
Informe del Presidente
Propuesta de préstamo
Islas Salomón
Inversión Agrícola para los Mercados y la Nutrición

N.º de identificación del proyecto: 2000004169

Signatura: EB 2023/LOT/P.6/Rev.1

Fecha: 28 de diciembre de 2023

Distribución: Pública

Original: Inglés

Para aprobación

Medida: Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 63.

Preguntas técnicas:

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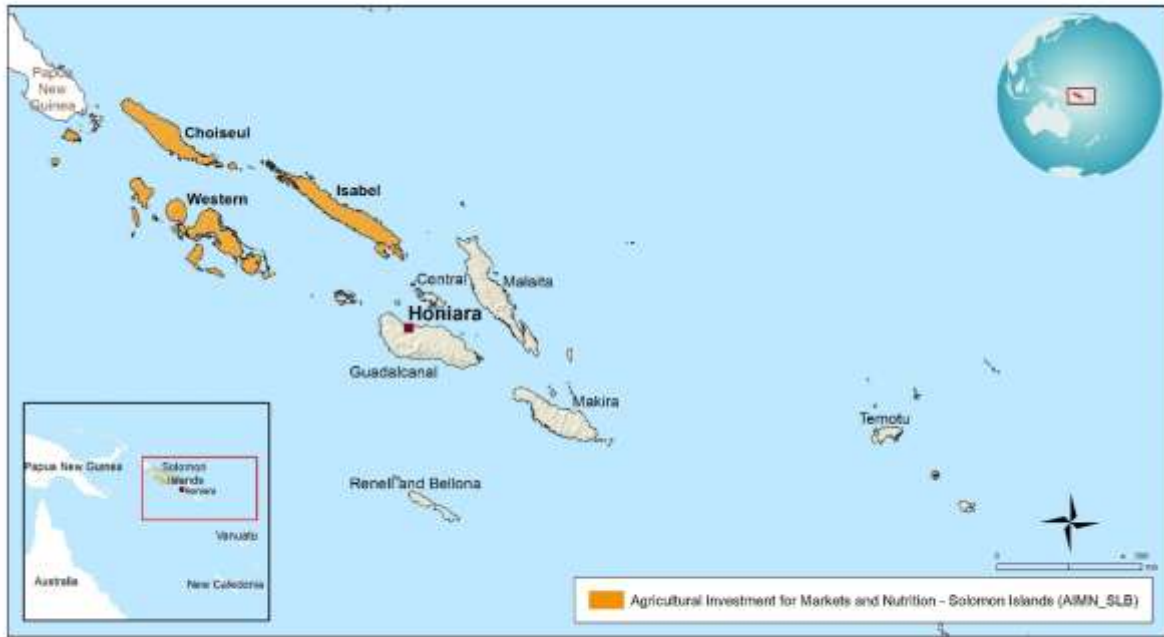
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Mapa de la zona del proyecto



Las denominaciones empleadas y la forma en que aparecen presentados los datos en este mapa no suponen juicio alguno del FIDA respecto de la demarcación de las fronteras o límites que figuran en él ni acerca de las autoridades competentes.
Mapa elaborado por el FIDA | 13-11-2023

Resumen de la financiación

Institución iniciadora:	FIDA
Prestatario/receptor:	Islas Salomón
Organismo de ejecución:	Ministerio de Agricultura y Ganadería
Costo total del proyecto:	USD 19,8 millones
Monto del préstamo del FIDA:	USD 9,3 millones
Condiciones del préstamo del FIDA:	Condiciones muy favorables (40 años, incluido un período de gracia de 10 años, con un cargo por servicios del 0,75 % anual en derechos especiales de giro (DEG) (ajustes para préstamos en una sola moneda)
Monto de la donación del FIDA:	N/D
Cofinanciador:	Programa Mundial de Agricultura y Seguridad Alimentaria (PMASA)
Monto de la cofinanciación:	USD 7,5 millones USD 6,1 millones supervisados por el FIDA y USD 1,4 millones ejecutados por la Organización de las Naciones Unidas para la Alimentación y la Agricultura (FAO)
Condiciones de la cofinanciación:	Donación
Contribución del prestatario:	USD 1,1 millones
Contribución de los beneficiarios:	USD 0,9 millones
Déficit de financiación:	USD 1 millón
Monto de la financiación del FIDA para el clima:	USD 1,9 millones
Institución cooperante:	Supervisado directamente por el FIDA

I. Contexto

A. Contexto nacional y justificación de la actuación del FIDA

Contexto nacional

1. **Población creciente y geografía compleja.** Las Islas Salomón son un pequeño Estado insular en desarrollo situado en la región del Pacífico Sur con una población de 721 455 habitantes. Su población está compuesta principalmente por gente joven, fruto del rápido crecimiento de la población, del 2,7 %. Se compone principalmente de Pueblos Indígenas melanesios. El país tiene 147 islas habitadas, de modo que se enfrenta a importantes desafíos debido al aislamiento y la dispersión interna, lo cual incrementa los costos de los servicios de infraestructura básicos y de transporte interinsular.
2. **Crecimiento económico vulnerable.** Las Islas Salomón están clasificadas como país menos adelantado; está previsto revisar esta clasificación en 2027. Cerca del 13 % de la población vive por debajo del umbral nacional de pobreza, esto es, carece de las necesidades básicas, y la mayoría de estas personas (el 87 %) reside en zonas rurales. El país conoció un crecimiento económico estable entre 2010 y 2019, con un crecimiento anual del producto interno bruto (PIB) del 4 %. Sin embargo, debido al elevado crecimiento demográfico, el PIB anual per cápita permaneció casi invariable, en torno a USD 2 305. La economía es muy vulnerable a las perturbaciones exógenas y a los efectos del cambio climático y los peligros naturales. Entre 2020 y 2022, la economía se contrajo debido a la COVID-19, los efectos indirectos de la crisis de Ucrania y los disturbios sociales de 2021. Si bien la mayoría de la población trabaja en la agricultura, este sector solo representa el 16 % del PIB.
3. **Políticas nacionales.** El marco general de políticas de las Islas Salomón es la Estrategia Nacional de Desarrollo 2016-2035, que tiene por objeto fomentar el crecimiento económico sostenido e inclusivo, aliviar la pobreza, satisfacer las necesidades básicas y lograr la seguridad alimentaria. El Plan de Inversión y Crecimiento del Sector Agrícola para 2021-2030 prevé una ambiciosa hoja de ruta para modernizar y comercializar el sector agrícola a fin de lograr la seguridad alimentaria y nutricional y contribuir al crecimiento económico inclusivo.
4. **Principales instituciones.** Sobre la base de las orientaciones proporcionadas por la Estrategia New Day, el Ministerio de Agricultura y Ganadería es el principal responsable de la seguridad alimentaria y de una agricultura orientada al mercado. Sin embargo, no está dotada de recursos operacionales suficientes, en particular en lo relativo al personal de servicios de extensión y al transporte, lo que limita en gran medida su capacidad de prestar servicios de apoyo a los agricultores. La competencia en materia de nutrición recae en el Ministerio de Salud y Servicios Médicos, pero esta se comparte con el Ministerio de Educación y Desarrollo de los Recursos Humanos, que se encarga de las actividades de la alimentación escolar. El personal local del Ministerio de Salud y Servicios Médicos cuenta con una amplia presencia en las comunidades rurales, pero a menudo carece de los recursos necesarios para afrontar los problemas de salud y nutrición. La igualdad de género es competencia del Ministerio de la Mujer, la Juventud, la Infancia y los Asuntos Familiares.

Aspectos específicos relativos a los temas transversales que el FIDA debe incorporar de forma prioritaria

5. En consonancia con los compromisos transversales asumidos por el FIDA, el proyecto ha sido validado como proyecto que tiene en cuenta lo siguiente:
 - la financiación para el clima;
 - una perspectiva transformadora de género;

la nutrición, y

la priorización de los Pueblos Indígenas. **Género e inclusión de la juventud.** Si bien las mujeres desempeñan una función destacada en la alimentación y la producción agrícola de los hogares, se enfrentan a obstáculos en el acceso a servicios de apoyo, tienen un control limitado de la utilización de los recursos productivos y apenas participan en la toma de decisiones. La creciente insatisfacción en relación con los medios de vida agrarios está provocando que mucha gente joven, en especial los hombres jóvenes, migre a los núcleos urbanos. Estos desplazamientos sumados a la migración de hombres, sobre todo, en el marco de programas de empleo estacional en el extranjero ha reducido considerablemente la fuerza de trabajo disponible para las actividades agrícolas, aumentando la carga de trabajo de las mujeres.

7. **Nutrición.** Las poblaciones vulnerables, en particular las mujeres y los niños, corren el riesgo de sufrir la triple carga de la malnutrición/desnutrición, carencias de micronutrientes y obesidad, con la morbilidad y la mortalidad que este fenómeno conlleva. Cerca de un tercio de los niños menores de 5 años presentan retraso del crecimiento y padecen anemia. Más del 50 % de la población adulta tiene sobrepeso, y la obesidad afecta al 30,4 % de las mujeres y el 21 % de los hombres.

Razones que justifican la intervención del FIDA

8. **Marcos nacionales de políticas.** El proyecto Inversión Agrícola para los Mercados y la Nutrición está en consonancia con las políticas y programas nacionales, que priorizan la mejora de la nutrición mediante una mayor producción y consumo de alimentos saludables de producción local. Además, es conforme a los Objetivos de Desarrollo Sostenible (ODS), así como a los objetivos estratégicos y las políticas y prioridades institucionales del FIDA.
9. El proyecto contribuirá a abordar tres problemas interrelacionados, a saber, la nutrición deficiente, los bajos ingresos de los agricultores y la vulnerabilidad de los sistemas de producción agrícola a los desastres naturales y al cambio climático. El proyecto contribuirá directamente al programa 2 del Plan de Inversión y Crecimiento del Sector Agrícola, centrado en la seguridad alimentaria y nutricional nacional, y la estrategia social y de género del proyecto se adecua al enfoque de género e inclusión social del Plan. Asimismo, el proyecto se ciñe a la Política Nacional de Seguridad Alimentaria, Inocuidad Alimentaria y Nutrición 2019-2023.
10. **Ventaja comparativa.** La ventaja comparativa del FIDA se deriva de su pericia en la aplicación de enfoques integrados en materia de agricultura que tiene en cuenta la nutrición, programación transformadora en materia de género, inclusión social y cambio climático, tanto en el plano internacional como en los países insulares del Pacífico. Entre 2010 y 2021, el FIDA cofinanció las dos fases del Programa de Desarrollo Rural en las Islas Salomón, en el que el Banco Mundial era el organismo financiador principal. En la segunda fase se introdujeron acuerdos de colaboración entre agricultores y agronegocios a través de un modelo de asociación. El Programa de Desarrollo de Mercados Rurales Orientado a la Innovación en Melanesia 2020-2024 (MERMAID), que actualmente ejecuta World Vision, está poniendo a prueba un enfoque integrado de producción agrícola y nutrición en el que se ha basado el diseño del presente proyecto.
11. **Propuesta de valor.** En colaboración con la FAO, el FIDA ayudará al Gobierno a desarrollar un enfoque integrado y empírico que abordará conjuntamente las necesidades de nutrición y de ingresos en efectivo de las familias, al tiempo que promueve un cambio transformador para mejorar la igualdad de género y la inclusión social.

B. Enseñanzas extraídas

12. Las consultas mantenidas con las partes interesadas en el proceso de diseño participativo del proyecto contribuyeron a extraer enseñanzas en el ámbito de la

nutrición y de la agricultura que tiene en cuenta la nutrición y a aprovechar las iniciativas que ya tienen arraigo local.

13. **Estrategias integradas que tienen efectos directos en la nutrición, la producción y la transformación en materia de género.** Por sí sola, una mayor concienciación sobre los principios de la alimentación no da lugar a una mejora de la dieta, dada la falta de conocimientos en este ámbito. Las campañas para promover un cambio de comportamiento deben ir acompañadas de medidas para mejorar y diversificar la producción de alimentos sanos e instar a elegir una dieta mejor, más equilibrada y que incorpore alimentos importados.
14. **Aplicación de metodologías basadas en los hogares.** Las mujeres son las principales responsables de alimentar a su familia, además de ocuparse de la mayor parte de las actividades de producción alimentaria de subsistencia (en torno al 60 %-70 %). El ensayo de metodologías basadas en los hogares ha dado buenos resultados en las Islas Salomón y ofrecen una plataforma adecuada para que las familias adopten mejores prácticas productivas y nutricionales, al tiempo que empoderan a las mujeres y transforman las normas sociales y de género que imponen limitaciones a las mujeres y las niñas.
15. **Asociaciones.** A los compradores en los mercados formales que desean abastecerse de un mayor volumen de productos de más calidad les interesa establecer relaciones estables con los agricultores y/o reforzar las relaciones existentes. No obstante, las compras a pequeños productores entrañan riesgos y la venta paralela suele ser habitual. Sin embargo, hay casos positivos en los que los asociados principales se ganan la lealtad de los agricultores mediante un precio competitivo y la oferta de un conjunto de servicios de apoyo, como microcréditos.
16. **Organizaciones de agricultores.** El fortalecimiento de las organizaciones de agricultores es esencial para facilitar la agrupación de los servicios y la producción, para que los agricultores puedan retener parte del valor añadido sean menos dependientes de los compradores, asumiendo algunos servicios o negociando mejores condiciones. Hace falta aplicar un modelo adaptado, basado en la evaluación de la capacidad inicial, a fin de desarrollar progresivamente las capacidades de las organizaciones aplicando un enfoque segmentado del mercado que tenga en cuenta las aspiraciones y objetivos de los agricultores.

