.	
	Area of Intact Biodiversity (AIB) in Ha - Number	0	0	547				
	Average Natural Capital per ha (ANC) in US\$/ha - Number	3235.87	0	3236.41				
	Ecosystem based indicator in 0 or 1 - Number	0	0	1				
<b>Outcome</b> C1. Increase the adoption of agricultural technologies, with an emphasis on technologies for adaptation to climate change, prioritising women, young people and Traditional Peoples and Communities (PCT)	<b>Hectares recovered through Payments for Environmental Services (PES)</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm	Continuation of public policies for poverty reduction; conducive environment for coordination of public policies and programmes
	Hectares of land - Number	0	320	800				
	<b>Farmers with better access to investments and agricultural services</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm	
	Family Farmer - Number	0	8000	20000				
	<b>Area of rural properties registered with CEFIR with environmental regularization analysis carried out</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm	
	Hectares of land - Number	0	28800	72000				
	<b>Communities with land title regularization delivered</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm	
	Community - Number	0	4	10				
	<b>Family farmers who sell their production in markets</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm	
	Family Farmer - Number	0	480	1200				
	<b>Percentage of women holding management positions in rural organizations</b>				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm	
	Females - Percentage (%)	0	12	31				
	<b>1.2.9 Households with improved nutrition Knowledge Attitudes and Practices (KAP)</b>							
		Indigenous households - Households						
	Women-headed households - Households							
	Households (number) - Households							

	Households (%) - Percentage (%)									
	Household members - Number of people									
<b>Output</b> C1. Sustainable productive investments and product and income generators	<b>Agreement on Productive Development Plans</b>				Project System	M&E	Annual	Project Unit	M&E	Continuation of public policies for poverty reduction; Conducive environment for coordination of public policies and programmes
	Plan - Number	0	150	150						
	<b>Families with access to payments for the provision of environmental services (PES)</b>				Project System	M&E	Annual	Project Unit	M&E	
	Households - Number	0	320	800						
	<b>Economic organizations with agreed business plans</b>				Project System	M&E	Annual	Project Unit	M&E	
	Organization - Number	0	18	45						
	<b>Families receive TA</b>				Project System	M&E	Annual	Project Unit	M&E	
	Households - Number	0	8000	20000						
	<b>Families receive training on access to public policies</b>				Project System	M&E	Annual	Project Unit	M&E	
	Households - Number	0	19440	48600						
	<b>Community Organization Strengthening Plans prepared and agreed</b>				Project System	M&E	Annual	Project Unit	M&E	
	Plan - Number	0	150	150						
	<b>Gender and Diversity Plan prepared</b>				Project System	M&E	Annual	Project Unit	M&E	
	Plan - Number	0	1	1						
	<b>Youth Plan prepared</b>				Project System	M&E	Annual	Project Unit	M&E	
	Plan - Number	0	1	1						
	<b>Quilombola communities with collective CEFIR carried out</b>				Project System	M&E	Annual	Project Unit	M&E	
	Community - Number	0	37	72						
	<b>Geo-registration to promote land regularization in remaining quilombo communities carried out</b>				Project System	M&E	Annual	Project Unit	M&E	
	Community - Number	0	32	72						
<b>1.1.8 Households provided with targeted support to improve their nutrition</b>				Project System	M&E	Annual	Project Unit	M&E		
Total persons participating - Number of people	0	8000	20000							
Males - Males	0	4000	10000							
Females - Females	0	4000	10000							
Households - Households	0	10000	20000							

	Household members benefitted - Number of people	0	35000	70000					
	Young - Young people	0	2400	6000					
	<b>3.1.1 Groups supported to sustainably manage natural resources and climate-related risks</b>				Project System	M&E	Annual	Project Unit	M&E
	Total size of groups - Number of people	0	8000	20000					
	Groups supported - Groups	0	240	600					
	Males - Males	0	4000	10000					
	Females - Females	0	4000	10000					
	Young - Young people	0	2400	6000					
	<b>3.1.4 Land brought under climate-resilient practices</b>				Project System	M&E	Annual	Project Unit	M&E
	Hectares of land - Area (ha)	0	7400	18500					
<b>Outcome</b> C2. Improve access to water and sanitation in rural communities	<b>Households with new or improved access to drinking water</b>				Impact Survey		Baseline, Mid-Term, and End of Project	Consultancy firm	Drought or climate change is managed with appropriate adaptation measures
	Households - Number	0	5598	13995					
	<b>Families with new or improved access to adequate sanitation</b>				Impact Survey		Baseline, Mid-Term, and End of Project	Consultancy firm	
	Households - Number	0	4679	11697					
	<b>Percentage of households with water treatment for human consumption</b>				Impact Survey		Baseline, Mid-Term, and End of Project	Consultancy firm	
	Households - Percentage (%)	0	40	100					
	<b>Percentage of families with access to a garbage collection service with adequate final disposal</b>				Impact Survey		Baseline, Mid-Term, and End of Project	Consultancy firm	
Households - Percentage (%)	0	40	100						
<b>Output</b> C2. Water infrastructure for consumption, production and rural sanitation systems	<b>Families benefiting from rehabilitation or implementation of treated water supply systems</b>				Project System	M&E	Annual	Project Unit	Providers remain conducive to deliver TA services; droughts at acceptable ranges and continuity of investment for accessing water
	Households - Number	0	5598	13995					
	<b>Families benefiting from home sanitary improvements and complete domestic sewage treatment</b>				Project System	M&E	Annual	Project Unit	
	Households - Number	0	4925	12313					
	<b>Communities benefiting from the domestic waste collection and treatment pilot</b>				Project System	M&E	Annual	Project Unit	
	Community - Number	0	2	5					
<b>Co-executing Organization trained in solid waste management</b>						Annual			

