
Informe del Presidente
Propuesta de préstamo
República Unida de Tanzania
Programa de Resiliencia de los Sistemas
Alimentarios de Tanzania - Horticultura

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Para aprobación

Medida: Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 82.

Preguntas técnicas:

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Mapa de la zona del programa



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.

Fuente: FIDA | 4-4-2024

Resumen de la financiación

Institución iniciadora:	Asociación Internacional de Fomento (AIF) Grupo Banco Mundial
Prestatario/receptor:	República Unida de Tanzania
Organismo de ejecución:	Ministerio de Agricultura
Costo total del programa:	USD 2 133 millones
Monto del préstamo del FIDA:	USD 21 500 000
Condiciones del préstamo del FIDA:	Muy favorables: Plazo de reembolso de 40 años, incluido un período de gracia de 10 años, con un cargo por servicios del 0,75 % anual en DEG (ajustes para los préstamos en una sola moneda)
Cofinanciador:	AIF
Monto de la cofinanciación:	USD 300 millones
Condiciones de la cofinanciación:	Préstamo
Contribución del prestatario/receptor:	USD 1 793 millones
Déficit de financiación:	USD 18,5 millones
Monto de la financiación del FIDA para el clima:	USD 17,39 millones
Institución cooperante:	AIF

I. Contexto

A. Contexto nacional y justificación de la actuación del FIDA

Contexto nacional

1. La República Unida de Tanzania es un país de ingreso mediano bajo con una población de 61,7 millones de habitantes¹. La tasa de crecimiento del PIB nacional fue del 4,6 % en 2022, y se preveía que aumentara al 5,3 % en 2023.
2. La pobreza aumentó del 26,2 % en 2019 al 27 % en 2021. Este aumento puede atribuirse a la pandemia de COVID-19 y a la guerra en Ucrania. En 2022, la República Unida de Tanzania ocupaba el puesto 160.º de 189 países en el índice de desarrollo humano de las Naciones Unidas.
3. Los principales factores de la inseguridad alimentaria son los períodos secos prolongados y la irregularidad de las lluvias, que provocan pérdidas en la producción agrícola y ganadera, junto con las plagas y enfermedades, las deficiencias en las infraestructuras y el acceso insuficiente a los mercados, factores todos ellos que han llevado a un fuerte aumento de los precios y a un bajo poder adquisitivo.
4. La República Unida de Tanzania considera que el sector agroalimentario es una de sus principales fuentes de crecimiento económico inclusivo y de reducción de la pobreza rural. En 2021, la agricultura en el territorio continental del país representaba alrededor del 26,1 % del PIB y el 30 % de las exportaciones, daba empleo al 65,6 % de la población activa y atendía entre el 90 % y el 95 % de las necesidades alimentarias del país. La estabilidad de su suministro ha sido decisiva para mantener una inflación baja. En 2019, el sector agrícola de Zanzíbar contribuyó con un 21,2 % al PIB, y en 2020 dio empleo al 70 % de la población.

Aspectos especiales relativos a las esferas transversales prioritarias del FIDA

5. Con arreglo a los compromisos transversales del FIDA, se considera que el programa:
 - Abarca la financiación para el clima
 - Tiene en cuenta a la juventud
 - Tiene en cuenta la capacidad de adaptación
6. **Enfoque climático.** En el programa se promoverá: i) una mayor capacidad de producción basada en la comercialización continua, el aumento de la producción y la adopción generalizada de variedades mejoradas de semillas resilientes al clima (por ejemplo, tolerantes al calor y a la sequía), y ii) la prestación de servicios digitales de asesoramiento en la gestión de los recursos hídricos, en el marco general del apoyo del Programa de Resiliencia de los Sistemas Alimentarios de Tanzania.
7. **Enfoque adaptado a la juventud.** La juventud tiene dificultades para acceder a la tierra y a la financiación, lo que agrava su exclusión del sector agrícola. Debido a que se la percibe como un grupo de alto riesgo, las inversiones focalizadas en este colectivo son escasas, especialmente en ese sector. El programa empoderará a las personas jóvenes para que puedan participar en las cadenas de valor objetivo como empresarios o como mano de obra por medio de i) la creación de capacidad; ii) un mayor acceso a los activos productivos, y iii) la creación de puestos de trabajo dignos dentro y fuera de las explotaciones agrícolas para las personas jóvenes.