II. Descripción del proyecto

A. Objetivos, zona geográfica de intervención y grupos objetivo

17. **Objetivo de desarrollo.** El objetivo de desarrollo del proyecto es el siguiente: *mejorar la seguridad alimentaria, la nutrición y los ingresos de los hogares mediante el empoderamiento y el establecimiento de sistemas agrícolas resilientes en las comunidades rurales de las Islas Salomón.* El proyecto contribuirá al logro de los tres objetivos estratégicos del FIDA para el período 2016-2025, promoviendo una mayor producción de alimentos nutritivos y cultivos comerciales (objetivo estratégico 1), apoyando el acceso de los pequeños productores al mercado (objetivo estratégico 2) e incorporando la sostenibilidad ambiental y la resiliencia al clima en todos los componentes del proyecto (objetivo estratégico 3).
18. **Zona del proyecto.** El proyecto se ejecutará en las provincias de Choiseul e Isabel y en la Provincia Occidental. Se seleccionaron estas provincias porque presentan una serie de factores, a saber: i) altas tasas de pobreza y malnutrición; ii) potencial agrícola para fomentar una producción sostenible y resiliente al clima, y iii) acceso a mercados rurales, periurbanos o urbanos. Al seleccionar estas provincias también se evita el solapamiento geográfico con otros proyectos, en particular el Proyecto de Agricultura y Transformación Rural de las Islas Salomón, financiado por el Banco Mundial.

19. **Grupos objetivo.** El proyecto beneficiará a 65 comunidades rurales, en las que la mayoría de los hogares practican una agricultura de subsistencia o semisubsistencia, con escasos vínculos con el mercado; algunos de ellos también perciben ingresos no agrícolas procedentes de la migración juvenil estacional. El proyecto llegará a 18 330 beneficiarios, entre los que se encuentran: i) 3 468 hogares rurales y sus miembros, esto es, 17 340 personas asumiendo que los hogares están integrados por cinco miembros; ii) 900 estudiantes de seis internados de secundaria, y iii) 90 propietarios de microempresas y pequeñas y medianas empresas. La selección del grupo objetivo es acorde con la política de focalización y a los objetivos transversales del FIDA, por lo que el 50 % de los beneficiarios serán mujeres y el 20 %, jóvenes. Se prevé que todos los beneficiarios directos serán miembros de Pueblos Indígenas.

B. Componentes, efectos directos y actividades

20. El proyecto tendrá los siguientes componentes: i) acción para la nutrición; ii) asociaciones inclusivas para el acceso a los mercados; iii) inversiones en sistemas agroalimentarios resilientes, y iv) respuesta rápida a los desastres.

Componente 1: Acción para la nutrición

21. El componente 1 tendrá tres subcomponentes: Subcomponente 1.1 - El cambio social y de comportamiento en el ámbito de la nutrición, que permitirá crear un entorno propicio para impartir una educación sobre nutrición inclusiva y transformadora en materia de género y de campañas para promover un cambio de comportamiento a través de una producción agrícola que tenga en cuenta la nutrición, y también apoyará la divulgación en las comunidades; subcomponente 1.2 - La diversificación de la producción de alimentos en las comunidades, que contribuirá a la prestación de servicios de extensión agrícola que tengan en cuenta la nutrición, que sean inclusivos y que sean transformadores en materia de género y al suministro a las mujeres de material de siembra de calidad para velar por una producción diversificada y resiliente al clima, y promoverá una mayor divulgación en sus comunidades, y subcomponente 1.3 - La mejora de la nutrición en los internados, que permitirá optimizar la producción y preparación de alimentos nutritivos, así como la educación sobre nutrición en determinados internados, ; además, los alimentos destinados a las escuelas se adquirirán a asociaciones de agricultores de la zona, de conformidad con el componente 2).

Componente 2: Asociaciones inclusivas para el acceso a los mercados

22. El componente 2 tendrá tres subcomponentes: subcomponente 2.1 - promoción del establecimiento de asociaciones entre compradores (exportadores, comerciantes locales, elaboradores) y los agricultores para abastecer a los mercados formales nacionales y de exportación, aprovechando las oportunidades comerciales existentes; subcomponente 2.2 - colaboración de las organizaciones de agricultores, que darán apoyo a los agricultores que participan en asociaciones para facilitar su registro como miembros, mejorar la gobernanza, desarrollar sus competencias técnicas y empresariales para cumplir las exigencias del mercado, fortalecer su resiliencia al clima y obtener buenos precios, y subcomponente 2.3 - participación de proveedores de servicios públicos y privados, que fortalecerán las capacidades de los extensionistas, las cooperativas, otras organizaciones de agricultores y proveedores de servicios para proporcionar servicios de extensión de calidad a los agricultores.

Componente 3: Inversiones en sistemas agroalimentarios resilientes

23. El componente 3 proporcionará los instrumentos financieros necesarios para la ejecución del componente 2 y constará de tres subcomponentes: subcomponente 3.1 - donaciones destinadas a producir efectos directos transformadores en materia de género, que ofrecerán donaciones competitivas a los grupos de mujeres que participan en el componente 1 para financiar sus propias iniciativas en favor de la nutrición, las tecnologías que permiten ahorrar mano de obra, y la producción, elaboración y comercialización en pequeña escala que tienen en cuenta la nutrición; subcomponente 3.2 - financiación de los agronegocios, que sufragará una línea de crédito para la concesión de préstamos y donaciones basadas en los resultados con fines de inversión y de provisión de capital de trabajo a los microagronegocios y pequeños y medianos agronegocios, así como a las organizaciones de agricultores que se abastecen de pequeños productores, incluidas mujeres y jóvenes agricultores, y subcomponente 3.3 - financiación de infraestructuras habilitadoras, que aportará recursos en forma de donaciones para la construcción o rehabilitación de infraestructuras productivas colectivas, como espigones y muelles, puntos de recogida e instalaciones de almacenamiento, así como la construcción o rehabilitación de viviendas para los agentes de servicios de extensión.

Componente 4: Respuesta rápida a los desastres

24. Este componente no recibirá ninguna asignación presupuestaria y solo se utilizará en caso de desastre (fenómenos meteorológicos, pandemia animal/humana, incursiones de plagas o enfermedades). Las medidas previstas en el marco de este componente se ejecutarán previa solicitud del Gobierno al FIDA con fines de respuesta rápida adaptativa, con cargo a los recursos no comprometidos del proyecto asignados a los demás componentes.

C. Teoría del cambio

25. Los sistemas agrícolas tradicionales de las Islas Salomón están bajo presión debido a la reducción de los períodos de barbecho y la pérdida de suelos fértiles, el aumento de las plagas y enfermedades y la vulnerabilidad al cambio climático y los desastres naturales. La presión sobre la producción de alimentos, acompañada de la falta de conocimientos en materia de nutrición y de la preferencia por los productos alimentarios importados poco nutritivos, son los factores determinantes de la malnutrición y otras enfermedades relacionadas con la dieta en los hogares rurales. La baja productividad también afecta a los ingresos de los hogares de agricultores, que se ven además reducidos por la falta de vínculos con los mercados, el acceso limitado a los servicios de apoyo, las deficiencias de las organizaciones de agricultores, las limitaciones de acceso al capital y la falta de capacidad e infraestructuras productivas poscosecha.
26. La teoría del cambio del proyecto consiste en que los hogares, los grupos de mujeres y los grupos de agricultores empoderados serán capaces de responder a estos desafíos y mejorar su seguridad alimentaria, su nutrición y los ingresos familiares (objetivo de desarrollo) gracias al aumento de la producción y el consumo de alimentos nutritivos producidos en el ámbito local, un mayor acceso a los mercados y un incremento de las ventas por medio de las asociaciones entre el sector público, el sector privado y los productores, y un aumento de la productividad y el valor añadido a través de las inversiones en la cadena de valor.
27. Las vías de impacto para la mejora de la seguridad alimentaria y la nutrición se basan en intervenciones destinadas a i) promover las campañas que tienen por objeto impulsar un cambio de comportamiento en el ámbito nutricional y fomentar la producción de variedades locales de alimentos nutritivos y resilientes al clima para el consumo propio; ii) apoyar el empoderamiento de las mujeres y la igualdad de género en relación con la nutrición, la comunicación y la producción de alimentos; iii) promover el uso de los ingresos para adquirir alimentos variados y nutritivos en los mercados locales, y iv) ofrecer distintos tipos de instrumentos financieros.

28. Así, las intervenciones del proyecto combinan lo siguiente: i) el fomento de asociaciones equitativas entre agricultores y compradores, de modo que los agricultores tengan acceso a mercados remuneradores y estables; ii) el apoyo a los agricultores para que constituyan agrupaciones, desarrollen una producción orientada al mercado y resiliente al clima, y consideren la agricultura como un negocio, y iii) el refuerzo de las capacidades de los proveedores de servicios públicos y privados para prestar servicios de calidad. Se empoderará a las agricultoras para que participen en estas asociaciones.

D. Armonización, sentido de apropiación y asociaciones

29. **Armonización con los ODS y las políticas del FIDA.** El proyecto contribuirá al logro del ODS 1 (Poner fin a la pobreza) y, sobre todo, el ODS 2 (Poner fin al hambre, lograr la seguridad alimentaria y la mejora de la nutrición y promover la agricultura sostenible), el ODS 5 (Lograr la igualdad de género y empoderar a todas las mujeres y las niñas), el ODS 8 (Promover el crecimiento económico sostenido, inclusivo y sostenible, el empleo pleno y productivo y el trabajo decente para todos), el ODS 9 (Construir infraestructuras resilientes, promover la industrialización inclusiva y sostenible y fomentar la innovación) y el ODS 13 (Adoptar medidas urgentes para combatir el cambio climático y sus efectos).
30. **Sentido de apropiación en el país.** El Gobierno de las Islas Salomón propuso financiar este proyecto mediante una donación del PMASA, que fue aprobado a finales de 2021. El proyecto se diseñó sobre la base de extensas deliberaciones con el Gobierno y las partes interesadas del sector privado y los asociados a nivel nacional y provincial. En ese marco se llevaron a cabo varios talleres de diseño en los que participaron representantes de los ministerios competentes, el sector privado, las organizaciones de agricultores y los asociados para el desarrollo.

E. Costos, beneficios y financiación

Costos del proyecto

31. Se estima que el costo total del proyecto ascenderá a USD 19,8 millones para un período de ejecución de seis años; este monto incluye una donación prevista del Gobierno de la República de Corea (USD 1,0 millón) para cubrir el déficit de financiación. La contribución del Gobierno de las Islas Salomón ronda los USD 1,1 millones, en especie o en forma de exenciones de impuestos. Los costos de inversión se estiman en USD 19,0 millones, lo que representa el 97 % del costo total.
32. Las inversiones del proyecto se distribuirán entre cinco componentes principales: i) acción para la nutrición (el 15,4 % del costo total); ii) asociaciones inclusivas para el acceso a los mercados (el 12,3 % del costo total), incluida la donación prevista del Gobierno de la República de Corea para la innovación y la cooperación Sur-Sur y triangular (USD 1 millón); iii) inversiones en sistemas agroalimentarios resilientes (el 53,7 % del costo total), iv) respuesta rápida a los desastres (sin costo), y v) gestión del proyecto (el 18,6 % del costo total).

Cuadro 1

Costos del proyecto desglosados por componente y entidad financiadora

(en miles de dólares de los Estados Unidos)

Componente	Préstamo del FIDA		Donación del FIDA/PMASA		Déficit de financiación (donación de la República de Corea)		Beneficiarios			Prestatario/receptor			Asistencia técnica de la FAO		Total	
	Monto	%	Monto	%	Monto	%	Efectivo	En especie	%	Efectivo	En especie	%	Monto	%	Monto	%
1. Acción para la nutrición			2 686	44						230	20	136	10	3 053	15,4	
2. Asociaciones inclusivas para el acceso a los mercados			1 160	19						97	9	208	15	2 464	12,3	
3. Inversiones en sistemas agroalimentarios resilientes	9 152	98			1 000	100	821	82,5	100	581	52			10 636	53,7	
4. Respuesta rápida a los desastres	-		-		-		-	-		-				-		
5. Gestión del proyecto	140	2	2 254	37						210	19	1 056	75	3 661	18,6	
Total	9 292	47	6 100	31	1 000	5	821	82,5	4,5	1 118	5,5	1 400	7	19 814		

Cuadro 2

Costos del proyecto por categoría de gastos y entidad financiadora

(en miles de dólares de los Estados Unidos)

Categoría	Préstamo del FIDA	Donación del PMASA/FIDA	Asistencia técnica de la FAO	Beneficiarios	Contribución del sector privado	Prestatario/receptor	Déficit de financiación (donación de la República de Corea)	Total
	Monto	Monto	Monto		Monto		Monto	
1. Obras públicas	4 542,3					504,7		5 047,0
2. Bienes, servicios e insumos	865,7	4 490,3	1 400,0			519,8	700,0	7 975,7
3. Equipo y materiales	140,0	660,8				24,3		825,1
4. Donaciones, subvenciones, fondos de garantía	3 744,1	378,0		82,5	821,0	9,9	300,0	5 335,5
5. Gastos recurrentes		571,4				59,6		631,0
Total	9 292,1	6 100,5	1 400,0	82,5	821,0	1 118,3	1 000,0	19 814,3

Cuadro 3
Costos del proyecto, desglosados por componente y año del proyecto
(en miles de dólares de los Estados Unidos)