	Organization - Number	0	10	24	Project System M&E		Project M&E Unit	
<b>Outcome</b> C3. Improving the environmental conditions of rural families and their surroundings	<b>SF.2.1 Households satisfied with project-supported services</b>				Impact Survey	Baseline, Mid-term and End of Project	Consultancy firm	Food security policies are maintained; extreme weather events have limited effects on production; Service providers provide quality goods and services
	Household members - Number of people	0	92400	231000				
	Households (%) - Percentage (%)	0	75	75				
	Households (number) - Households	0	26400	66000				
	<b>SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</b>				Impact Survey	Baseline, Mid-term and End of Project	Consultancy firm	
	Household members - Number of people	0	92400	231000				
	Households (%) - Percentage (%)	0	75	75				
	Households (number) - Households	0	26400	66000				
<b>Output</b> C3. Strengthening of technical, institutional and organizational capacity	<b>Institutional Strengthening Plans prepared</b>				Project System M&E	Annual	Project M&E Unit	
	Plan - Number	0	5	5				
	<b>Management Centers formed</b>				Project System M&E	Annual	Project M&E Unit	
	Central - Number	0	2	2				
	<b>Knowledge Management material products generated</b>				Project System M&E	Annual	Project M&E Unit	
	Product - Number	0	38	91				
	<b>Communication/knowledge circulation actions carried out</b>				Project System M&E	Annual	Project M&E Unit	
	Action - Number	0	40	103				
	<b>Young communicators trained</b>				Project System M&E	Annual	Project M&E Unit	
	Young - Number	0	100	250				
	<b>CSST events carried out</b>				Project System M&E	Annual	Project M&E Unit	
Event - Number	0	2	4					

## Integrated project risk matrix

### Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
<b>Country Context</b>	<b>Substantial</b>	<b>Moderate</b>
Political Commitment	Moderate	Moderate
Governance	Moderate	Low
Macroeconomic	Substantial	Moderate
Fragility and Security	Substantial	Moderate
<b>Sector Strategies and Policies</b>	<b>Moderate</b>	<b>Moderate</b>
Policy alignment	Moderate	Moderate
Policy Development and Implementation	Moderate	Moderate
<b>Environment and Climate Context</b>	<b>High</b>	<b>Moderate</b>
Project vulnerability to environmental conditions	High	Moderate
Project vulnerability to climate change impacts	Substantial	Moderate
<b>Project Scope</b>	<b>Moderate</b>	<b>Low</b>
Project Relevance	Low	Low
Technical Soundness	Moderate	Low
<b>Institutional Capacity for Implementation and Sustainability</b>	<b>Moderate</b>	<b>Low</b>
Implementation Arrangements	Moderate	Low
Monitoring and Evaluation Arrangements	Moderate	Low
<b>Project Financial Management</b>	<b>Moderate</b>	<b>Moderate</b>
Project Organization and Staffing	Moderate	Moderate
Project Budgeting	Moderate	Moderate
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial
Project Internal Controls	Low	Low
Project Accounting and Financial Reporting	Moderate	Moderate
Project External Audit	Moderate	Moderate
<b>Project Procurement</b>	<b>Moderate</b>	<b>Moderate</b>
Legal and Regulatory Framework	Moderate	Moderate
Accountability and Transparency	Low	Low
Capability in Public Procurement	Moderate	Moderate
Public Procurement Processes	Moderate	Moderate
<b>Environment, Social and Climate Impact</b>	<b>Moderate</b>	<b>Low</b>
Biodiversity Conservation	Moderate	Low
Resource Efficiency and Pollution Prevention	Moderate	Low
Cultural Heritage		No risk envisaged - not applicable
Indigenous People	Low	Low
Labour and Working Conditions	Moderate	Low
Community Health and Safety		No risk envisaged - not applicable
Physical and Economic Resettlement		No risk envisaged - not applicable