¹ Oficina Nacional de Estadística, censo de población de 2022.

8. **Nutrición.** El Programa de Resiliencia de los Sistemas Alimentarios de Tanzania – Horticultura contribuirá a lograr los efectos directos en materia de nutrición al promover la investigación y la difusión de nuevas variedades y prácticas que apoyen la diversificación de las cadenas de valor de los cultivos y mejoren la gestión posterior a la cosecha para aumentar la disponibilidad de alimentos nutritivos.
9. **Género.** El programa creará igualdad de oportunidades entre mujeres y hombres jóvenes. En concreto, i) fomentará el empoderamiento económico de las mujeres jóvenes, al facilitarles el acceso a los activos productivos y su control, y ii) aumentará la participación de las mujeres jóvenes en las organizaciones comunitarias.

Razones que justifican la intervención del FIDA

10. La financiación del FIDA complementa el programa de la Asociación Internacional de Fomento (AIF) e intensifica el impacto general en el desarrollo a través de actividades y grupos objetivo específicos. Mientras que el programa de la AIF se centra en la resiliencia al clima de los sistemas alimentarios en general, la financiación del FIDA se focaliza en la horticultura climáticamente inteligente como factor impulsor de los sistemas agroalimentarios.
11. La razón principal que justifica la participación del FIDA es su reconocido liderazgo en la transformación de los sistemas alimentarios. De hecho, la cofinanciación del TFSRP ofrece al FIDA la oportunidad de contribuir y añadir valor a importantes inversiones del Gobierno y del Banco Mundial en el sector agrícola.
12. El valor añadido del FIDA al programa es su reconocida experiencia en el sector de la agricultura (y, concretamente, en horticultura) en la República Unida de Tanzania, así como en la focalización en la juventud. Esto reviste especial importancia, ya que se trata de dos ámbitos que no se abordan plenamente en el documento de evaluación *ex ante* del programa de la AIF y que merecen una mayor atención.

B. Enseñanzas extraídas

13. Los informes de supervisión del Banco Mundial son insuficientes para cumplir los requisitos de información del FIDA. Para solucionar este problema, en una carta de nombramiento detallada se indicarán los requisitos de información y rendición de cuentas, y el FIDA participará en la supervisión.
14. La experiencia del FIDA en la subregión muestra que el enfoque de la cadena de valor es fundamental para crear un sector hortícola inclusivo que pueda ofrecer importantes oportunidades de empleo y medios de vida para la juventud y las mujeres.
15. El programa se basa en la experiencia del Banco Mundial con respecto a la financiación en el marco del Programa por Resultados (PporR)², y el FIDA solo aportará financiación con respecto a determinados indicadores vinculados a los desembolsos (IVD). Entre las enseñanzas extraídas cabe señalar i) el uso de IVD que se centran en resultados iniciales y relativamente fáciles de alcanzar, mientras que los resultados más exigentes se planifican para las últimas fases del programa; ii) la combinación de la financiación con arreglo al PporR con la financiación de proyectos de inversión (FPI) para prestar asistencia técnica, y iii) el diseño del sistema de verificación de resultados, que garantiza: a) la armonización con los sistemas de rendición de cuentas más sólidos que existen, y b) el recurso a un organismo de verificación para aprobar o impugnar los resultados.

² El PporR es equivalente a la financiación basada en los resultados del FIDA.