<i>Componente</i>	<i>Primer año</i>		<i>Segundo año</i>		<i>Tercer año</i>		<i>Cuarto año</i>		<i>Quinto año</i>		<i>Sexto año</i>		<i>Total</i>
	<i>Monto</i>	<i>Porcentaje</i>	<i>Monto</i>	<i>Porcentaje</i>	<i>Monto</i>	<i>Porcentaje</i>	<i>Monto</i>	<i>Porcentaje</i>	<i>Monto</i>	<i>Porcentaje</i>	<i>Monto</i>	<i>Porcentaje</i>	<i>Monto</i>
1. Acción para la nutrición	18,9	2	788,6	26	1 075,7	21	440,7	9	376,5	11	352,2	14	3 052,6
2. Asociaciones inclusivas para el acceso a los mercados	167,8	18,2	752,9	25	702,3	14	533,7	11	197,1	6	110,3	4	2 464,1
3. Inversiones en sistemas agroalimentarios resilientes	4,5	0,5	704,9	24	2 634,8	52	3 188,3	66	2 369,7	70	1 734,2	66	10 636,5
4. Respuesta rápida a los desastres	0		0		0		0		0		0		0
5. Gestión del proyecto	731,6	79,3	728,1	25	688,9	13	663,9	14	432,9	13	415,7	16	3 661,1
Total	922,8	5	2 974,5	15	5 101,7	26	4 826,6	24	3 376,2	17	2 612,4	13	19 814,3

Estrategia y plan de financiación y cofinanciación

33. El proyecto recibirá una donación del PMASA por importe de USD 7,5 millones (el 38,1 % de la financiación total), del cual USD 6,1 millones (el 31 %) se canalizarán a través del FIDA y USD 1,4 millones (el 7,1 %) se canalizarán a través de la FAO con fines de asistencia técnica. Para complementar la donación, el FIDA concederá un préstamo de USD 9,3 millones en condiciones favorables (el 47 % del costo total del proyecto). El monto previsto de la donación aportada por el Gobierno de la República de Corea asciende a USD 1 millón y servirá para cubrir el déficit de financiación. Las demás contribuciones provienen de empresas privadas locales (USD 0,82 millones, esto es, el 4,1 % del total), los agricultores (USD 0,083 millones, es decir el 0,4 %) y el Gobierno de las Islas Salomón (USD 1,12 millones, equivalente al 5,6 %). La contribución en especie del Gobierno sufragará los impuestos, derechos y algunos gastos por la utilización de infraestructuras rurales.

Desembolsos

34. Se abrirán dos cuentas designadas denominadas en dólares de los Estados Unidos en el Banco Central del país, de las que será responsable el Ministerio de Finanzas y del Tesoro, para la recepción de los fondos en forma de donación y préstamo. Se abrirán cuentas del proyecto en moneda local en un banco comercial para recibir los fondos transferidos desde las cuentas designadas, con los que se financiarán todas las actividades del proyecto y los costos de funcionamiento.
35. Los desembolsos se realizarán con arreglo al procedimiento de fondos rotatorios descrito en el Manual de gestión financiera y control financiero de proyectos para prestatarios y en la carta sobre la gestión financiera del proyecto y las disposiciones relativas al control financiero. Las unidades de gestión del proyecto deberán presentar el informe financiero provisional y las solicitudes de retiro de fondos a través del Portal de los Clientes del FIDA, junto con la previsión de efectivo para los próximos dos trimestres, a efectos de solicitar el desembolso de los fondos al FIDA. El Ministerio de Finanzas aprobará las solicitudes de retiro de fondos y las presentará al FIDA para su examen antes de iniciar el proceso de desembolso.

Resumen de los beneficios y análisis económico

36. **Tasa neta de rendimiento.** La tasa interna de rendimiento económico (TIRE) se estima en un 37 %. Sin embargo, hay que tener en cuenta que el proyecto tiene por objeto promover un cambio de comportamiento y asesorar a los grupos objetivo con un enfoque a nivel de los hogares/familias. La TIRE prevista, con un costo de oportunidad del capital del 7 %, no es muy alta. En cambio, el Proyecto de Mercados para Agricultores de Aldea – Maket Bilong Vilis Fama, que el FIDA ejecuta en Papua Nueva Guinea, calculó su TIRE en un 40 %.

Estrategia de salida y sostenibilidad

37. En lo que respecta a la sostenibilidad del proyecto, el enfoque adoptado descansa en tres pilares: i) focalización en los cambios de comportamiento para mejorar de forma sostenible la nutrición y los patrones de consumo alimentario de las familias; ii) el establecimiento de asociaciones entre compradores y agricultores promoviendo beneficios mutuos, confianza y lealtad; iii) el fortalecimiento de capacidades no solo de las familias y organizaciones de agricultores, sino también de los proveedores cualificados de servicios para que puedan seguir prestando servicios de apoyo. Desde el inicio de la ejecución del proyecto se preparará una estrategia de salida que se ajustará a medida que avance el proyecto para asegurar su sostenibilidad.

III. Gestión de riesgos

A. Riesgos y medidas de mitigación

38. Se considera que el proyecto presenta un riesgo medio. Según se indica en la matriz integrada de riesgos del proyecto, todos los riesgos evaluados como altos están relacionados con la vulnerabilidad al cambio climático y a los peligros naturales. Las medidas de mitigación girarán en torno a la promoción de una agricultura climáticamente inteligente y buenas prácticas agrícolas. Además, la educación sobre nutrición incluirá la promoción de la conservación y elaboración de alimentos para permitir una recuperación de los desastres más rápida. El componente 4 (respuesta rápida a los desastres) permitirá asignar sin demora recursos a la recuperación en caso de que se produzca un desastre a nivel nacional o sectorial.

Cuadro 4

Calificación general de los riesgos

<i>Riesgos</i>	<i>Calificación del riesgo inherente</i>	<i>Calificación del riesgo residual</i>
Contexto nacional	Considerable	Considerable
Estrategias y políticas sectoriales	Moderado	Moderado
Medio ambiente y clima	Considerable	Considerable
Alcance del proyecto	Considerable	Moderado
Capacidad institucional de ejecución y sostenibilidad	Alto	Moderado
Gestión financiera	Alto	Alto
Adquisiciones y contrataciones en el ámbito del proyecto	Considerable	Considerable
Impacto ambiental, social y climático	Moderado	Bajo
Partes interesadas	Considerable	Moderado
Riesgo general	Considerable	Moderado

B. Categoría ambiental y social

39. Sobre la base del instrumento de diagnóstico de los Procedimientos del FIDA para la Evaluación Social, Ambiental y Climática (PESAC), la categoría ambiental y social del proyecto se considera **moderada**. El proyecto tendrá una estrategia de deforestación e intrusión forestal nula, y no afectará a las zonas sensibles ni dará lugar a la pérdida de hábitats naturales ni de biodiversidad. No afectará negativamente a los Pueblos Indígenas y cumplirá el principio del consentimiento libre, previo e informado, para lo cual se incluye un plan de aplicación en los PESAC. En este proyecto se hará especial hincapié en la inclusión social, con metas relativas a la inclusión de las mujeres y los jóvenes.

C. Clasificación del riesgo climático

40. La categoría de riesgo climático se ha calificado de considerable. La puntuación final del examen del riesgo climático es de 5,8, por lo que se preparó una evaluación específica de la adaptación en la fase de diseño del proyecto a fin de determinar adecuadamente las medidas para reducir los riesgos. Los principales efectos relacionados con el cambio climático se asocian a patrones de precipitaciones más impredecibles, el aumento constante de la temperatura de la superficie, el aumento continuado del nivel del mar y la exposición frecuente a desastres naturales y fenómenos meteorológicos extremos. Se ha llevado a cabo un análisis detallado del riesgo climático, y se han incorporado las medidas de adaptación pertinentes en el diseño del proyecto.

- D. Sostenibilidad de la deuda** Se prevé que la relación entre deuda pública y PIB de las Islas Salomón alcanzará el umbral fijado por las autoridades del 35 % en 2031, impulsado por los préstamos externos en condiciones favorables para la realización de proyectos de infraestructura y el aumento de la financiación nacional. Se considera que la sostenibilidad de la deuda del país es moderada, con un margen amplio para absorber perturbaciones.

IV. Ejecución

A. Marco organizativo

Gestión y coordinación del proyecto

42. **Organismos de ejecución.** El organismo de ejecución del proyecto es el Ministerio de Agricultura y Ganadería, que se encargará de la rendición de cuentas, la supervisión y la coordinación generales del proyecto. Colaborará y cooperará con otros organismos gubernamentales según sea necesario, en particular los ministerios competentes en materia de salud, educación, igualdad de género y empoderamiento de las mujeres, comercio y cooperativas, así como con las administraciones provinciales y locales.
43. **Unidad de Gestión del Proyecto y unidades de ejecución provinciales.** Se establecerá una Unidad de Gestión del Proyecto (UGP) central en la capital, dentro del Ministerio de Agricultura y Ganadería. Esta se encargará de ejercer las funciones de ejecución del proyecto y asumirá la plena responsabilidad por el desempeño del proyecto y la utilización de los fondos. Bajo la autoridad de la UGP, se establecerá una Unidad de Ejecución Provincial en cada una de las provincias seleccionadas que se encargará de ejecutar el componente 2 y de efectuar el seguimiento y la evaluación.
44. **Comité nacional de dirección del proyecto y plataformas provinciales de múltiples partes interesadas.** Se constituirá un comité nacional de dirección del proyecto para proporcionar orientación, efectuar la supervisión y apoyar la coordinación, que además brindará un espacio para intercambiar buenas prácticas en el marco del proyecto y transmitir las cuestiones relacionadas con las políticas a los organismos competentes encargados de la formulación de políticas. Se crearán plataformas provinciales de múltiples partes interesadas a fin de apoyar la ejecución y coordinación en cada provincia.

Gestión financiera, adquisiciones y contrataciones y gobernanza

45. **Organización y dotación de personal en el ámbito de la gestión financiera.** El proyecto operará mediante una UGP y varias unidades de ejecución provinciales que serán independientes de la gestión financiera pública del país. Un director de finanzas y administración cualificado se encargará de ejercer la gestión financiera. Es posible que se contrate más adelante a un auxiliar de finanzas para apoyar al director de finanzas y administración en las actividades cotidianas de gestión financiera.
46. Los proveedores de servicios seleccionados para la ejecución del proyecto dispondrán de personal competente y de un sistema de gestión financiera para gestionar los fondos del proyecto, con personal cualificado en el ámbito de las finanzas que se encargará de salvaguardar los activos y proporcionar informes financieros e informes de auditoría periódicos a la UGP. El sistema de gestión financiera se evaluará durante el proceso de selección.

Participación y observaciones de los grupos objetivo y resolución de reclamaciones

47. En el diseño se han introducido elementos para que los grupos objetivo participen en la selección de las inversiones del proyecto y, con carácter regular, formulen observaciones que permitan ajustar las intervenciones cuando sea necesario; estos elementos son los siguientes: i) estudios cartográficos y evaluaciones de las normas

sociales específicas de cada provincia a fin de que los grupos objetivo participen en el establecimiento de prioridades con respecto a las intervenciones; ii) un enfoque por hogares y fomento de la capacidad para apoyar la capacidad de acción de las mujeres y lograr una participación equitativa de los grupos desfavorecidos; iii) fomento de la capacidad de las mujeres y los grupos de agricultores para que puedan tomar decisiones fundamentadas y participar activamente en la planificación y ejecución del proyecto; iv) un proceso apoyado por el proyecto para involucrar a las organizaciones de agricultores con objeto de determinar las responsabilidades mutuas, los beneficios, la rendición de cuentas y los procesos de diálogo y resolución de conflictos, y v) determinación de las inversiones de recursos en forma de donación mediante el envío de convocatorias para la presentación de propuestas a los grupos de mujeres y de agricultores.

48. Los mecanismos de recogida de observaciones sobre el proyecto consistirán en la definición del formato y el lugar de recogida de observaciones, la creación de un sitio web y plataformas de redes sociales para el proyecto, la presentación de informes del proyecto y la evaluación de la satisfacción mediante encuestas sobre el impacto, así como por medio de la ejecución del plan de prestación de consentimiento libre, previo e informado. El proceso de planificación participativa se basará en las consultas y el consentimiento comunitarios.

Resolución de reclamaciones

49. El proyecto establecerá un mecanismo específico de resolución de reclamaciones que recibirá, documentará y atenderá todas las quejas, avisos de conflictos emergentes o reclamaciones en las que se aleguen daños reales o potenciales a las personas afectadas por las actividades del proyecto. La UGP analizará estas quejas y tomará medidas para resolverlas. Se publicará información sobre el mecanismo de resolución de reclamaciones en el sitio web y las plataformas de redes sociales del proyecto.