Risk Category / Subcategory	Inherent risk	Residual risk
Greenhouse Gas Emissions	Moderate	Low
Vulnerability of target populations and ecosystems to climate variability and hazards	Moderate	Low
<b>Stakeholders</b>	<b>Moderate</b>	<b>Low</b>
Stakeholder Engagement/Coordination	Low	Low
Stakeholder Grievances	Moderate	Low
<b>Overall</b>	<b>Moderate</b>	<b>Moderate</b>
Country Context		Substantial Moderate
Political Commitment		Moderate Moderate
<b>Risk:</b>  Changes in political authorities at the state and national levels are relevant and could alter the executing agency's priorities and produce changes in the technical teams, delaying the Project implementation. Considering the project addresses a demand from the Bahia state government, there is a high political commitment. Parceiros da Mata enjoys full political support from the State Government's current leadership, elected in 2022's elections.	Moderate	Moderate
<b>Mitigations:</b>  The Project responds directly to the State Government's priorities and interests. It aligns with programs and public policies that are not expected to change in the medium term. The Parceiros da Mata also fits the Federal Government's priorities according to the criteria established for external financing, as evidenced by the high rating of the Project by the Commission for External Financing (COFIEX). The risks will be mitigated through the involvement of several other partners in the Project development, including public state agencies, civil society, and the private sector. Also, IADB (Inter-American Development Bank) and IFAD (International Fund for Agricultural Development) will keep a continuous dialogue with state and federal counterparts to inform new authorities of Project characteristics and benefits, as well as keep participating in policy dialogue platforms such as the Forum of State Secretaries and Northeast Consortium. IFAD Office in Salvador will play a critical role in monitoring changes in the political scenario.		
Governance	Moderate	Low
<b>Risk:</b>  Weakening of State Government secretariats aimed at rural development, family farming, environmental conservation, and poverty reduction due to increased political power of the agribusiness sectors (monoculture for export) may interfere in the allocation of resources to rural development. Nevertheless, this risk is not significant as the country and state institutions are solid and exhibit a long-term commitment to family farming and poverty alleviation policies targeting the poorest and most vulnerable rural populations.	Moderate	Low
<b>Mitigations:</b>  The Project will adopt a multisectoral approach to tackle the main problems affecting the rural populations of the Project area. Parceiros da Mata will strengthen, integrate, and develop government programs and policies related to sustainable rural development. Besides, the Project will include an institutional strengthening component to help strengthen key rural development institutions and secretariats at the state level.		
Macroeconomic	Substantial	Moderate

<p><b>Risk:</b></p> <p>i) Unstable political and economic environment with trends of increase in inflation, unemployment, decreasing/low GDP growth, and deterioration of public accounts. ii) If the Brazilian Real appreciates compared to the Dollar, the Program costs could increase (in Dollars), and the budget would be insufficient to execute the Project activities as planned. iii) The effects of the Ukraine war in Brazil, and in Bahia in particular, are the increase in costs of fertilizers imported and in commodities prices, especially corn, wheat, oil and sunflower oil. The restrictions of the supply – or just the possibility of lower availability – already boost prices and worsen the national inflation rates. Iv) Difficulty in mobilizing the state government’s counterpart.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>i) Close monitoring of the macroeconomic situation and policies. ii) Elaborating Parceiros da Mata action plans considering the most likely future scenarios and adjusting priority actions and Project disbursement accordingly to contextual changes whenever necessary. iii) Regarding the impacts of the war in Ukraine, the Project will partner with procurement consultant to map a wider network of suppliers, how their peers are handling the crisis, and support innovative solutions to manage the impacts of the war in supply availability and costs. Besides, the investment plans that will benefit producers will take current and future inflation macroeconomic tendencies into consideration in their economic feasibility analysis. iv) The project's design is fully aligned with Bahia’s Pluriannual Plan (PPA) 2020-2023 and the design coincided with the drafting of the Pluriannual Plan 2024-2027, in which the project will be considered as a priority action of the Bahia government, guaranteeing a counterpart budget.</p>		
Fragility and Security	Substantial	Moderate
<p><b>Risk:</b></p> <p>The economic fragility in the past years, coupled with the drastic effects of a pandemic, led to high unemployment rates and an exponential increase in the population living below the poverty line in Brazil. That figure, which was 9.5 million people in August 2020, tripled to more than 27 million in February 2021. With the upsurge of the pandemic, the number of people in food insecurity also considerably increased, especially in the North and Northeast regions. In 2021, food and nutrition insecurity affected 68% of households in the Northeast region.</p>	Substantial	Moderate
<p><b>Mitigations:</b></p> <p>Parceiros da Mata’s integrated resilience approach shall help address various climate, economic and environmental shocks. Besides activities aimed at improving family farmers' ability to recover from hazards, Project interventions aim to assure food and nutritional security, poverty reduction, and minimization of target groups' economic losses to external shocks. The Project has in its specific objectives improve the food and nutrition security of the most vulnerable populations.</p>		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment	Moderate	Moderate
<p><b>Risk:</b></p> <p>There is a risk that possible public policies are not sufficiently aligned with IFAD and IADB’s priorities (especially regarding access to land, environment, climate, gender, diversity, youth, food and nutrition), potentially limiting the scope of Parceiros da Mata’s development objectives and operation. In addition, there may be discrepancies between state and federal political priorities, which may also affect the Project.</p>	Moderate	Moderate