II. Descripción del programa

A. Objetivos, zona geográfica de intervención y grupos objetivo

16. Al estar enmarcado en el PporR, el TFSRP actúa en apoyo de un programa gubernamental ya existente, a saber, el Programa de Desarrollo del Sector Agrícola II (ASDP II).
17. El objetivo de desarrollo de este programa es apoyar la resiliencia de los sistemas alimentarios mediante el fortalecimiento de la prestación de servicios agrícolas, la adopción de tecnologías resilientes al clima y el desempeño en materia tributaria en el sector agrícola.
18. El Programa de Resiliencia de los Sistemas Alimentarios de Tanzania – Horticultura contribuirá a los dos objetivos estratégicos del programa sobre oportunidades estratégicas nacionales (COSOP), a saber, objetivo estratégico 1: mejora de los sistemas de producción resilientes al clima a fin de aumentar la productividad de los productores en pequeña escala, y objetivo estratégico 2: mejora del acceso de los pequeños productores a los mercados y a microempresas y pequeñas y medianas empresas (mipymes).
19. **Zona objetivo y focalización geográfica.** Tanto el ASDP II como el TFSRP tienen un alcance nacional. El préstamo de la AIF se dirige a la agricultura en general, y el FIDA se centrará en los lugares que presentan una ventaja comparativa para la horticultura.
20. La selección de distritos se guiará por criterios que incluyen, entre otros: i) la cantidad de población joven y la densidad de población; ii) el potencial de mercado; iii) la vulnerabilidad al cambio climático, y iv) la complementariedad con otras iniciativas, proyectos y programas y potencial de cofinanciación (por ejemplo, Banco Mundial y otros) y otros proyectos del FIDA.
21. La estrategia de focalización servirá de base para la selección de las distintas categorías de jóvenes a quienes se ofrecerán paquetes adaptados a sus necesidades.
22. **Grupo objetivo.** El programa beneficiará directamente a 250 000 mujeres y hombres jóvenes (de 18 a 40 años). De forma indirecta, también beneficiará a unas 330 000 personas más, de las que un 50 % serán mujeres jóvenes y un 5 % pertenecen a categorías vulnerables, incluidas las personas con discapacidad.
23. La población joven beneficiaria directa será seleccionada de entre los tres grupos socioeconómicos siguientes: i) jóvenes pobres de las zonas rurales y en situación de inseguridad alimentaria, que disponen de escasos activos productivos; ii) jóvenes productores y productoras rurales en situación de inseguridad alimentaria moderada, que se dedican a la horticultura de subsistencia o participan en la cadena de valor, y iii) jóvenes con pequeñas y medianas empresas económicamente activas con potencial de mercado, que se enfrentan a limitaciones de productividad y comercialización.
24. La estrategia de focalización garantizará que se llegue a la juventud mediante i) la autofocalización, con actividades orientadas a las necesidades de la juventud del medio rural en situación de inseguridad alimentaria que se dedica a actividades hortícolas; ii) la focalización directa en las personas jóvenes vulnerables o marginadas; iii) medidas de empoderamiento y creación de capacidad para garantizar que la juventud objetivo pueda acceder a los beneficios del programa mediante el uso de enfoques innovadores para movilizar a la juventud y focalizarse en ella, y iv) un entorno propicio y la colaboración en el ámbito de las políticas a fin de garantizar un entorno favorable para la juventud.