B. Planificación, seguimiento y evaluación, aprendizaje, gestión de los conocimientos y comunicación

50. **Marco y planes de ejecución.** La UGP creará y gestionará el sistema de seguimiento y evaluación en consulta con el Ministerio de Agricultura y Ganadería y otras partes interesadas, con el apoyo técnico de la FAO. Se elaborará un manual detallado de seguimiento y evaluación y gestión de los conocimientos, junto con un plan de ejecución que incluirá las disposiciones relativas al desarrollo de la capacidad.
51. **Encuestas de referencia y del impacto y estudios temáticos.** Se medirá el estado de los principales indicadores al inicio del proyecto, a mitad de período y al término del proyecto. Se llevarán a cabo encuestas del impacto a mitad de período y al término del proyecto a fin de comparar el impacto generado por las intervenciones del proyecto con el estudio de referencia. La UGP y las unidades de ejecución provinciales efectuarán encuestas sobre los efectos directos con carácter anual, en un formato que se definirá en el manual de seguimiento y evaluación y gestión de los conocimientos.
52. **Planificación del proyecto, recopilación de datos, sistema de información de gestión y sistema de información geográfica, análisis y presentación de informes.** Cada año, el ciclo de seguimiento y evaluación y gestión de los conocimientos se iniciará con la preparación del plan operacional anual y presupuesto correspondiente, sobre la base de los planes anuales confeccionados por los proveedores de servicios, las unidades de ejecución provinciales y el Banco de Desarrollo de las Islas Salomón. Se creará un sistema de información de gestión basado en la web, que se complementará con un sistema de información geográfica, para rastrear los datos financieros y técnicos de los efectos directos y los productos del proyecto. Estos sistemas generarán tableros mensuales en los que se recogerán los resultados por componente y por provincia. La UGP preparará informes de situación técnicos y financieros con carácter semestral.

53. **Gestión de los conocimientos.** En consulta con las partes interesadas y en colaboración con el responsable del seguimiento y la evaluación o la gestión de los conocimientos, el mismo consultor contratado para diseñar el sistema de seguimiento y evaluación preparará un marco detallado de gestión de los conocimientos en el que se describirán los objetivos, responsabilidades y metodología.

Innovación y ampliación de escala

54. Entre los aspectos innovadores del diseño de este proyecto cabe destacar:
- Cambio de comportamiento:** Vincular las iniciativas de divulgación en materia de salud y los servicios de extensión agrícola para promover la producción y el consumo de alimentos saludables producidos en el ámbito local.
 - Alimentación escolar:** Desarrollar las capacidades de los internados para incorporar dietas saludables en los planes de alimentación escolar, vinculándolos a los pequeños productores.
 - Financiación de agronegocios:** Introducir donaciones basadas en los resultados para incentivar a las microempresas y pequeñas y medianas empresas a solicitar y liquidar préstamos y proporcionar cierta seguridad a la institución financiera.
 - Medidas para abordar la fragilidad:** Atender la fragilidad en el contexto del Pacífico mediante la introducción de un componente adaptativo en la respuesta a los desastres.
55. **Ampliación de escala.** El proyecto ha sido diseñado para elaborar modelos empíricos y reproducibles que vinculen la mejora de la nutrición con la agricultura, promuevan las asociaciones y las organizaciones de agricultores y fomenten el consumo de alimentos nutritivos y la utilización de ingresos en efectivo para mejorar la nutrición y el bienestar.

C. Planes para la ejecución

Preparación para la ejecución y planes para la puesta en marcha

56. El proyecto tendrá una duración de seis años. Así, en el primer año podrán concentrarse todas las actividades de instalación y formación necesarias para la ejecución satisfactoria de las actividades del proyecto, iniciar la ejecución de los componentes del proyecto a principios del segundo año y disponer de cinco años completos para las operaciones. Está previsto que el proyecto se comience en el primer trimestre de 2024.

Supervisión, examen de mitad de período y planes de finalización

57. El FIDA organizará anualmente misiones de supervisión y apoyo a la ejecución junto con el Gobierno de las Islas Salomón y la FAO, en estrecha colaboración con los organismos de cooperación, la Unidad de Gestión del Proyecto y las unidades de ejecución provinciales y las partes interesadas. Las misiones de supervisión ofrecerán la oportunidad de evaluar los logros y las lecciones aprendidas, examinar el cumplimiento de las condiciones establecidas en el convenio de financiación, constatar las innovaciones y reflexionar sobre las medidas de mejora. Las misiones de apoyo a la ejecución evaluarán los resultados, pero principalmente apoyarán a la UGP a abordar cuestiones específicas.
58. La misión de examen de mitad de período del proyecto está prevista para 2027. En el examen de mitad de período se velará por lo siguiente: i) evaluar los logros y el impacto provisional, la eficacia y eficiencia de las disposiciones en materia de gestión del proyecto y que el diseño de este siga siendo válido; ii) señalar importantes enseñanzas extraídas y buenas prácticas, y iii) formular recomendaciones para mejorar los resultados.

59. El FIDA llevará a cabo un examen final del proyecto, en consulta con el Ministerio de Agricultura y Ganadería y la FAO, sobre la base de los resultados de la encuesta final y otros datos, como el estudio de referencia, los informes técnicos y del examen de mitad de período y los estudios llevados a cabo durante la ejecución del proyecto.

V. Instrumentos jurídicos y facultades

60. Un convenio de financiación entre las Islas Salomón y el FIDA constituye el instrumento jurídico para la concesión de la financiación propuesta al prestatario/receptor. Se adjunta como apéndice I una copia del convenio de financiación negociado.
61. Las Islas Salomón están facultadas por su legislación para recibir financiación del FIDA.
62. Me consta que la financiación propuesta se ajusta a lo dispuesto en el Convenio Constitutivo del FIDA y en sus Políticas y Criterios en materia de Financiación.

VI. Recomendación

63. Recomiendo a la Junta Ejecutiva que apruebe la financiación propuesta de acuerdo con los términos de la resolución siguiente:

RESUELVE: que el Fondo conceda un préstamo en condiciones muy favorables a las Islas Salomón por un monto de nueve millones trescientos mil dólares de los Estados Unidos (USD 9 300 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

RESUELVE ADEMÁS: que el Fondo conceda una donación a las Islas Salomón a través del Programa Mundial de Agricultura y Seguridad Alimentaria por un monto de seis millones cien mil dólares de los Estados Unidos (USD 6 100 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario
Presidente

Negotiated financing agreement

Agricultural Investments for Markets and Nutrition (AIMN)

(Negotiations concluded on 13 December 2023)

Loan No: _____

Grant No: _____

Project name: Agricultural Investments for Markets and Nutrition ("the AIMN"/ "the Project")

Solomon Islands (the "Borrower/Recipient")

and

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

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

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

WHEREAS, the Project shall be financed through a grant contribution from the Global Agriculture and Food Security Programme (GAFSP) for an amount of six million one hundred thousand United States dollars (USD 6 100 000) and an IFAD loan for an amount of nine million three hundred thousand United States dollars (USD 9 300 000);

WHEREAS, GAFSP will provide financing to FAO to provide technical assistance to the Project for the amount of one million four hundred thousand United States dollars (USD 1 400 000) through a specific agreement between FAO and GAFSP.

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, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.

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

Section B

1.
 - A. The amount of the loan is nine million three hundred thousand United States dollars (USD 9 300 000).
 - B. The amount of the GAFSP grant administered by IFAD is six million one hundred thousand United States dollars (USD 6 100 000).
2. The Fund shall credit the amount of the Grant into the Grant account only when the funds have been received from the GAFSP. Any withdrawals from the Grant Account shall be subject to the condition that sufficient funds for the Project shall have been received by the Fund from the GAFSP and deposited in the Grant Account to cover the withdrawal and that the Fund shall have been notified of such transfer and deposit in writing. The Fund shall have no obligation to extend financial assistance to the Recipient under this Agreement for the purpose of the Project if no funds are available in the Grant Account for the Project.
3. The Loan is granted on highly concessional terms. The Highly Concessional Terms (HCT) Loan shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the HCT Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency. The HCT Loan shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the HCT Loan by the Fund's Executive Board. The principal of the HCT Loan will be repaid at two per cent (2%) of the total principal per annum for years eleven (11) to twenty (20), and four per cent (4%) of the total principal per annum for years twenty-one (21) to forty (40).
4. The Loan Service Payment Currency shall be in United States dollars.
5. The first day of the applicable Fiscal Year shall be the 1st of January.
6. Payments of principal and service charge shall be payable on each 15th January and 15th July.
7. There shall be two Designated Accounts (DAs), one for the Grant and one for the Loan, in USD, for the exclusive use of the Project opened in the Central Bank of Solomon Islands (CBSI). The Borrower/Recipient shall inform the Fund of the officials authorized to operate the Designated Accounts.
8. There shall be two Project Accounts in local currency for the benefit of the Project Management Units (PMUs) in the Bank South Pacific (BSP), for receiving funds transferred from the DAs.
9. The Borrower/Recipient shall provide in-kind counterpart financing for the Project in the amount of one million one hundred thousand United States dollars (USD 1 100 000) in the form of tax exemption.

Section C

1. The Lead Project Agency shall be the Ministry of Agriculture and Livestock (MAL).
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 (6) 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/Recipient.
4. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with procurement methods and any other measures identified by IFAD.

Section D

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

Section E

1. The following are designated as additional grounds for suspension of this Agreement:
 - (a) The PIM 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/Recipient, has determined that it has had, or is likely to have, a material adverse effect on the Project.
 - (b) In the event that the Borrower/Recipient did not request a disbursement of the Financing for a period of at least 12 months without justification.
2. The following are designated as additional grounds for cancellation of this Agreement:
 - (a) In the event that the Borrower/Recipient did not request a disbursement of the Financing for a period of at least 12 months without justification.
3. The following are designated as additional (general/specific) conditions precedent to withdrawal:
 - (a) The IFAD no objection to the Project Implementation Manual (PIM) shall have been obtained;
 - (b) Key Project personnel has been appointed as per Schedule 1 part II of this Agreement;
 - (c) the Designated Accounts shall have been duly opened and IFAD must receive a duly completed Authorised User(s) Letter, from the designated representative or a sufficiently senior delegated official, designating the name(s) of official(s) authorised to approve Withdrawal Application(s) and Interim Financial Reports (IFR);
 - (d) The first AWPB shall have been submitted and received no-objection from IFAD.
4. This Agreement is subject to ratification through receipt of a legal opinion from the Borrower/Recipient.

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

For the Borrower/Recipient:

The Minister of Finance and Treasury
P.O Box 26
Honiara
Solomon Islands

For the Fund:

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

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

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

SOLOMON ISLANDS

[Authorized Representative Name]
[Authorized Representative Title]

Date: _____

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

The President

Date: _____

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project shall benefit sixty-five (65) rural communities where the majority of households engage in subsistence or semi-subsistence households farming, with limited linkages with the market and some non-farm income from seasonal youth migration. In these communities, the project will target 50 percent of women and 20 percent of youth. The project will reach out to about 18,330 beneficiaries.

2. *Project area.* The Project will be implemented in Choiseul, Isabel and Western Provinces (the "Project Area").

3. *Goal.* AIM-N's strategic goal is to contribute to improved nutrition and food security and to reduce poverty in rural areas, building on the indigenous peoples' traditional farming systems.

4. *Objectives.* The objective of the Project is improved food security, nutrition and household income through empowerment and resilient farming system in Solomon Islands. The project will contribute to IFAD's three Strategic Objectives (SOs) for 2016-2025, by promoting increased production (SO1) of nutritious foods and cash crops, supporting access to market for smallholders (SO2), and mainstreaming environmental sustainability and climate resilience (SO3) in all project components. In alignment with IFAD's mission to transform rural economies and food systems, AIM-N aims to demonstrate solutions that improve the nutrition status of the population, support rural women and youth to achieve transformative gender impact and enable young people in taking advantage of opportunities for developing gainful activities.

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

5.1 **Component 1: Action for nutrition.** This component gathers all the activities aimed at improving nutrition and at diversifying and increasing food production for home consumption with an integrated gender and climate resilient approach. The component will support nutrition behaviour change and link it to the expansion and diversification of agriculture production, food processing, purchasing and cooking, leading to a healthy diet with high local food content. The expected outcome is that target households will have increased production, purchasing and consumption of nutritious locally-produced foods. It consists of three sub-components

5.1.1 *Sub-Component 1.1:* Nutrition behaviour change will provide a supportive environment for developing gender transformative and inclusive nutrition education and behavioural change communication through the nutrition-sensitive agriculture production, and will support outreach in the communities.

5.1.2 *Sub-Component 1.2:* Diversified community-based food production will support the delivery of gender transformative, inclusive and nutrition-sensitive agriculture extension services and quality planting material to women for diversified, climate-resilient production, and will promote further outreach to their communities.

5.1.3 *Sub-Component 1.3:* Improved nutrition in boarding schools will improve the production and preparation of nutritious food, as well as nutrition education in selected boarding schools, building on school procurement of food products from neighbouring farmer associations, linked to Component 2.

5.2 **Component 2: Inclusive partnerships for market access.** Component 2 will organize and connect smallholders, including women and youth, with profitable markets to gain stable income from resilient farming. The expected outcome is: Increased market access through public-private-producer-partnerships (4P). This will be achieved by building

inclusive partnerships between farmers' organizations (FOs)/women's groups (WGs) and micro, small and medium enterprise (MSME) buyers, whereby producers will gain improved access to markets and support services, and buyers will better manage their supply chain risks through stable sourcing of volumes and quality of produce to supply remunerative markets. The component has three sub-components: (i) Partnerships; (ii) Farmer organizations; and (iii) Public and private extension service providers.

5.2.1 *Sub-Component 2.1: Partnership.* Partnerships will promote the development of partnerships between buyers (exporters, local traders, processors) and farmers for supplying formal export and domestic markets, building on existing market opportunities. The marketing of quality products as well as value addition at farm level will be promoted so that farmers can obtain better prices.

5.2.2 *Sub-Component 2.2: Business oriented Farmers' Organizations.* Farmer organizations (FOs) will support farmers involved in partnerships to improve their registration, governance, technical and business skills to meet market requirements, strengthen climate-resilience and get premium prices. FOs will be provided a set of services tailored around a detailed assessment of capacity and interest among other FOs will be classified by stages, and services and investments delivered accordingly to move them through the stages. Special attention and incentives will be given to attract young people.