<p><b>Mitigations:</b></p> <p>The Project design is fully aligned with Bahia's Pluriannual Plan (PPA) 2020-2023 and the strategies of the Integrated Development Plan (PDI) of Bahia 2035. The Project will be implemented at the state level and in an area of poverty prevalence, where family farming is a consensual priority, reducing the risks of misalignment. At the federal level, Parceiros da Mata is aligned with several policies and programs, such as Brazil's Determined National Contribution (NDC) objective of establishing sustainable agriculture that is resilient to climate change; National Adaptation Strategy (ENAA), and National Adaptation Plan to Climate Change (PNA); National Rural Environmental Registry System (SICAR), National Technical Assistance and Rural Extension Policy for Family Farming and Agrarian Reform (PNATER), Food Procurement Program (PAA), National School Feeding Program (PNAE), and PRONAF. The high rating of the project by the Commission for External Financing (COFIE) illustrates the sound alignment with federal policies. IFAD and IADB will continue dialoguing with the federal agencies to ensure their awareness of the Project objectives and activities.</p>		
Policy Development and Implementation	Moderate	Moderate
<p><b>Risk:</b></p> <p>The Project will build a solid basis for collaboration with research institutions and civil society partners with strong experience regarding the Atlantic Rainforest context, besides counting on the capacity and experience of a strong M&amp;E system to ensure that empirical data and information can guide its implementation. Parceiros da Mata will be based on a bottom-up rural development approach, facilitating beneficiary participation in Project implementation and building the capacity of poor rural people and their organizations.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>i) IADB and IFAD will ensure the Project receives constant feedback on innovative approaches, good practices, and policies from other projects in their portfolios. ii) The partnership between IFAD and the IADB, both international bodies with a state and federal impact, will help to minimize the risks. iii) In addition, IFAD grants, such as DAKI-Semiárido Vivo and AKSAAM (Adapting Knowledge for Sustainable Agriculture and Access to Markets), can help and support the preparation for Project implementation. iv) Finally, the project will focus on knowledge management, valuing the results of the monitoring and evaluation system, good practices, and lessons learned. These will form the basis for policy dialogue so that the project's experiences contribute to improving public policies to combat rural poverty. IFAD continues to support policy dialogue instruments, such as the Forum of Family Farming Managers and the Family Farming Thematic Chamber of the Northeast Governors' Consortium, to ensure the effective implementation of the Parceiros da Mata.</p>		
Environment and Climate Context	High	Moderate
Project vulnerability to environmental conditions	High	Moderate



<p><b>Risk:</b></p> <p>Deforestation of large areas for agricultural or grazing use is the most visible environmental problem in the Project area. It is estimated that the Atlantic Forest currently occupies only 13.8% of its original area in the region. The use of unsustainable land management practices, such as selective logging, deforestation (including in steep slopes), downhill tillage, the use of fire for pasture management, overgrazing, has resulted in increased compaction and exposure of the soils to weathering agents, causing soil degradation and productivity losses. In turn, the intense anthropogenic interferences in the environment and particularly the deforestation of riparian vegetation (which is protected according to Brazilian Law) have had a significant impact on the water cycle, causing the drying up of springs, reduced water infiltration and the siltation of the region's watercourses, decreasing water availability in the region. At the same time, more intense precipitation related to climate change and exposed soils is leading to flooding and landslides. The combination of the processes cited here has a significant negative impact on biodiversity due to the suppression of natural habitats and their fragmentation. From a longer-term perspective, the sum of these factors (including predicted climate change) associated with more frequent 'extreme' events (droughts and floods, for example), could trigger a significant loss of environmental quality. This, in turn, is likely to have a direct effect on the productive potential of agricultural systems and on the quality of life of the population. Another risk factor to be considered is the witch's broom, a disease that contributed to the cacao crisis in the region in the 1990s and is caused by a fungus called <i>Moniliophthora perniciosa</i>. This and other fungi (e.g. <i>Moniliophthora roreri</i>) represent a risk for cacao production in the region if not properly controlled. Additionally, most families channel domestic effluents to a rudimentary pit built by the families themselves without sanitary protection, causing seepage and contamination of soil and water.</p>	High	Moderate
<p><b>Mitigations:</b></p> <p>i) The Project's interventions include the environmental recovery of priority areas of the Atlantic Rainforest (e.g. riparian forests) to improve environmental services, co-benefits for biological corridors, environmental regularization initiatives, investments in basic rural sanitation, and institutional strengthening in territorial environmental management. ii) The Project productive component will also contribute to reducing environmental vulnerability by supporting family farmers and communities with technical assistance to adopt agroecological and resilient productive practices (i.e. water access technologies, soil conservation, agroforestry systems, integrated pest management, etc.) that restore and conserve natural habitats function and structure and productive systems, combatting soil degradation. In response to pests and diseases that threaten cacao production, mitigation measures will include promoting resistant varieties, diversification of the production systems and other agroecological pest and disease management measures. iii) The project will finance small works to increase access to basic sanitation services to improve the population's quality of life, health, and environmental sustainability.</p>		
Project vulnerability to climate change impacts	Substantial	Moderate
<p><b>Risk:</b></p> <p>Regarding expected climate changes, models predict a reduction in precipitation and an increase in temperature for the entire state, with the reduction in precipitation being even more important in the coastal regions and reaching up to 70%. At the same time, the probability of extreme weather events increases, such as the drought recorded in the northwestern municipalities of the area in the period 2012 - 2015, or even the large-scale floods verified at the end of 2021, mainly in the South Coastal (Litoral Sul) Identity Territory. Combined with the deforestation and soil degradation trends mentioned in the section above, these changes could impact on the productive potential of local agricultural systems.</p>	Substantial	Moderate