B. Componentes, efectos directos y actividades

25. El programa está estructurado en tres esferas de resultados para el PpoR en la República Unida de Tanzania continental, e incluye componentes para la FPI en el territorio continental y en Zanzíbar. La financiación contribuirá a la primera esfera de resultados y a todos los componentes de la FPI.
26. **Esfera de resultados 1: La mejora de la prestación de servicios en los sistemas de investigación, extensión y semillas** tiene como objetivo apoyar la ejecución del ASDP II, crear resiliencia y aumentar la capacidad del territorio continental para adaptarse al cambio climático mediante la aceleración de la capacidad de las instituciones de investigación para desarrollar y adaptar tecnologías, extender el uso de soluciones digitales para facilitar un mayor acceso a la tecnología climáticamente inteligente y mejorar el suministro de semillas de alta calidad resilientes al clima. Hay tres indicadores vinculados a los desembolsos, a saber, IVD 1: financiación sostenible para el desarrollo y la difusión de tecnologías resilientes al clima en la agricultura; IVD 2: fortalecimiento de los servicios de extensión, en particular mediante soluciones basadas en las tecnologías de la información y la comunicación (TIC) para promover prácticas climáticamente inteligentes, e IVD 3: mejora de los vínculos funcionales en la cadena de valor de las semillas.
27. **Esfera de resultados 2: La creación de infraestructuras rurales resilientes** tiene como objetivo complementar las inversiones de capital del Gobierno en infraestructuras esenciales para potenciar la productividad y fortalecer la resiliencia, incluida la resiliencia climática. La esfera de resultados 2 se subdivide en los indicadores IVD 4: introducción y ejecución de contratos de explotación, gestión y mantenimiento basados en los resultados, e IVD 5: gestión eficaz de los establecimientos públicos de almacenamiento.
28. **Esfera de resultados 3: El fortalecimiento del desempeño en materia tributaria en esferas de inversión prioritarias** tiene como objetivo mejorar el desempeño institucional. La mejora de la presupuestación agrícola y la reasignación de mecanismos de apoyo público permitirán una mayor eficacia e impacto en la prestación de servicios, garantizarán una mejor planificación en el ámbito local y fortalecerán la inversión en la gestión de los recursos naturales. Como resultado, los agricultores, sus organizaciones profesionales y otros agentes de la cadena de valor serán menos vulnerables a las perturbaciones relacionadas con el clima. La esfera de resultados 3 incluye los indicadores IVD 6: mejora del seguimiento y la previsibilidad del presupuesto agrícola, e IVD 7: ampliación de escala de la evaluación y la gestión de la salud del suelo.
29. **Componente de FPI en el territorio continental:** Gracias al componente de FPI en el territorio continental se financiarán los servicios de tres expertos adicionales, a saber, uno en juventud y focalización, otro en horticultura y un tercero en agricultura digital que trabajará a tiempo parcial. Los tres se sumarán al equipo de gestión del programa para el territorio continental. Además, la financiación complementará a la AIF en términos de asistencia técnica, según proceda.
30. **Componente 1 (Zanzíbar): Mejora de la prestación de servicios en los sistemas de investigación, extensión y semillas.** Este componente se centra en el fortalecimiento de la capacidad de los diversos agentes para emprender la investigación pertinente en relación con las tecnologías agrícolas (por ejemplo, nuevas variedades) y para multiplicar y difundir estas tecnologías y proporcionar los servicios de extensión necesarios para promover su adopción.
31. **Componente 2 (Zanzíbar): Rehabilitación de las infraestructuras rurales para mejorar la resiliencia al clima.** En el marco de este componente, el Programa de Resiliencia de los Sistemas Alimentarios de Tanzania financiará la rehabilitación de las infraestructuras de riego y drenaje, la perforación de pozos de sondeo y la rehabilitación de determinados caminos agrícolas. Además, el Banco

Mundial apoyará la construcción de almacenes estatales de reservas en las explotaciones agrícolas y tres zonas de secado en los centros de servicios para los agricultores.

32. **Componente 3 (Zanzíbar): Ejecución y supervisión del proyecto.** A través de este componente se financiarán tres expertos adicionales, a saber, uno en juventud y focalización, otro en horticultura y un tercero en agricultura digital que trabajará a tiempo parcial. Los tres se sumarán al equipo de gestión del programa. Además, la financiación complementará el préstamo del Banco Mundial en términos de asistencia técnica, según proceda.

C. Teoría del cambio

33. La teoría del cambio establece tres cadenas de resultados que se refuerzan mutuamente en apoyo de la resiliencia de los sistemas alimentarios: mejor prestación de servicios agrícolas, gestión eficaz de las infraestructuras de riego y almacenamiento, y fortalecimiento institucional para un mejor desempeño en materia tributaria en el sector.
34. El enfoque consiste en potenciar la resiliencia de los sistemas alimentarios nacionales mediante la ampliación de escala de la capacidad de producción agrícola inclusiva y climáticamente inteligente, impulsada por i) la transformación de la prestación de servicios de investigación, extensión y semillas; ii) una gestión más resiliente de las infraestructuras de riego y almacenamiento, y iii) la mejora del desempeño en materia tributaria del Ministerio de Agricultura y sus organismos.
35. Entre los resultados tangibles de la creación de resiliencia a lo largo de las tres cadenas de resultados se incluyen una mayor capacidad de producción basada en la comercialización continua, el aumento de la producción y la adopción generalizada de variedades de semillas prioritarias mejoradas; el uso eficiente del agua para amortiguar la sequía; los cambios en la ordenación de las tierras y las prácticas de producción para conservar el suelo, mejorar su calidad y crear reservas de nutrientes; la diversificación de las cadenas de suministro, la reducción de las pérdidas posteriores a la cosecha mediante la mejora de las instalaciones de almacenamiento y procesamiento primario y las prácticas de gestión, y el aprovechamiento eficaz de los mercados y el comercio regionales.