5.2.3 *Sub-Component 2.3: Public and private extension service providers* will strengthen the capacities of extensionists, cooperatives, other farmer organizations and service providers to deliver quality extension services to farmers.

5.3 **Component 3: Investments in resilient agri-food systems.** Component 3 will finance three financial instruments to support the implementation of Components 1 and 2: (i) competitive grants for gender transformation, accessible to WGs to finance their own initiatives in support of nutrition, labour-saving technologies and nutrition-sensitive production, processing and marketing (only in Solomon Islands); (ii) a line of credit with performance-based grants benefitting MSMEs and qualified FOs that will be implemented by the Development Bank of Solomon Islands (DBSI) (only in Solomon Islands); and (iii) grants for small-scale, public infrastructure supporting Component 2 value chains. The expected outcome is: Increased productivity and value added through value chain investments. Component 3 has three sub-components: (i) Grants for gender transformation; (ii) Investment in productive and resilient assets of MSMEs and FOs; and (iii) Financing of enabling infrastructure.

5.3.1 *Sub-Component 3.1: Grants for gender transformation* will supply competitive grants to women groups participating in Component 1 to finance their own initiatives in support of nutrition, labour-saving technologies and small-scale nutrition-sensitive production, processing and marketing

5.3.2 *Sub-Component 3.2: Investment in productive and resilient assets of MSMEs and FOs* will finance a line of credit for extending loans for investment and working capital to micro, small and medium agribusinesses as well as FOs sourcing from small farmers, including women and young farmers. In the target provinces, the line of credit will be complemented by performance-based grants benefitting the borrowers.

5.3.3 *Sub-Component 3.3: Financing of enabling infrastructure* will provide grant funding for the building or rehabilitation of collective productive infrastructures such as jetties and wharves, collection points and storage, as well as the building or rehabilitation of housing for extension officers.

5.4 **Component 4: Rapid disaster response.** Component 4 does not have any allocation in the budget but offers a mechanism for governments to gain rapid access to financing to respond to an eligible crisis or emergency. It would allow for rapid reallocation of uncommitted project funds towards urgent actions and recovery needs in the event of a natural disaster affecting rural areas that place the project at a risk not to achieve its development objectives, such as weather-related or natural hazards (including cyclones, storms, drought, earthquakes, landslides, tsunami, volcanic activities), human and animal

pandemics, or agriculture pest and disease incursions. In case of an eligible crisis, the respective Ministries of Treasury and Finance (MoFT), in consultation with Ministry of Agriculture and Livestock (MAL) and other relevant government departments, may request IFAD to reallocate funds to support rapid response and recovery, indicating the type of expenditure required and reallocation from unused resources in other component(s), subject to budget availability and IFAD no-objection. The rapid disaster response component is introduced in response to the fact that Pacific Island Countries are exposed, prone and vulnerable to natural disaster and other crises.

A Rapid Disaster Response Implementation Manual, acceptable to IFAD, will be prepared and will constitute a disbursement condition for this component. The RDD Implementation Manual will define: (i) the legal and institutional framework for national disasters and disasters in the agriculture sector; (ii) eligible investments; (iii) steps for triggering and implementing RDD, with assigned responsibilities; (iv) procurement, disbursement and financial management; compliance with safeguards policies; and (v) monitoring and evaluation. Eligible investments would cover critical goods, civil works, and consulting services required to support the immediate response and recovery needs and aligning with the main project activities such as: clearing and disposal of debris, repairs to small economic infrastructure and equipment, water supply, replacement of vegetation destroyed by the hazard, purchase of farming implements that promote resilience, purchase and distribution of vaccines, etc.

II. Implementation Arrangements

6. *Lead Project Agency.* The project implementing agencies will be the Ministry of Agriculture and Livestock (MAL). It will be responsible for overall accountability, oversight and coordination of the project. It will engage and cooperate with other government entities as necessary, notably the ministries responsible for health, education, gender equality and women empowerment, commerce and cooperatives, as well as with provincial governments, wards.

7. *National Project Steering Committee and Provincial Multi-stakeholder Platforms.* A National Project Steering Committee (NSC) will be established to provide guidance and overseeing, support coordination, and offer a venue for sharing AIM-N good practices and for channelling policy issues to the appropriate policy making bodies. It will also approve AWPBs and annual progress and financial reports. Provincial Multi-stakeholder Platforms will be established to support implementation and coordination in each province.

8. *Project Management Unit (PMU) and Provincial Implementation Units (PIU).* A ring-fenced PMU will be established and will be embedded in MAL. It will be responsible for carrying out AIM-N implementation responsibilities and will be fully accountable for project performance and the use of funds. Under the authority of the PMU, a Provincial Implementation Unit (PIU) will be established in the capital of each of the target provinces and will be responsible for implementing Component 2, and for ensuring monitoring and evaluation (M&E).

The PMU will be composed of: (i) Project Manager; (ii) Inclusive Partnerships Manager; (iii) M&E and KM Manager; (iv) GESI Officer; (v) Infrastructure Engineer; (vi) Finance and Administration Manager; (vii) Financial Assistant; (viii) Procurement Officer; (ix) Office Assistant; (x) Gender Transformative Grant Manager; and (xi) Rural Finance Specialist

The PIU will be composed of: (i) Partnership Development Officer; (ii) Inclusive Partnerships Young Professionals; (iii) GESI Young Professionals; (iv) M&E and KM Officer; (v) 3 Young Nutrition Professionals.

FAO will field a full-time adviser in the PMUs for 3 years. The adviser will help the PMU in starting the project, coordinating the development of project methodologies, building capacities, and ensuring learning throughout the project across teams and project stakeholders. Furthermore, short-term experts will be fielded.

9. *Monitoring and Evaluation.* The M&E and KM system will: measure project results against targets in the project logical framework; provide project stakeholders with data and analyses to assess project achievements and improve project performance; allow project stakeholders, in particular women groups, partnerships, farmers' organizations farmers and agribusiness partners, service providers and the PMU, to make informed decisions for the development of profitable and sustainable activities; and develop lessons learnt, capture good practices and successful innovation, and share knowledge, with a view to support performance and policy dialogue.

The M&E system will be set up and managed by the PMU, in consultation with MAL and other project stakeholders, and with support from a short-term international consultant fielded by FAO. The consultant will produce a detailed M&E/KM manual, together with an implementation plan, including capacity development arrangements. The system will be harmonized with that of MAL.

10. *Knowledge Management.* In consultation with project stakeholders and in collaboration with the M&E/KM Manager, the same consultant hired to design the M&E system will prepare a detailed KM framework. The framework will describe objectives, responsibilities and methodology, together with an implementation plan for the first year and include a communication strategy. Particular attention will be given to documenting innovative models as described in the next section.

11. *Project Implementation Manual.* The Project Implementation Manual (PIM) guides implementation of the Agriculture Investment for Markets and Nutrition (AIM-N). The PIM is intended primarily for use by Project Management, implementing agencies and contracted services providers. The purpose of the PIM is to assist Project Management to achieve the Project Development Objective and Project Outcomes defined in the Project Design Report and the Project Financing Agreement. The PIM reflects agreements between IFAD, GAFSP, FAO and the Governments of Solomon Islands on how project funds will be used. The PIM presents important principles and guidelines for implementing project activities. The PIM cannot provide every detail. Detailed procedures will be developed as needed by the project implementation team and consultants during the start-up phase of implementation. The PIM itself is a living document that will be updated and improved continuously during project implementation and can be changed through agreement between the Project Manager and IFAD. In particular, Terms of Reference for service providers and technical advisers should be annexed to the PIM. The first draft PIM includes a general list of the TORs of PMU and PIU staff, forms and checklists that will be needed but not all these have been developed yet. When a new TOR, form or checklist is developed for use in the Project it should be added to the PIM annexes so that all these documents are available in one place.

Schedule 2

Allocation Table

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

Table 1.a. Allocation of IFAD Loan funds

Category	Loan Amount Allocated (expressed in USD)	Percentage eligible for IFAD financing
Works	4 550 000	100%
Goods, Services and Inputs	866 000	100%
Equipment & Materials	140 000	100%
Grants, Subsidies, Guarantee Funds	3 744 000	100%
TOTAL	9 300 000	

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

- (i) Category I – Works shall mean eligible expenditures incurred on civil works under Component III.
- (ii) Category II - Goods, Services and Inputs shall mean eligible expenditures incurred on Consultancies & Studies and Supplementary Services Allowance under Component III.
- (iii) Category III – Equipment & Materials shall mean eligible expenditures incurred on Vehicle Boat and OnBoardMoter (OBM) under Component IV.
- (iv) Category IV – Grants, Subsidies and Guarantee Funds shall mean eligible expenditures incurred on Community Sub-project Grants, Complementary Equity Facility with PB Grant and Partnership with Private Sector (Stand-alone Loan) under Component IV.
- (v) Percentage indicated under “Percentage eligible for IFAD financing” is applied to Project expenditures, excluding taxes and shares of other financiers.

Table 1.b. Allocation of GAFSP Grant funds

Category	Grant Amount Allocated (expressed in USD)	Percentage eligible for IFAD financing
Goods, services and Inputs	4 490 000	100%
Equipment & Materials	661 000	100%
Grants, Subsidies, Guarantee Funds	378 000	100%
Recurrent costs	571 000	100%
TOTAL	6 100 000	

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

- (i) Category II – Goods, Services and Inputs shall mean eligible expenditures incurred on Trainings & Workshops, Young Graduates & Fellowships, Consultancies & Studies, Contract/ Service Provider and Supplementary Services Allowance under Components I, II and IV.
- (ii) Category III - Equipment & Materials shall mean eligible expenditures incurred on equipment and materials only under Component IV.
- (iii) Category IV – Grants, Subsidies and Guarantee Funds shall mean eligible expenditures incurred on Community Sub-project Grants only.
- (iv) Category V – Recurrent costs shall mean eligible expenditures incurred on operating costs under Component IV.
- (v) Percentage indicated under “Percentage eligible for IFAD financing” is applied to Project expenditures, excluding taxes and shares of other financiers.

2. *Disbursement arrangements*

(a) The disbursement arrangements will be set forth in detail in the Financial Management and Financial Control Arrangements Letter (FMFCL) to the Borrower/Recipient.

(b) *Start-up Costs.* Withdrawals in respect of expenditures for start-up costs incurred before the satisfaction of the general conditions precedent to withdrawal, from the IFAD GAFSP grant, shall not exceed an aggregate amount of USD 500 000 for PMU staff recruitment and for procurement of goods and services. Activities to be financed under start-up financing will require the no objection from IFAD to be considered eligible.

(c) *Audit arrangements.* The Office of the Auditor General (OAG) will audit project financial statements each year, in accordance with acceptable to IFAD audit standards. It will send audit reports to IFAD within six months of the end of the financial year.

Schedule 3

Special Covenants

I. General Provisions

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

1. Within 6 months of entry into force of the Financing Agreement, the Project will procure and install a customize accounting software as it is the practice in IFAD on-going supported projects, to satisfy International Accounting Standards and IFAD's requirements.
2. *Planning, Monitoring and Evaluation.* The Borrower/Recipient shall ensure that (i) a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement.
3. *Gender.* The Borrower shall ensure that appropriate measures will be taken in order to support women and youth inclusion.
4. *Indigenous People Concerns.* The Borrower/Recipient shall ensure that the concerns of IPs are given due consideration in implementing the Project and, to this end, shall ensure that:
 - (a) the Project is carried out in accordance with the applicable provisions of the relevant IP national legislation
 - (b) indigenous people are adequately and fairly represented in all local planning for Project activities;
 - (c) IP rights are duly respected;
 - (d) IP communities, participate in policy dialogue and local governance;
 - (e) The terms of Declarations, Covenants and/or Conventions ratified by the Borrower on the subject are respected;
 - (f) The Project will not involve encroachment on traditional territories used or occupied by indigenous communities.
5. *Land tenure security.* The project does not foresee any requirements for land acquisitions. However, in case it involves any in the future, the Borrower/Recipient shall ensure that the land acquisition process will be completed before the construction start and that compensation processes are consistent with international best practice and free prior and informed consent principles.
6. *Anticorruption Measures.* The Borrower/Recipient shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
7. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower/Recipient and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.
8. *Use of Project Vehicles and Other Equipment.* The Borrower shall ensure that:

- (a) all vehicles and other equipment procured under the Project are allocated to the MAL and other Implementing Agencies for Project implementation;
- (b) The types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and
- (c) All vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.

9. Ifad Client Portal (ICP) Contract Monitoring Tool. The Borrower/Recipient shall ensure that a request is sent to IFAD to access the project procurement Contract Monitoring Tool in the IFAD Client Portal (ICP). The Borrower/Recipient shall ensure that all contracts, memoranda of understanding, purchase orders and related payments are registered in the Project Procurement Contract Monitoring Tool in the IFAD Client Portal (ICP) in relation to the procurement of goods, works, services, consultancy, non-consulting services, community contracts, grants and financing contracts. The Borrower/Recipient shall ensure that the contract data is updated on a quarterly basis during the implementation of the Project/Program.

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

II. SECAP Provisions

1. For projects presenting high or substantial social, environmental and climate risks, the Borrower/Recipient shall carry out the implementation of the Project in accordance with the measures and requirements set forth in the [Environmental and Social Impact Assessments (ESIAs)/Environmental, Social and Climate Management Frameworks (ESCMFs) and/or Resettlement Action Plans/Frameworks (RAPs/Fs) and Environmental, Social and Climate Management Plans (ESCMs) for high risk projects and Abbreviated ESIAs and/or Abbreviated RAP/F and ESCMs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans] (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

The Borrower/Recipient shall not amend, vary or waive any provision of the Management Plan(s), unless: (i) agreed in writing by the Fund and (ii) Borrower/Recipient has complied with the requirements applicable to the original adoption of the Management Plan(s).