<p><b>Mitigations:</b></p> <p>The project aims to mitigate vulnerability to climate change by promoting planned adaptation measures, such as: i) increasing water capture and storage; ii) increasing water use efficiency through the promotion of technologies such as household cisterns, greywater reuse systems and micro-irrigation; iii). Restoring water sources and riparian forest through conservation of existing forests and reforestation of degraded areas; and iv) support to the adoption of agroecological soil conservation practices that increase soil water retention capacity. The promotion of diversified agroforestry systems will also increase resilience in the face of higher temperatures by providing a shadier, cooler, and thus more comfortable work environment for animals and local communities.</p>		
Project Scope	Moderate	Low
Project Relevance	Low	Low
<p><b>Risk:</b></p> <p>No relevant risk for the Project's objectives and interventions being not fully aligned with IFAD's or the country's development priorities, including current COSOP (2016-2022) and the new COSOP (2024-2032) in design. The Project corresponds to the central challenges of production and access to services for the rural poor, and the design is also aligned with state policies and priorities.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>Mitigation measures will be taken through contact dialogue with the state government and the full involvement of stakeholders during design and implementation, including civil society and farmers' organizations. Besides, the Project has a participatory approach that will allow ownership, relevance, and alignment with target groups' needs and priorities.</p>		
Technical Soundness	Moderate	Low
<p><b>Risk:</b></p> <p>There is a risk in implementation due to the current capacities of state-level public institutions as Project activities require strong coordination and integrated planning.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>i) Designing the Project based on lessons learned from IFAD projects in Bahia, as the Pro-Semi-arid Project (PSA), and IADB projects in the Brazilian Northeast (1633/OC-BR, 5440/OC-BR, 4723/OC-BR, 4732/OC-BR, ATN/LC-17432-BR). The Project is highly robust also based on IFAD's and IADB's solid technical experience. ii) Establishing effective management and coordination structure. iii) The Project includes an institutional strengthening component of different state entities. iv) Building alliances with third-party suppliers of technical assistance to producers and communities, which are very common in IFAD projects in Brazil and have achieved excellent results in innovation and technical quality.</p>		
Institutional Capacity for Implementation and Sustainability	Moderate	Low
Implementation Arrangements	Moderate	Low

<p><b>Risk:</b></p> <p>i) There is a risk that the Project executing agency's capacities are insufficient for adequate and effective Project management, leading to delays and lower quality of execution. ii) For some works, such as technical assistance and specialized service delivery, such as the sanitation component, there is a low risk of lack of qualified personnel in the state. iii) The Project will involve considerable managing complexity within a 6-year timeframe given the inclusion of multiple activities ranging from payments for environmental services (PES), land and environmental regularization, business plans development in support of marketing, technical assistance, water, sewage and waste management, KM and SSTC.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>i) Establishment of a Project Management Unit (PMU) in CAR that has extensive experience in project execution, including from International Financial Institutions, as IFAD and the World Bank. This PMU will coordinate planning, financial management and implementation and report on the technical and financial progress of the Project. This PMU should be supported by a project management institution as was done successfully in the PSA project. ii) Institutional strengthening of component 3 will provide training and capacity-building. The PMU should provide contracting/partnership with institutions experienced in TA and sanitation to provide training to its staff. iv) Provision of training and technical assistance to community organizations and beneficiary households to ensure proper management, operation and maintenance of project investments. v) Funds have been earmarked to hire specialized technical consultancy services to develop and implement all the Business Plans. vi) For PES activities, the Environmental Secretariat (SEMA), with experience in PES schemes, will be a key Project partner. vii) For land titling, funding will be provided for the costs of a specialized company to carry out the fieldwork, the issuing of titles, their registration at the land registry office, and the delivery of the property title to the Quilombola Association. Regarding environmental regularization, CAR has already developed capacity during the PSA implementation, and Parceiros da Mata will hire a specialized support office for this activity. viii) The Project will maintain a close relationship with IFAD's Center for Knowledge and South-South and Triangular Cooperation, which will support KM and SSTC activities.</p>		
Monitoring and Evaluation Arrangements	Moderate	Low
<p><b>Risk:</b></p> <p>The risk of poor M&amp;E performance is considered low because PSA has built a strong M&amp;E capacity, based on which Parceiros da Mata will improve and develop the necessary systems. The Project may have difficulties in composing a specialized M&amp;E team to work at the PMU, both in the state's professional staff and in hiring specialist consultants.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>IADB and IFAD will prepare a robust M&amp;E Plan, which will define key aspects and methodologies for monitoring and evaluating Project's results. This plan will be updated by the M&amp;E team at the beginning of the execution, to include the monitoring arrangement to guarantee the fluidity of information between the bodies responsible for implementing the Project and define each professional's roles. SDR/CAR will consolidate the M&amp;E data of the Project as a whole. The PSA system will be used, adapted, and made available. There will be budget planned for the system improvement and this will be an important legacy for the state. Strengthening the M&amp;E team's capacities is planned in the context of developing the institutional capacities of key state entities.</p>		
Project Financial Management	Moderate	Moderate
Project Organization and Staffing	Moderate	Moderate