D. Armonización, sentido de apropiación y asociaciones

36. El programa está armonizado con los Objetivos de Desarrollo Sostenible 1 (fin de la pobreza), 2 (hambre cero), 5 (igualdad de género), 8 (trabajo decente y crecimiento económico) y 13 (acción por el clima).
37. Como intervención en el marco de un préstamo basado en los resultados, las actividades están en plena consonancia con el ASDP II. Además, el programa contribuye al Plan Quinquenal de Desarrollo II, a la Visión Nacional de Desarrollo 2025 y a la Visión para el Desarrollo de Zanzíbar 2050, así como a la ejecución de la iniciativa de agronegocios para jóvenes Construir un mañana mejor (Building a Better Tomorrow - Youth Initiative), que es un instrumento concebido para contribuir al cumplimiento de la Agenda 10/30. Por último, el programa está en sintonía con la Estrategia Nacional de Desarrollo de la Horticultura (2021-2030) y el Plan de Desarrollo de Zanzíbar (2021-2026).
38. El programa está plenamente en consonancia con el COSOP 2022-2027, cuyo objetivo general es transformar los sistemas agroalimentarios para lograr una mayor productividad, una mejor nutrición y el aumento de los ingresos y la resiliencia de las personas pobres de las zonas rurales.

E. Costos, beneficios y financiación

39. Se prevé que la financiación total del FIDA para el Programa de Resiliencia de los Sistemas Alimentarios de Tanzania – Horticultura sea de USD 40 millones, de los cuales USD 21,50 millones se aportarán en el marco de la Decimosegunda

Reposición de los Recursos del FIDA (FIDA12). El déficit de financiación, de USD 18,50 millones, podrá subsanarse gracias a ciclos posteriores del Sistema de Asignación de Recursos basado en los Resultados (PBAS) y/o a través del Mecanismo de Acceso a Recursos Ajenos (BRAM), con arreglo a condiciones financieras que habrán de determinarse y con sujeción a los procedimientos internos y la posterior aprobación de la Junta Ejecutiva, o mediante la cofinanciación determinada durante la ejecución.

40. Los componentes del programa que se indican a continuación se contabilizan como financiación para el clima en el porcentaje indicado:
- IVD 1: financiación sostenible para el desarrollo y la difusión de tecnologías resilientes al clima en la agricultura: 100 % de financiación del FIDA para la adaptación al clima.
 - IVD 2: fortalecimiento de los servicios de extensión, en particular mediante soluciones basadas en las tecnologías de la información y las comunicaciones (TIC) para promover prácticas climáticamente inteligentes: 50 % de financiación del FIDA para la adaptación al clima.
 - IVD 3: mejora de los vínculos funcionales en la cadena de valor de las semillas: 50 % de financiación del FIDA para la adaptación al clima.
 - FPI en el territorio continental: 50 % de financiación del FIDA para la adaptación al clima.
41. De conformidad con las metodologías que emplean los bancos multilaterales de desarrollo en el seguimiento de la financiación para la adaptación al cambio climático y la mitigación de sus efectos, se calcula que el monto total de la financiación para el clima concedida por el FIDA a este programa asciende a USD 17,39 millones.

Costos del programa

42. El costo total del programa asciende a USD 2 133 millones incluidos los imprevistos, de los cuales USD 913 millones (el 43 %) financiarán la esfera de resultados 1, USD 958 millones (el 45 %) financiarán la esfera de resultados 2 y USD 238 millones (el 11 %) financiarán la esfera de resultados 3, y USD 21 millones (el 1 %) para la FPI.