2. The Borrower/Recipient shall not, and shall cause the [Executing Agency, all its contractors, its sub-contractors, and suppliers] not to commence implementation of any works, unless all Project affected persons have been compensated and/or resettled in

accordance with the specific RAP/Abbreviated RAP, FPIC and/ or the agreed works and compensation schedule.

3. The Borrower/Recipient shall disclose the draft and final ESIA reports and all other relevant Management Plan(s) with Project stakeholders and interested parties in an accessible place in the Project -affected area, in a form and language understandable to Project affected persons and other stakeholders. The disclosure will take into account any specific information needs of the community (e.g. culture, disability, literacy, mobility or gender).

4. The Borrower/Recipient shall ensure [or cause the Executing Agency and Implementing Agency to ensure] that all bidding documents and contracts for goods, works and services contain provisions that require contractors, sub-contractors and suppliers to comply at all times in carrying out the Project with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.

5. This section applies to any event which occurs in relation to serious environmental, social, health & safety (ESHS) incidents (as this term is defined below); labor issues or to adjacent populations during Project implementation that, with respect to the relevant IFAD Project:

- (i) has direct or potential material adverse effect;
- (ii) has substantially attracted material adverse attention of outside parties or create material adverse national press/media reports; or
- (iii) gives rise to material potential liabilities.

In the occurrence of such event, the Borrower/Recipient shall:

- Notify IFAD promptly;
- Provide information on such risks, impacts and accidents;
- Consult with Project -affected parties on how to mitigate the risks and impacts;
- Carry out, as appropriate, additional assessments and stakeholders' engagements in accordance with the SECAP requirements; and
- Adjust, as appropriate, the Project -level grievance mechanism according to the SECAP requirements; and
- Propose changes, including corrective measures to the Management Plan(s) (if any), in accordance with the findings of such assessment and consultations, for approval by IFAD.

Serious ESHS incident means serious incident, accident, complaint with respect to environmental, social (including labor and community), health and safety (ESHS) issues that occur in the context of the loan or within the Borrower/Recipient's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the Borrower/Recipient (e.g. any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination, accidents of members of the public/local communities, resulting in death or serious or multiple injuries, sexual harassment and violence involving Project workforce or in relation to severe threats to public health and safety, inadequate resettlement compensation, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any allegations that require intervention by the police/other law enforcement authorities such as loss of life, sexual violence or child abuse, which (i) have, or are likely

to have a material adverse effect; or (ii) have attracted or are likely to arouse substantial adverse attention of outside parties or (iii) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

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

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

- Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage, the implementation of the Project and propose remedial measures. The Borrower/Recipient will disclose relevant information from such reports to affected persons promptly upon submission of the said reports; and
- Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

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

Logical framework

Results Hierarchy	Indicators				Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services promoted or supported by the project							
	Males - Males		3	9				
	Females - Females		3	9				
	Young - Young people		1	3				
	Indigenous people - Indigenous people		7	18				
	Total number of persons receiving services - Number of people		6	18				
	1.b Estimated corresponding total number of households members							
	Household members - Number of people			18				
	1.a Corresponding number of households reached							
	Women-headed households - Households							
Non-women-headed households - Households								
Households - Households		1	3					
Project Goal Improved nutrition and reduced poverty in agricultural households	Proportion of population living on less than \$US 2.15 per day				National Data	annual	National Statistics Office / World Bank data	Combination of improved dietary health and increased farm incomes leads to reduction in poverty headcount
	Proportion in Solomon Islands - Percentage (%)		26.6					
Development Objective Improved food security, diet quality empowerment and higher farm incomes from resilient farming systems in the Solomon Islands and rural communities.	Improvement on the Food Security Experience Scale (GAFSP 1.1)				Impact Survey	BL, MT, EL	Service provider	
	Households - Number		760	1				
	Total number of household members - Number of people		3	9				
	Women-headed households - Number							
	1.2.8 Women reporting minimum dietary diversity (MDDW)							
	Women (%) - Percentage (%)	20	40	60				
	Women (number) - Females							
	Households (%) - Percentage (%)							
	Households (number) - Households							

	Household members - Number of people						
	Women-headed households - Households						
	Increase in household income from farming and agri-business (GAFSP 1.2)				Impact Survey	BL, MT, EL	Service provider
	% increase in household income for 5,400 participating households - Percentage (%)		10	20			
	IE.2.1 Individuals demonstrating an improvement in empowerment				COI Survey	BL, MT, EL	Service Provider
	Total persons - Percentage (%)	0	25	50			
	Total persons - Number of people	0	8	16			
	Females - Percentage (%)	0	25	50			
	Females - Females	0	4	8			
	Males - Percentage (%)	0	25	50			
	Males - Males	0	4	8			
Outcome Outcome 1. Improved diets due to Increased production and consumption of nutritious and locally-produced foods and increased knowledge of nutrition	SF.2.1 Households satisfied with project-supported services						
	Household members - Number of people		1	3			
	Indigenous households - Households		1	3			
	Women-headed households - Households						
	Households (%) - Percentage (%)		30	70			
	Households (number) - Households		324	756			
	SF.2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers						
	Household members - Number of people		540	1			
	Indigenous households - Households		540	1			
	Women-headed households - Households						
	Households (%) - Percentage (%)		10	25			
	Households (number) - Households		108	270			
	1.2.9 Households with improved nutrition Knowledge Attitudes and Practices (KAP)						
	Households (number) - Households		270	540			
Households (%) - Percentage (%)		25	50				
Household members - Number of people		1	2				

Number of people receiving improved nutrition services and products (GAFSP 2.11)				Progress report	annual	PMU
Number of people who received nutrition counselling / education - male - Number of people		1	2			
Number of people who received nutrition counselling / education - female - Number of people		1	2			
Number of people who received nutrition counselling / education - young - Number of people		430	1			
Number of people receiving extension support for nutrition-relevant techniques (e.g. homestead gardens, Farmer Field School support) - male - Number of people		1	2			
Number of people receiving extension support for nutrition-relevant techniques (e.g. homestead gardens, Farmer Field School support) - female - Number of people		1	2			
Number of people receiving extension support for nutrition-relevant techniques (e.g. homestead gardens, Farmer Field School support) - young - Number of people		430	1			
Number of school students consuming locally produced nutritious foods at least one time per day in target schools				MIS	annual	Service provider
Number of students - Number of people		600	1			
Number of male students - Males		300	900			
Number of female students - Females		300	900			
IE.2.1 Individuals demonstrating an improvement in empowerment						
Indigenous people - Percentage (%)						
Indigenous people - Indigenous people						
Young - Percentage (%)						
Young - Young people						
Total persons - Percentage (%)						
Total persons - Number of people						
Females - Percentage (%)						
Females - Females						

	Males - Percentage (%)							
	Males - Males							
	Persons with disabilities - Number							
	Persons with disabilities - Percentage (%)							
Output Output 1.1.1 Participatory Situation Analysis	Number of area-level participatory situation analyses completed				MIS	annual	Service provider	One situation analysis per health service area
	Number of situation analyses - Number		18	18				
Output Output 1.1.2 Behaviour Change Communication (BCC) Materials Improved	Number of packages of BCC materials approved by Health Ministry (MHMS / MoH)				MIS	annual	PIU/PMU	One package of BCC materials approved by Health Ministry in each country
	Number of packages - Number		2	2				
Output Output 1.1.3 Capacity Building for Behaviour Change Communications	Number of public healthcare outreach staff (Nutrition Field Officers / Village Healthcare Workers and primary healthcare staff trained in BCC techniques and deployed				MIS	annual	Service provider	One NFO / VHW and two primary healthcare facility staff trained in each health service area. Assume 200 mothers per health area.
	Total number of trainees - Number of people		54	54				
	Number of male trainees - Number of people		34	34				
	Number of female trainees - Number of people		20	20				
	Number of expectant women and mothers of children under 5 receiving nutrition advice based on improved BCC materials				MIS	annual	Primary Healthcare Facilities	
	Number of women - Number of people		1	3				
Output Output 1.1.4 Women's Groups Capacity Enhanced	Number of women's groups with enhanced capacity to promote nutrition behaviour change				MIS	annual	Service provider	Assume 50 members per women's group. Assume 6 members per household.
	Number of groups - Groups		108	108				
	1.1.8 Households provided with targeted support to improve their nutrition				MIS	annual	Service provider	
	Total persons participating - Number of people		32	32				
	Males - Males		16	16				
	Females - Females		16	16				
	Households - Households		5	5				
	Household members benefitted - Number of people							
	Young - Young people		10	10				
Output Output 1.1.5 Behaviour Change Outreach Through Women's	Number of women's groups achieving a defined benchmark of progress in community-based behaviour change communication activities				MIS	annual	Service provider	Same beneficiaries as 1.1.4 but progress benchmark achieved later
	Number of groups - Groups		40	108				

	Number of group members (female) - Number of people		2	5				
	Number of group members (young, aged 15-35) - Number of people		670	1				
	Number of households - Households		1	5				
	Number of household members - Number of people		10	32				
Output Output 1.2.6 Community Action Projects Designed	Number of Community Action Projects Designed				MIS	annual	Service provider	Assume 200 beneficiaries per project
	Number of projects - Number		18	54				
	Number of Project Beneficiaries				MIS	annual	Service provider	
	Number of beneficiaries - Number of people		3	10				
	Number of beneficiaries (women) - Number of people		1	5				
	Number of beneficiaries (young) - Number of people		600	1				
Output Outcome 1.3.3 Nutrition Education in Schools	Number of school students benefitting from improved nutrition education				MIS	annual	Schools	One per country 300 students per school
	Number of students - Number of people		900	2				
	Number of students (male) - Number of people		450	1				
	Number of students (female) - Number of people		450	1				
Output Outcome 1.3.4 Access to Nutritious Foods Improved	Number of schools with improved food environment				MIS	annual	Schools	Assume 10 snack vendors per school, all vendors are women
	Number of schools - Number		0	9				
Output Output 1.3.5 School Feeding Contracts Established	Number of schools with contracts for supply of nutritious local foods				MIS	annual	Schools	Assume 300 students per school
	Number of schools - Number		9	9				
	Number of students consuming nutritious local foods at least one meal per day				MIS	annual	Schools	
	Number of students - Number of people		1	1				
	Number of students (male) - Number of people		900	900				
	Number of students (female) - Number of people		900	900				
Outcome Outcome 2 - Market access improved and sales increased through Public-Private-Producer Partnerships	2.2.3 Rural producers' organizations engaged in formal partnerships/agreements or contracts with public or private entities				MIS	Annual	Service Provider	Assume formalizing PGs are larger than average with 100 members each
	Number of POs - Organizations		8	24				
	Women in leadership position - Females		3	8				
	2.2.5 Rural producers' organizations reporting an increase in sales				MIS	Annual	Service Provider	

	Number of Rural POs - Organizations			48					
	Rural POs with women in leadership position - Organizations		6	16					
Output Output 2.1.4 - Producer Group Formation and Capacity Building	2.1.3 Rural producers' organizations supported				MIS	Annual	Service Provider	Capacity benchmark to be defined in PIM	
	Total size of POs - Organizations		6	16					
	Rural POs supported - Organizations		20	54					
	Males - Males								
	Females - Females		6	16					
	Young - Young people		4	10					
	2.1.4 Supported rural producers that are members of a rural producers' organization				MIS	Annual	Service Provider		
	Total number of persons - Number of people		801	4					
	Males - Males		1	3					
	Females - Females		800	1					
Young - Young people		670	1						
Output Output 2.1.5 - Production and Marketing of Nutritious Fresh Produce	Number of Farmer Field Schools conducted				MIS	Annual	PMU	9 FFS with 25 participants, 60% are women, 33% are youth	
	Number of FFS - Number		6	18					
	Number of participants - Number of people		150	450					
	1.1.4 Persons trained in production practices and/or technologies				MIS	Annual	PMU		
	Total number of persons trained by the project - Number of people		150	450					
	Males trained at least once by the project - Males		60	180					
	Females trained at least once by the project - Females		90	270					
Output Output 2.1.6 - Establishment of Nursery Enterprises	Number of nursery enterprises established				MIS	Annual	PIU/PMU	One nursery enterprise per Province	
	Number of nursery enterprises - Number		3	3					
Output Output 2.2.1 Identification of 4P Partnerships	Number of 4P partnerships established				MIS	Annual	Service Provider / SMAE	Assume 36 4P partnerships with average 50 farmers per 4P, 40% female	
	Number of partnerships - Number		12	36					
	Number of farmers participating - Number of people		600	1					
	Males - Number of people		360	1					
	Females - Number of people		240	720					
	Young - Number of people		200	600					