<b>Risk:</b> i) The CAR finance team supports the execution of a portfolio of project and staff are not 100% dedicated to financial management of the project. ii) Inexperience of the CAR finance team with IDB fiduciary processes and policies which will be applicable to IFAD financing as well	Moderate	Moderate
<b>Mitigations:</b> i) A Program Coordination Unit (PCU) will be created within CAR, which will be responsible for the overall management and coordination of the program; and a specialized contracting agency will be hired to support contracting and procurement for project management. As part of the PCU two finance professionals will be hired; ii) Training and support from IDB in fiduciary requirements.		
Project Budgeting	Moderate	Moderate
<b>Risk:</b> Insufficient gvt counterpart funding is made available or delays in the allocation of fiscal space affecting project implementation.	Moderate	Moderate
<b>Mitigations:</b> The IFAD and IDB teams will ensure that SEPLAN is firmly committed to ensuring the allocation of sufficient counterpart financial resources for project implementation. SDR will ensure timely submission of request for fiscal space and counterpart funds to ensure sufficient and timely resources for Project implementation. Monitoring by IFAD of the availability of counterpart funds at least every six months.		
Project Funds Flow/Disbursement Arrangements	Substantial	Substantial
<b>Risk:</b> i) Timing differences IDB and IFAD loan which could affect the availability of funds under the parri passu arrangements and delay project implementation ii) Beneficiary organizations, which will manage the resources and implement the investment, may have weak capacity around resource management and may not be able to submit timely and quality investment plans, establish bank accounts and report on the use of funds, which could delay disbursements, implementation and reporting	Substantial	Substantial
<b>Mitigations:</b> i) Alignment of dates entry into force financing agreements BID and IFAD and EIF BIF Financing Agreements as a condition for disbursement IFAF ii) Contracting of adequate technical services for the design and support to organizations during implementation of investment plans		
Project Internal Controls	Low	Low
<b>Risk:</b> Adequate controls in place as confirmed during supervision Pro Semi Arid Project and confirmed by audits	Low	Low
<b>Mitigations:</b> Final review of the Financial Management sections of the Program's Operating Regulations, No objection as a condition for disbursements Disseminate the Project's Operating Regulations to all involved parties; Publicize anti-corruption measures and the ombudsman and complaint systems.		
Project Accounting and Financial Reporting	Moderate	Moderate

<p><b>Risk:</b></p> <p>i) The State Financial Management System does not generate automated IFRS and annual financial statements as required by IFAD/IDB which could result in human error and delays in reporting;</p> <p>ii) Insufficient staff assigned to manage implementation and ensure financial reporting on business plans;</p> <p>ii) counterpart funds will come from various sources, including indirect in the form of contributions from other programs of the SDR and CAR,</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>i) Clear reporting requirements agreed between IDB and IFAD with formats documented in the PIM</p> <p>ii) As required by BID, ensure before the start of the project the implementation of a system to automate the generation the financial reports including counterpart funding as required by the IDB in the currency of operation (U.S. dollars), either through the acquisition, development or contracting of a commercial software that allows for processing of payments;</p> <p>iii) Ensure sufficient staff is assigned to accompany the implementation and reporting on investment plans;</p> <p>iv) Establish and document in the PIM clear criteria for recording and valuing both direct and indirect government counterpart financing.</p>		
Project External Audit	Moderate	Moderate
<p><b>Risk:</b></p> <p>Audit reports issued not in compliance with IFAD audit manual in particular compliance with accounting standards acceptable to IFAD</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>i) Agree with IDB before entry into force and as part of finalization cooperation agreements the applicable of accounting standards applicable.</p> <p>ii) In cooperation with IDB Liaise with state court of auditors to clarify requirements as per IFAD Manual and to agree on Terms of Reference</p>		
Project Procurement	Moderate	Moderate
Legal and Regulatory Framework	Moderate	Moderate
<p><b>Risk:</b></p> <p>The new federal regulatory framework for tenders and administrative contracts (Law no. 14.133/2021), establishes important changes that will have direct repercussions on state public procurement. The new law mandatory application may cause delays. In addition, the risk linked to changes and innovations brought by the new legislation can directly impact the development of the Project as the teams may find it difficult to assimilate and implement the changes at the appropriate time. It is also possible to identify the risk related to the weaknesses of public access to information on procurement and contracts, which can generate gaps for irregular practices, distrust of the legitimacy of activities, and questioning by control bodies.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>To reduce the risks inherent to the changes brought by the new regulatory framework, it is recommended that the conditions and methods peculiar to the selection and contracting contained in the IFAD and IADB norms, when applicable, are indicated in the Grant Agreement, and their use is subject to a favorable opinion from the legal body of the grantee prior to the execution of said Agreement. Providing training and retraining on the rules applicable to the personnel involved in procurement activities and continuous monitoring of the Project's procurement team regarding the changes in the new law are also strongly recommended.</p>		