Cuadro 1

Costo del programa por entidad financiadora y tipo de préstamo (en millones de dólares de los Estados Unidos)

<i>Tipo de préstamo</i>	<i>Fuentes de financiación</i>	<i>Monto</i>	<i>Porcentaje</i>
PBR	AIF	280	13,3
	FIDA	17,6	0,83
	Déficit de financiación	15,9	0,75
	Gobierno	1 793	85,12
Total PBR		2 106	98,76
IPF	AIF	20	0,75
	FIDA	3,9	0,15
	Déficit de financiación	2,6	0,10
Total FPI		26,5	1,24
Total		2 133	100,00

Cuadro 2

Costos del programa del FIDA, desglosados por esfera de resultados, indicador vinculado a los desembolsos, componente y año del programa
 (en millones de dólares de los Estados Unidos)

<i>Indicador vinculado a los desembolsos</i>		<i>Gasto total</i>	<i>2024/25</i>	<i>2025/26</i>
<i>Territorio continental</i>				
IVD 1	Financiación sostenible para el desarrollo y la difusión de tecnologías resilientes al clima en la agricultura	7,5	4,8	2,7
IVD 2	Fortalecimiento de los servicios de extensión, en particular mediante soluciones basadas en las TIC para promover prácticas climáticamente inteligentes	3,3	-	3,3
IVD 3	Mejora de los vínculos funcionales en la cadena de valor de las semillas	6,9	3,9	2,9
FPI en el territorio continental		0,5	0,25	0,25
<i>Zanzíbar</i>				
<i>Componente</i>		<i>Gasto total</i>	<i>2024/25</i>	<i>2025/26</i>
Componente 1	Mejora de la prestación de servicios en los sistemas de investigación, extensión y semillas	0,6	0,50	0,10
Componente 2	Rehabilitación de las infraestructuras rurales para mejorar la resiliencia al clima	2,3	-	2,3
Componente 3	Ejecución y supervisión del proyecto	0,5	0,25	0,25
		21,5	9,7	11,8
		Acumulativo	9,7	21,5

Cuadro 3

Costo del programa por esfera de resultados, indicadores vinculados a los desembolsos y entidad financiadora
(en millones de dólares de los Estados Unidos)

<i>Esfera de resultados</i>	<i>Indicador vinculado a los desembolsos</i>	<i>Total</i>	<i>Prestatario</i>	<i>Banco Mundial/AIF</i>	<i>FIDA12</i>	<i>Déficit de financiación</i>
Esfera de resultados 1: mejora de la prestación de servicios en los sistemas de investigación, extensión y semillas	IVD 1: financiación sostenible para el desarrollo y la difusión de tecnologías resilientes al clima en la agricultura	246,98	202,00	37,00	7,475	5,575
	IVD 2: fortalecimiento de los servicios de extensión, en particular mediante soluciones basadas en las tecnologías de la información y la comunicación (TIC) para promover prácticas climáticamente inteligentes	239,00	189,00	32,00	3,275	3,475
	IVD 3: mejora de los vínculos funcionales en la cadena de valor de las semillas	427,00	393,00	26,00	6,850	6,85
Total esfera de resultados 1		912,98	784,00	95,00	17,6	15,90
Esfera de resultados 2: creación de infraestructuras rurales resilientes	IVD 4: introducción y ejecución de contratos de explotación, gestión y mantenimiento basados en los resultados	271,00	201,00	70,00	-	-
	IVD 5: almacenamiento y comercialización	685,00	643,00	42,00	-	-
Total esfera de resultados 2		956,00	844,00	112,00	-	-
Esfera de resultados 3: fortalecimiento del desempeño en materia tributaria en esferas de inversión prioritarias	IVD 6: mejora del seguimiento y la previsibilidad del presupuesto agrícola	170,00	129,00	41,00	-	-
	IVD 7: ampliación de escala de las políticas de gestión de la salud del suelo	68,00	36,00	32,00	-	-
Total esfera de resultados 3		238,00	165,00	73,00	-	-
Total presupuesto PporR		2 106,5	1 793,00	280,00	17,60	15,90

<i>Componentes</i>		<i>Total</i>	<i>Prestatario</i>	<i>Banco Mundial/AIF</i>	<i>FIDA12</i>	<i>Déficit de financiación</i>
Componente 1 (Zanzíbar)	Mejora de la prestación de servicios en los sistemas de investigación, extensión y semillas	2,50	-		0,60	1,90
Componente 2 (Zanzíbar)	Rehabilitación de las infraestructuras rurales para mejorar la resiliencia al clima	2,50	-		2,30	0,20
Componente 3 (Zanzíbar)	Ejecución y supervisión del proyecto	0,5			0,50	-
Componente adicional (FPI en el territorio continental)	Creación de capacidad y asistencia técnica	21,00	-	20,00	0,50	0,50
Total presupuesto FPI		26,500	-	20,00	3,90	2,60
	Presupuesto total	2 133,00	1 793,00	300,00	21,50	18,50