Output Output 2.2.3 - 4P Business Plans	Number of 4P Business Plans completed				MIS	Annual	Service Provider	
	Number of plans - Number		12	36				
Output Output 2.2.4 - PG Registration and signing of formal contracts	Number of Producer Groups registered as legal entities				MIS	Annual	Service Provider	Assume 12 PGs register as legal entities and sign contracts
	Number of PGs - Number		5	12				
	Number of contract farming contracts signed				MIS	Annual	Service Provider	
	Number of contracts - Number		5	12				
Outcome Outcome 3 - Productivity and value added increased by sustainable	2.2.6 Households reporting improved physical access to markets, processing and storage facilities							
	Households reporting improved physical access to markets - Percentage (%)		20	50				
	Size of households - Number of people							
	Women-headed households - Households							
	Households reporting improved physical access to markets - Households							
	Number of post-harvest facilities constructed / rehabilitated (GAFSP 2.8)							
	Number of facilities - Number		10	30				
	Average financial return on cash-generating investments				Special survey	MTR and EL	Service Provider	
	Average financial return - Percentage (%)		10	20				
	Output Output 3.1.1 Groups supported to sustainably manage natural resources and climate-related risks	Number of groups supported to sustainably manage natural resources and climate-related risks				MIS	Annual	
Total size of groups - Number of people			350	890				
Groups supported - Number - Number			60	170				
Groups supported - Number - Males			170	445				
Groups supported - Number - Females			170	445				
Groups supported - Number - Indigenous people			350	890				
Output Output 3.1.2 Community action projects successfully implemented with small grant funding.	Number of small grants awarded				MIS	Annual	Service Provider	Assume 90 grants per country
	Number of grants - Number		45	90				
	Number of small grant projects successfully completed				MIS	Annual	Service Provider	
	Number of sub-projects - Percentage (%)		30	100				

Output Output 3.2.1 Combined loan and grant financing to enterprises for investments in 4P business plans	Number of community-based enterprises awarded integrated loan and blocked matching grant finance for value chain investments				MIS	Annual	Banks (DBSI / NBV)	Assume 45 matching grants peer country. For Solomon Islands, assume a further 45 loans with no matching grant
	Number of enterprises - Number		22	45				
	Number of enterprises - (women led) - Number		5	14				
	Number of POs awarded integrated loan and blocked matching grant finance for value chain investments							
	Number of POs - Number		0	28				
	Number of POs- (women led) - Number		2	8				
	Number of enterprises awarded loan finance only				MIS	Annual	Banks (DBSI / NBV)	
Number of enterprises - Number		22	45					
Number of enterprises - (women led) - Number		5	14					
Output Output 3.3.3 Value Chain Enabling Infrastructure	Number of smallholders receiving productivity enhancement support				Impact Survey	BL/MT/EL	Service Provider	All project beneficiaries access support, minus the target number of students
	Number of smallholders receiving productivity enhancement support - Number		9	14				
	Number of persons receiving capacity development support - Number of people		9	14				

Integrated project risk matrix

Risk categories and subcategories	Inherent	Residual
Country context	Substantial	Substantial
Political commitment	Moderate	Moderate
<p>Risk(s):</p> <p>Moderate political commitment to project from government due to weak institutional structure. As per National Development Strategy NDS 2016-2035, the Solomon Islands Government is committed to 'Improving the Social and Economic Livelihoods of all Solomon Islanders'.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>(1) Project validation and ownership-building during design mission. (2) Ensure implementation arrangements are robust (e.g. through use of service providers). (3) Following road path carved out in NDS 2016-2035.</p>		
Governance	Substantial	Substantial
<p>Risk(s):</p> <p>Weak institutional structure and poor coordination between key Ministries (e.g. Agriculture and Health Ministries) reduce the effectiveness of the integrated project approach. Main risks would be related to the lack of previous experience with IFAD projects and to elite capture in allocation of project investments.</p>	Substantial	Substantial
<p>Mitigations:</p> <p>Coordination between implementing agency (Agriculture Ministry) and other key agencies clearly defined by MOU. Strengthening institutional capacity building i.e Agriculture, Health, Education ministries.</p> <p>Extensive capacity building and coaching will be provided throughout inception and during implementation through Project Expeditor, FAO TA and regular IFAD backstopping in ISMs. Solid consultative processes for the allocation of resources.</p>		
Macroeconomic	Moderate	Moderate
<p>Risk(s):</p> <p>High inflation, high unemployment, limited private sector, lack of infrastructure pose a significant development challenges. The country is heavily dependent on development assistance, while governance challenges limit state effectiveness.</p> <p>Produce markets for project supported value chains affected by international economic conditions.</p> <p>Cost increases driven by external factors (increased cost of energy and transport). Markets for supported commodities affected by international economic conditions.</p>	Moderate	Moderate
<p>Mitigations:</p>		

Risk categories and subcategories	Inherent	Residual
<p>Prudent use of resources without distortion of market of forces. Increased employment among youngsters. Include contingency in budget in infrastructure part.</p> <p>Project supports diverse value chains with proven market demand, including in domestic markets. Market opportunities to focus on closer markets. Project to support partnerships with identified, more stable markets.</p> <p>Contingencies included in the budget. Market opportunities to focus on closer markets. Project to support partnerships with identified, more stable markets.</p>		
Fragility and security	Substantial	Substantial
<p>Risk(s):</p> <p>Risks are unlikely to affect the target provinces, but may affect the capital. Risks of fragility primarily relate to grievances and possible secession by one province, with protests happening in the capital. Neither that province nor the capital province, are targeted. The targeted provinces have not recently suffered from civil conflict, which is not of the concern of local population.</p>	Substantial	Substantial
<p>Mitigations:</p> <p>In the target provinces a strong participatory and inclusive process will underlie all project activities, which makes it even more unlikely that conflicts could occur in target provinces.</p>		
Sector strategies and policies	Moderate	Moderate
Policy alignment	Moderate	Moderate
<p>Risk(s):</p> <p>Change of government policy (e.g. due to change in government). Project is aligned with existing government policies, which support inclusive growth, poverty alleviation and nutrition, financial inclusion, in line with IFAD objectives, over medium term perspective beyond project duration. Government policies are not expected to change in fundamental respects. However, the National Food Security, Food Safety and Nutrition Policy is expected to end this year (2019-2023).</p>	Moderate	Moderate
<p>Mitigations:</p> <p>Project is aligned with existing government policy which is not expected to change in fundamental respects. Alignment is ensured between national policies and design. National Development Strategy NDS 2016-2035, including those which may be newly developed beyond 2023.</p>		
Policy development & implementation	Moderate	Moderate
<p>Risk(s):</p> <p>Project is aligned with existing government policies, which support inclusive growth, poverty alleviation and nutrition, in line with IFAD objectives, over medium term perspective beyond project duration. Government policies are not expected to change in fundamental respects</p>	Moderate	Moderate

Risk categories and subcategories	Inherent	Residual
Mitigations: Alignment is ensured between national policies and design.		
Environment and climate context	Substantial	Substantial
Project vulnerability to environmental conditions	Moderate	Moderate
Risk(s): Solomon Islands form part of the East Melanesian Islands which contain high numbers of endemic plant and animal species, threatened by human activity including commercial logging and mining, agricultural expansion, increasing populations, and increasingly the impacts of climate change and extreme events. The predominantly rural populations of the two countries rely heavily on this biodiversity for their livelihoods and food security and nutrition. The forests provide multiple benefits to communities, including but not limited to protection of critical water resources, prevention of soil erosion, timber and non- timber forest products as well as important contributions to local food and nutrition security and family health. Solomon Islands' economy is still heavily dependent on its timber industry, which brings in about 15 percent of government revenue and 66 per cent of foreign exchange earnings. The loss of biodiversity and crop diversity reduction increases vulnerability to disease outbreaks and other natural shocks. Solomon Islands registered a progressive decline in traditional crop production as agricultural land. Natural resources become more limited, claiming food production in Solomon Islands faced increased threats from pests and disease. The intensification of land use in several provinces has led to soil degradation, which now challenges subsistence viability.	Moderate	Moderate
Mitigations: The project aims to establish in both country trainings in Good Agricultural Practices (aligned with CSA) for food crop production including: i) use of tolerant climatic varieties; ii) soil fertility management – cover crops and rotations; iii) agroforestry and traditional mixed cropping; iv) integrated pest management; nets protecting against ashes.		
Project vulnerability to climate change impacts	Substantial	Substantial
Risk(s): Climate change is likely to have substantial and widespread impacts on Pacific island countries including Solomon Islands. Among the most substantial damages would be losses of coastal infrastructure and coastal lands resulting from inundation, storm surges, or shoreline erosion. Climate change could also cause more intense cyclones and droughts, the failure of subsistence crops and coastal fisheries, and the spread of malaria and dengue fever. Changes in climatic conditions would affect most Pacific islanders, but have its greatest impact on the poorest and most vulnerable segments of the population – those most likely to live in squatter settlements exposed to storm surges and disease and those most dependent on subsistence fisheries and crops destroyed by cyclones and droughts. Increased temperatures and prolonged dry conditions, increased variability of rainfall, salt-water intrusion, drought, soil erosion, and frequent cyclones damage local crops productivity. Increased humidity and rainfall could provide ideal conditions for the proliferation of many plant pathogens. Both commercial and subsistence agriculture in Solomon is based on rain-fed agricultural production systems. Changes in rainfall, high intensity storm events, increased evaporation, and more	Substantial	Substantial

Risk categories and subcategories	Inherent	Residual
pronounced dry seasons could induce plant stress, thereby, reducing productivity and subsequently affecting food security.		
<p>Mitigations:</p> <p>The project will invest in climate-resilient agriculture practices and increasing the climate proofing of target value chains, including post harvest. All infrastructure in the project will be climate-smart and informed by the best available climate impact assessments. Support to food conservation and processing allowing rapid recovery from disasters. Component 4 - Rapid Disaster Response allows fast reallocation of resources in case of major national or sectoral disaster. Project activities will be informed by Targeted Adaptation Assessment to ensure evidence-based climate interventions are prioritized.</p>		
Project scope	Substantial	Substantial
Project relevance	Low	Low
<p>Risk(s):</p> <p>Project design faces low risk for being not relevant to the needs/interests of the target beneficiaries. Participatory design process with multiple multi-stakeholder workshops, and building on successful experiences in the two countries ensure alignment with national policies, priorities and stakeholders' expectations.</p>	Low	Low
<p>Mitigations:</p> <p>Participatory design process with multiple multi-stakeholder workshops, and building on successful experiences in the two countries ensure alignment with national policies, priorities and stakeholders' expectations. Multi-stakeholder platforms will discuss project achievements and relevance, and built-in flexibility should allow adaptations.</p>		
Technical soundness	High	Moderate
<p>Risk(s):</p> <p>High cost of purchasing / high effort cost of producing nutritious local foods means that imported foods remain the preferred option. Project unsuccessful because of the high cost and logistical challenges of working with remote communities. School feeding programme not successful because of lack of interest (school management and / or students) or lack of resources to sustain. Cultural factors make parts of the project messaging (e.g. on role of women in farming as a business) unacceptable to local communities. Farming-as-a-business activities not successful because of lack of access to viable markets (because of logistical challenges) Farming-as-a-business activities not successful because of low capacity of SMAEs and producer groups. Credit activities fail because of weak capacity of financial institutions, lack of credit culture, or competition from poorly designed subsidy schemes.</p>	High	Moderate
<p>Mitigations:</p>		

Risk categories and subcategories	Inherent	Residual
<p>Strong social Behaviour Change Communication campaign plus linking nutritious food production to local processing and marketing (increase affordability of nutritious local foods and increase cash incomes). Sound implementation arrangements including use of service providers with proven track record.in implementing nutrition sensitive project School programme treated as a pilot with viability and sustainability through local purchase of food from farmers and assessed at each stage. Ensuring methodology and communication materials carefully adapted to local and cultural context; include all household members; work through established groups in the community; work with experienced local service providers. Focusing on established value chains with proven potential to be nutrition sensitive. Being realistic about actual and potential capacity and set simple and achievable targets. Strong technical assistance on NS by FAO. Working with established financial institutions and providing capacity support where needed (DBSI). Using of “blocked” matching grant funds as collateral.</p>		
Institutional capacity for implementation and sustainability	High	Moderate
Implementation arrangements		
<p>Risk(s): Project management capacity in implementing agencies insufficient to overcome challenges, especially given lack of track record and experience in implementing IFAD projects.</p>	High	Moderate
<p>Mitigations: External expertise with capacity building: FAO Project Advisors and short-term TA. Project Expeditors to establish management systems, Procurement expert, inception workshops and induction week.</p>		
M&E arrangements	High	Moderate
<p>Risk(s): M&E unable to fully track project progress and / or measure impacts because of lack of capacity and high cost and difficulty of data collection.</p>	High	Moderate
<p>Mitigations: M&E plan to be prepared with FAO support during project start-up</p>		
Procurement	Substantial	Substantial
Legal and regulatory framework	Moderate	Moderate
<p>Risk(s): The risk that the Borrower’s regulatory and institutional capacity and practices (including compliance with the laws) are inadequate to conduct the procurement in a manner that optimizes value for money with integrity</p>	Moderate	Moderate
<p>Mitigations: IFAD Procurement Guidelines and IFAD Procurement Handbook to be adopted.</p>		