Accountability and Transparency	Low	Low
<p><b>Risk:</b></p> <p>In terms of accountability, the absence of clear protocols in the National systems can lead to failures in the direction of demands and, consequently, impact the investigations and solving any irregularities, with a potential risk of questioning the legitimacy of some decisions taken under an apparent conflict of interests. The inexistence of a 2-tiered system to handle complaints can generate a lack of exemption in the evaluation, mistaken conclusions and/or ineffective treatment of the information, directly impacting the necessary corrective measures and affecting the reputation, and culture of the Project. Another risk is the start-up of procurement processes before the establishment of the PMU, hindering accountability.</p>	Low	Low
<p><b>Mitigations:</b></p> <p>i) Implement specific protocols for receiving/handling complaints that include general and exception rules, dissemination, training, and communication plans, as well as non-retaliation policies against whistle-blowers, among others;</p> <p>ii) adopt a 2-tiered system for handling complaints with rules well defined in a specific manual;</p> <p>iii) implement an ethics and compliance council to deliberate on complaints; iv) adopt the practice of conducting prior research in procurement/contracting activities (third party due diligence) through consultation of federal and state debarred lists and other relevant tools.</p> <p>The PMU will be established before the start of procurement processes to avoid any risk associated to lack of transparency and accountability.</p>		
Capability in Public Procurement	Moderate	Moderate
<p><b>Risk:</b></p> <p>The first risk is the fact that hiring according to IADB guidelines and procedures is unusual for the state government and needs specific capabilities in public procurement, although executing agencies already have professionals with experience in biddings of this nature. A second risk refers to acquisitions being carried out by rural organizations that will receive funds for the implementation of investment plans, which will have to carry out a large volume of contracts.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>To mitigate the first risk, the Project will provide training and retraining on the rules applicable to the personnel involved in procurement activities, including producer organizations. To mitigate the risk of acquisitions being carried out by multiple entities, the Project will establish a Procurement Management sector at the PMU to coordinate the procurement issues and carry out the primary and more complex selection and acquisition processes and coordinate the operations on the topic of acquisitions with the entities involved in Project execution.</p>		
Public Procurement Processes	Moderate	Moderate

<p><b>Risk:</b></p> <p>Procurement processes follow a fragmented flow between different sectors of the executing agency, showing a low degree of communication and interaction between those involved, especially regarding the planning phase of activities. This can lead to a lack of understanding of the procurement and contracting processes, problems with specification and identification of needs, difficulties in choosing the applicable method, adoption of unrealistic plans, and non-compliance with deadlines for each process, among others. Such risks can severely impact the efficiency and quality of the Project's procurement and contracting activities. Lack of knowledge about IADB's procurement rules represents a risk that can lead to delays and failures in the development of activities in the area.</p>	Moderate	Moderate
<p><b>Mitigations:</b></p> <p>i) The Project shall adopt participative and integrated planning of procurement involving its coordination and the technical and financial area;  ii) procurement and contracting flows and procedures will be clearly described in the Program Operating Regulations Manual;  iii) the project procurement team will be trained on IADB guidelines which are in line with IFAD's.</p>		
Environment, Social and Climate Impact	Moderate	Low
Biodiversity Conservation	Moderate	Low
<p><b>Risk:</b></p> <p>In the project area, the Atlantic Forest, a biodiversity hotspot, which harbours a high level of biodiversity has been and is under threat due to deforestation, much of which is linked to conversion to pastures for cattle ranching. It is estimated that only 13.8% of the State's Atlantic Forest remains. The project will work with Indigenous People, traditional communities and small-scale farming communities with varying degrees of biodiversity conservation of their territories and properties. Risks include the unintended introduction of pests and diseases, the introduction of invasive species and deforestation.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The project will promote agroecological production systems and practices that avoid negatively impacting surrounding biodiversity. In addition, reforestation activities, the promotion of traditional cabruca cacao production (that conserves the Atlantic Forest) and a payment for ecosystem services activity will contribute to ecosystem restoration and conservation. Furthermore, it will strengthen the organisational capacities of Indigenous Peoples and traditional communities, thus enabling them to better counteract threats associated with large-scale tourism that are affecting their territories. Activities to improve family farmers' productivity and income will exclude critical habitat areas. In addition, in line with IADB policies, the Project will not be able to carry out any activities that cause significant conversion or degradation of natural habitats. The project will also avoid the introduction of invasive species.</p>		
Resource Efficiency and Pollution Prevention	Moderate	Low
<p><b>Risk:</b></p> <p>The development of productive activities generates the risk of soil degradation, loss of forest cover, deforestation, burning, contamination of soil and water, and the generation of solid/liquid waste. Furthermore, the lack of proper sanitation and sewage treatment is a leading cause of pollution in the project area.</p>	Moderate	Low