Risk categories and subcategories	Inherent	Residual
Included Standard Procurement Documents for IFAD - SBD's and other document.		
Accountability and transparency	Moderate	Moderate
<p>Risk(s):</p> <p>The risk that accountability, transparency and oversight arrangements (including the handling of complaints regarding, for example, SH/SEA and fraud and corruption) are inadequate to safeguard the integrity of project procurement and contract execution, leading to the unintended use of funds, misprocurement, SH/SEA, and/or execution of project procurements outside of the required time, cost and quality requirements.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>Project to fully conform with IFAD PPF, engage and capacitate civil society on public procurement to promote transparency with procurement rules that are accessible in all ministerial websites. Cross Debarments and IFAD Due Diligence Screening with self certification adopted.</p>		
Capability in public procurement	Substantial	Substantial
<p>Risk(s):</p> <p>The risk that the implementing agency does not have sound processes, procedures, systems and personnel in place for the administration, supervision and management of contracts resulting in adverse impacts to the development outcomes of the project.</p>	Substantial	Substantial
<p>Mitigations:</p> <ul style="list-style-type: none"> - Enroll personal in BuildProc training - Adopt IFAD SDB and standardise processes in reference to the IFAD Procurement Handbook. - SECAP (Safeguards) risk associated to procurement to be closely monitored - Adopt IFAD CMT and OPEN Systems 		
Public procurement processes	Substantial	Substantial
<p>Risk(s):</p> <p>The risk that procurement processes and market structures (methods, planning, bidding, contract award and contract management) are inefficient and/or anticompetitive, resulting in the misuse of project funds or sub-optimal implementation of the project and achievement of its objectives.</p>	Substantial	Substantial
<p>Mitigations:</p> <ul style="list-style-type: none"> - TPU to develop training modules on procurement planning - TPU to focus on developing training modules and conduct training on contract management. PCAM to be amended to provide for defined responsibilities in contract management - Procuring entities to proactively engage private sector to improve procurement planning 		

Risk categories and subcategories	Inherent	Residual
- More engagement of key sectors needed for targeted assessments for targeted assessments to strengthen integrity, sustainability and/or innovation in public procurement - More capacity interventions and strong oversight will be needed		
Financial management	High	High
Organization and staffing	High	High
Risk(s): <ul style="list-style-type: none"> • Lack of Qualified PMU staff, including Finance and Administration Manager. • weak Staff capacity on IFAD FM requirement • Selection of Qualified Service Provider with capable FM functions. 	High	High
Mitigations: <ul style="list-style-type: none"> • Qualified F&A Manager will recruited. • Start-up training, and continuous support missions from IFAD. • Experience exchange between PMUs on FM. • Service Provider for Comp 1 is selected through competitive bidding with sound FM capacity 		
Budgeting	Substantial	Substantial
Risk(s): <ul style="list-style-type: none"> • Preparation of AWPB might be delayed due to staff capacity and approval procedures. • AWPB might not be realistic or not achievable. 	Substantial	Substantial
Mitigations: <ul style="list-style-type: none"> • Training to PMUs on preparation of AWPB. • A mechanism in place to timely capture the progress of expenditure Vs. budget. 		
Funds flow/disbursement arrangements	High	High
Risk(s): <ul style="list-style-type: none"> • Delay during the start-up of project activities. • Delay in submission of IFR and WA to IFAD. • Service Provider might have issue in handling the fund from PMU and might not be able to provide the required financial reports. 	High	High
Mitigations: <ul style="list-style-type: none"> • Ensure good accounting system that capable to provide IFR and WA in required formats. • Training on preparation of IFR. • Service Provider have strong capacity on FM system and can provide PMU the required FM reports. 		
Internal controls	High	High
Risk(s):	High	High

Risk categories and subcategories	Inherent	Residual
<ul style="list-style-type: none"> • Lack of banking facility and branches, cash and encashed cheque are used frequently. • Project staff and activities will be scattered in remote provinces/islands. • Limited suppliers for goods and services. • Staff capacity and awareness of anti-corruption policy 		
<p>Mitigations:</p> <ul style="list-style-type: none"> • Detailed PIM with practical procedures will be • MAL/MARD conduct internal audit/inspection on project at least annually. • IFAD anti-corruption policy will be included in PIM and training delivered to staff and stakeholders. • Promote the use of bank transfer instead of cash or cash cheque. • Effective computerized software shall be used to ensure the reconciliation of account and chasing of payment. 		
Accounting and financial reporting	High	High
<p>Risk(s):</p> <p>Risk that accounting systems – including polices and standards – are not integrated and reliable, leading to inaccuracies in financial records and that reasonable records are not prepared, issued and stored, leading to lack of informed decision-making.</p>	High	High
<p>Mitigations:</p> <ul style="list-style-type: none"> • Procurement and Payment procedures are clearly outlined in PIM. • Computerized system (MYOB for SI) will be set up to meet to project accounting and financial reporting requirement. 		
External audit	Substantial	Substantial
<p>Risk(s):</p> <p>Risk that independent and competent oversight of the Project financial statements is not in place or performed timely leading to possible misrepresentation of the financial results and/or suspension or other remedies due to compliance breaches.</p>	Substantial	Substantial
<p>Mitigations:</p> <ul style="list-style-type: none"> • Auditor General will the external Auditor for projects. IFAD will have a meeting with AG for briefing IFAD manual for financial reporting and auditing. 		
Environment, social and climate impact	Moderate	Low
Biodiversity conservation	Low	Low
<p>Risk(s):</p> <p>Potential impacts on biodiversity from primary production of living natural resources: rearing of plants and animals, including annual and perennial crop farming, animal husbandry. Moreover, the two countries have extensive natural resources, including forests, uplands and atolls which provide livelihoods of the 80% of the population that reside in rural areas. Land degradation (in both countries) and deforestation (in Solomon Island) represent serious concerns for biodiversity loss.</p>	Low	Low

Risk categories and subcategories	Inherent	Residual
<p>Mitigations:</p> <p>The project will not establish new farmland and change natural habitats. Specific criteria are also elaborated in the SECAP analysis to exclude such activities that involve alien species or any significant risks on biodiversity, animal welfare, land conversion or legally protected natural resources. The project will support local communities to use traditional knowledge and science together to support the sustainability of traditional shifting cultivation practices.</p>		
Resource efficiency and pollution prevention	Moderate	Moderate
<p>Risk(s):</p> <p>Potential pollution and resource damage associated with small-scaled infrastructure, agricultural and livestock development (poultry) are likely localized, site specific, and manageable with known technical approaches. The project can include activities that may lead to pest and pesticide management issues.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>The project will apply the hygiene, health, and safety standards required under the FAO guidelines, site-specific might be required subject to results of the environmental and social impact screening during implementation. Moreover, pesticide use in Solomon Islands is very low as pesticides are expensive and smallholder farmers cannot afford. Relevant environmental and social regulations to address environmental issues and social risks have been enforced in the Solomon Islands. The Environment Act 1998 provides an integrated system of development control, environmental impact assessment, and pollution control. The Environment Regulation (2008) and the Environment Impact Assessment Guidelines (2010) outline the requirements for environmental impact assessment, review, and monitoring.</p>		
Cultural heritage	Low	Low
<p>Risk(s):</p> <p>95% of the population in Solomon Island is composed by indigenous peoples. There is always an inherent risk in any development initiative to cause damage to tangible and intangible heritage.</p>	Low	Low
<p>Mitigations:</p> <p>The project activities will not create new agricultural areas and it is unlikely to affect the tangible and intangible cultural heritage. The project is a community based project whereby decisions on activities will be taken at the local level through the existing governance systems.</p>		
Indigenous peoples	Moderate	Moderate
<p>Risk(s):</p> <p>Solomon Islands can be considered as 95 per cent Indigenous, there is a diversity of identity, languages, culture, and customary law across the islands. The concept of "custom" is central to indigenous identity,</p>	Moderate	Moderate

Risk categories and subcategories	Inherent	Residual
<p>encompassing traditional knowledge, social norms, and belief systems. Customary land tenure and traditional governance structures are crucial elements of indigenous culture. Intervening in indigenous peoples' areas presents a risk of causing adverse physical, social, or economic impacts on the peoples, their resources and assets if development initiatives are top down and not co-created with the communities and their governance systems.</p>		
<p>Mitigations:</p> <p>The project is a bottom up, community development project. Decisions at community level will be taken through Community consultations through existing local governance systems. Consultations will be facilitated and documented by qualified experts as part of the. In addition, the FPIC process for which an FPIC implementation plan is included in the SECAP analysis.</p> <p>Individuals are not a target for the access to finance activities except through their groups so as to not risk indebtedness at the household level.</p>		
Community health and safety	Moderate	Low
<p>Risk(s):</p> <p>The activities proposed by AIM in Solomon Island in food production, nutrition and gender transformative approaches bring an inherent risk to cause adverse impacts to individuals and groups including in gender based violence as despite the commitment of Solomon Islands Government to promote gender equality, the conditions surrounding women remain difficult in the country. The risk is moderate given the high prevalence of gender based violence existing within the context</p>	Moderate	Low
<p>Mitigations:</p> <p>The SECAP evaluates the risks and impacts to community health and safety during the project life cycle and establishes preventive and control measures. Health and safety measures will be applicable to all projects subcontractors, community labor and suppliers.</p> <p>The Gender strategy includes specific actions to mitigate risks of gender based violence in the project initiatives. The project will adopt a Do No Harms approach and will be alert to and committed to addressing unintended consequences and potential harms. The project will be committed to protection of all vulnerable people and will include articulated channels for referral to services where available. As part of its gender and social inclusion (GSI) strategy, it will reflect the understanding that bias, resistance and backlash and has nuanced approaches to address them and will also reflect the principle of transformation starting with oneself by investing in GSI capacity building of project implementers and community members.</p>		
Labour and working conditions	Low	Low
<p>Risk(s):</p> <p>Labor risks are related to possible accidents and relatively weak labor law</p>	Low	Low

Risk categories and subcategories	Inherent	Residual
enforcement for seasonal workers at production bases. Project staff can frequently expose safety risks when they are required to travel to the provinces by boat or small aircraft.		
<p>Mitigations:</p> <p>The project aims to establish strict travel regulation especially in severe weather conditions and appropriate safety equipment during the travel to the provinces.</p> <p>Safety measures to be included as part of social safeguards in partnership development plans, to be monitored by the PIUs. The PMU will establish strict travel regulation especially in severe weather conditions and appropriate safety equipment (first aid and radio phone) will be provided during travel to the provinces.</p>		
Physical and economic resettlement	Low	Low
<p>Risk(s):</p> <p>In rural development projects in areas home to indigenous peoples and marginalized groups as in the case of Solomon Island the inherent risk of causing damage to peoples' asset is there, including involuntary loss on their resources and means of livelihoods through the activities proposed by the project.</p>	Low	Low
<p>Mitigations:</p> <p>Low risk. The project activities do not require the acquisition of land, cause restrictions on land use or include involuntary resettlement.</p>		
Greenhouse gas emissions	Low	Low
<p>Risk(s):</p> <p>The risk that the project may significantly increase greenhouse gas (GHG) emissions and thereby contribute to anthropogenic climate change.</p>	Low	Low
<p>Mitigations:</p> <p>The project is not expected to result in substantial or significant point sources of greenhouse gas (GHG) emissions and focuses on climate adaptation.</p> <p>The project will support Climate Smart Agriculture (CSA) practices that aim to increase productivity, raise adaptation resilience and contribute to lower or not increase greenhouse emissions.</p>		
Vulnerability of target populations and ecosystems to climate variability and hazards	Substantial	Substantial
<p>Risk(s):</p> <p>The population of Solomon Islands is vulnerable to the climate variability (temperature increase, sensible rainfall patterns) and hazards (floodings, tropical cyclones). Solomon Islands experiences acute economic challenges. This relates to a combination of issues including weak infrastructure, income inequality, heavy reliance on agriculture for income</p>	Substantial	Substantial

Risk categories and subcategories	Inherent	Residual
<p>revenue as well as the country's remote location. The countries face multiple hazards which are directly linked with climate change dynamics. These directly affect poverty and vulnerabilities in the country. The lack of state and individual resource to cope with natural hazards is a particular issue with regards to food availability and the nation's dependence on imports, leading to frequent food poverty. In both countries, many of the climate changes projected are likely to disproportionately affect the poorest groups in society.</p>		
<p>Mitigations:</p> <p>Project will support Climate Smart Agriculture (CSA) as well as Good Agriculture Practices (GAP) that can strengthen local livelihood and improve sustainable agriculture. The training of trainers' mechanism will allow to reach the specific beneficiaries. Several CSA practices and technologies for specific crop / climatic issue have been already identified during the design mission – i) use of tolerant climatic varieties; ii) soil fertility management – cover crops and rotations; iii) agroforestry and traditional mixed cropping; iv) integrated pest management. Support to food conservation and processing allowing rapid recovery from disasters. Component 4 - Rapid Disaster Response allows fast reallocation of resources in case of major national or sectoral disaster. Project activities will be informed by Targeted Adaptation Assessment to ensure evidence-based climate interventions are prioritized.</p>		
Stakeholders	Substantial	Moderate
Stakeholder engagement/coordination	Moderate	Low
<p>Risk(s):</p> <p>There is a limited risk regarding the coordination of stakeholders including government line agencies, implementation partners, technical agencies for services, bank and financial institutions and private sector partners for market linkages. The correct engagement/coordination is necessary to ensure the adequate project correct implementation.</p>	Moderate	Low
<p>Mitigations:</p> <p>The project will establish a robust mechanism to ensure the target group's engagement and feedback, including through the FPIC process. The project will establish a multi- stakeholder platform with participation of family farmers and producer groups along with stakeholders for forward and backward linkages at block levels. Household approach. GESI plan and officer. Provincial multi-stakeholder platform.</p>		
Stakeholder grievances	Substantial	Moderate
<p>Risk(s):</p> <p>The project acknowledges the challenges with marginalized and vulnerable social groups, especially those living in remote areas, including women and children in Solomon Islands.</p>	Substantial	Moderate
Mitigations:		

Risk categories and subcategories	Inherent	Residual
Project implementation is based on a solid inclusive and participatory strategy. The project outlines the FPIC implementation plan and the Stakeholders Grievance Mechanism (GM) which enables stakeholders to raise project related concerns and grievances. In addition, IFAD has a Complaints Procedure to receive and facilitate resolution of concerns.		