<b>Mitigations:</b> The Project will support communities in obtaining land titling, strengthening incentives for them to invest in conservation practices. The Project will invest in basic rural sanitation infrastructure, including individual systems for treating household sewage, greywater reuse systems, and green pits. It will also promote agroecological practices, including soil fertility enhancement, and pest and disease management that avoid soil and water pollution.		
Cultural Heritage		No risk envisaged - not applicable
There is no risk the Project may cause significant degradation of cultural or physical resources, including threats to resources of historical, religious, or cultural importance or their loss.		
Indigenous People	Low	Low
<b>Risk:</b> There is no risk the Project may have a significant physical, social, or economic negative impact on indigenous peoples, or that it threatens resources of historical or cultural importance to them or the loss of these resources. Indigenous peoples will not be adversely impacted by Project actions.	Low	Low
<b>Mitigations:</b> i) Project eligibility/exclusion criteria prohibit the acquisition or restriction of land use in areas of indigenous and traditional communities. ii) The Environmental and Social Management Framework (ESMF) will include a Plan for Disclosure and Public Consultations, contemplating the participation of quilombola, indigenous and other traditional communities, informing about the Project and location of proposed interventions in the communities, reporting on the activities and location of any intervention in the area bordering the demarcated Territory. iii) The ESMF will also include a Social Communication and Community Participation program that respects and includes forms of documenting and means of communication accessible and adequate to the cultural specificities of indigenous peoples and traditional communities of the Project area.		
Labour and Working Conditions	Moderate	Low
<b>Risk:</b> Risk that the Project may result in abusive labor practices (for example, forced or child labour), cases of gender violence, discriminatory and unsafe/unhealthy working conditions for those employees of the Project, including third parties and large suppliers.	Moderate	Low
<b>Mitigations:</b> All contracts with contractors, suppliers, and third parties to be financed with IFAD funds will include provisions that prohibit child labour and promote decent work conditions. The Project will recruit a social inclusion specialist for the PMU. An Action Plan for Gender Equality will also be developed, examining measures to prevent and combat gender-based violence.		
Community Health and Safety		No risk envisaged - not applicable
There is no risk the Project will have adverse effects on the health and safety of the community.		
Physical and Economic Resettlement		No risk envisaged - not applicable



The Project's intervention should not cause the resettlement of families.		
Greenhouse Gas Emissions	Moderate	Low
<b>Risk:</b> <p>The risk of significantly increasing greenhouse gas emissions is very low as investment will only be made in small-scale infrastructure, such as processing units and micro-irrigation or renewable energy technology. Investment may be made in small-scale livestock systems, but these will be small in scale and integrated within mixed crop-livestock production.</p>	Moderate	Low
<b>Mitigations:</b> <p>The Project will promote renewable energy technologies (e.g., biodigesters, solar energy, efficient use of fuelwood) and ecosystem restoration through reforestation and agroforestry systems, which will increase the carbon capture and storage potential of the project area. These activities should counterbalance any GHG emissions linked to investment in small-scale infrastructure or in transportation for commercialisation that may be made. An Ex-ACT analysis will be carried out once the IADB equivalent of the PDR is elaborated to provide a precise estimation of the carbon balance of the Project.</p>		
Vulnerability of target populations and ecosystems to climate variability and hazards	Moderate	Low
<b>Risk:</b> <p>The Project will be supporting communities to increase their resilience to climate change and there is a small risk of maladaptation if project investments do not consider the climate risks and hazards that are specific to each community. The main risks to populations and ecosystems include drought, flooding and landslides due to intense precipitation.</p>	Moderate	Low
<b>Mitigations:</b> <p>Investment plans will include an analysis of the climate risks to ensure that the investments made reflect the climate variability and hazards faced by the community. Technical assistance teams will receive continued and in-depth training on climate-resilient agroecological practices and climate-resilient infrastructure and social technologies.</p>		
Stakeholders	Moderate	Low
Stakeholder Engagement/Coordination	Low	Low
<b>Risk:</b> <p>There is a risk that the main players invited to be part of the Project show little interest or commitment toward the Project's objectives and activities. Some civil society organizations represent different interests relevant to the Project, as the Movement of Landless Workers (MST) and Teia dos Povos. The IFAD and IADB teams met their representatives as part of the consultation process for this Project's design. The objectives and approaches of the Project align with the interests of these organizations. Also, IADB, in line with its Environmental and Social Policy Framework (ESPF) will carry out a public consultation process.</p>	Low	Low

<p><b>Mitigations:</b></p> <p>SDR/CAR will coordinate the participation of interested sectorial institutions (CDA, SEMA, INEMA, SEPROMI, CERB) both during Project design and implementation. During design, a virtual public consultation with multiple stakeholders was held when CAR clarified doubts about the project. At the community level, the Project will implement a participatory process to develop Productive Plans (PP) and Business Plans (BP) to ensure the participation and representation of the needs and aspirations of the different groups in defining the specific supports to be offered by the Project. The project will also establish continuous communication, awareness-raising, and coordination with the many partners at all levels (local, state, and federal) starting at the project design stage, and activities on visibility aimed at promoting and clarifying potential outcomes of project activities, both for target groups and partners involved in implementation.</p>		
Stakeholder Grievances	Moderate	Low
<p><b>Risk:</b></p> <p>Project implementation may entail the submission of complaints by several stakeholders involved or impacted by Project activities, thus affecting the continuity of activities and the established schedule.</p>	Moderate	Low
<p><b>Mitigations:</b></p> <p>The Project will incorporate a clear and effective Grievance and Redress mechanism (GRM), to be designed in a participatory way in line with IFAD's guiding documents - Framework for Operational Feedbacks from Stakeholders and IFAD's 2021 Guidelines on Project Target Group Engagement, Feedback and Grievance Redress. The procedure includes mechanisms to manifest the claim or complaint, response time, and resolution spheres. This mechanism shall be easily accessible to the population and have a speedy resolution, ensuring that submitted complaints are quickly reviewed and situations are mutually agreed upon in a satisfactory way for the parties involved. The project will raise awareness among stakeholders about the complaints and grievance mechanisms available. It will also include this information as part of IFAD missions and the training of technical assistance teams that will work directly with beneficiaries.</p>		