Estrategia y plan de financiación y cofinanciación

43. Las fuentes de financiación del programa son las siguientes: Gobierno de la República Unida de Tanzania, USD 1 793 millones (el 84 %); AIF, USD 300 millones (el 14 %), y FIDA, USD 40 millones (el 2 %). El programa será administrado por el Banco Mundial, de conformidad con su política y directrices, incluidos los aspectos de gestión financiera. Con arreglo al convenio de financiación con el Banco Mundial y la AIF, los gastos admisibles financiados por el FIDA incluirán impuestos y derechos.
44. Tanto la AIF como el FIDA utilizarán una combinación de financiación PporR y FPI. La financiación de la AIF consistirá en USD 280 millones (el 93 %) con cargo al PporR y USD 20 millones (el 7 %) con cargo a la FPI. La financiación total del FIDA consistirá en USD 33,5 millones (el 84 %) a través del PporR y USD 6,5 millones (el 16 %) a través de la FPI; estas cantidades procederán de la FIDA12 (USD 21,5 millones), con un déficit de financiación de USD 18,5 millones.

Desembolsos

45. Los desembolsos del FIDA se realizarán de conformidad con los procedimientos de desembolso de la AIF y a través de su plataforma Client Connection.
46. Los desembolsos con cargo al PporR se efectuarán una vez que se hayan cumplido los IVD. El Gobierno de la República Unida de Tanzania prefinanciará todas las actividades del PporR y será reembolsado por la AIF y el FIDA una vez alcanzados los resultados predeterminados. Podrán concederse anticipos con carácter provisional. El cumplimiento de los IVD será verificado por la Oficina del Auditor General Interno o por un organismo de verificación externo semestralmente, de conformidad con los protocolos de verificación. El Banco Mundial enviará las instrucciones de desembolso al FIDA junto con una comunicación oficial en la que se confirme el cumplimiento de los IVD. Una vez recibida dicha comunicación, el FIDA desembolsará los fondos en la cuenta bancaria del programa en el Banco de Tanzania que se hayan abierto a tal efecto.
47. Los fondos para las actividades de FPI serán desembolsados por el FIDA en dos cuentas bancarias separadas designadas en el Banco de Tanzania (territorio continental y Zanzíbar). Los desembolsos se basarán en los informes financieros provisionales trimestrales, que se presentarán al Banco Mundial dentro de los 45 días siguientes al final del trimestre, y las solicitudes de retirada de fondos se presentarán directamente en la plataforma Client Connection del Banco Mundial. Los informes financieros provisionales se facilitarán al FIDA.

Resumen de los beneficios y análisis económico

48. Se utiliza un modelo contable de costos y beneficios para evaluar la eficiencia *ex ante* del programa a lo largo del período 2023-2040. Se estima que el valor actual neto del programa a lo largo de 19 años (2023-2040) es de USD 4 010 millones, con una tasa interna de rendimiento del 14,7 % y una relación beneficio/costo de 2:1.

Estrategia de salida y sostenibilidad

49. El PporR es un instrumento de apoyo presupuestario al plan sectorial del Gobierno. La sostenibilidad y la salida están integradas en el sentido de apropiación del programa por el Gobierno. El apoyo presupuestario contribuirá a mejorar la eficiencia y la previsibilidad de la financiación. Además, el programa fortalecerá las instituciones, como los comités de riego, para garantizar la sostenibilidad de las inversiones en infraestructuras. La implicación del sector privado en el desarrollo de sistemas de semillas hortícolas garantizará la sostenibilidad de las actividades.

III. Gestión del riesgo

A. Riesgos y medidas de mitigación

50. Los riesgos inherentes y residuales generales del Programa de Resiliencia de los Sistemas Alimentarios de Tanzania – Horticultura se califican como “moderados”. Las calificaciones de riesgo más altas corresponden al medio ambiente y clima, la gestión financiera y las adquisiciones y contrataciones en el marco del proyecto.
51. Para mitigar estos riesgos, se elaborarán planes de ejecución claros y se mejorarán los sistemas de seguimiento y evaluación en el marco del programa, y el Banco Mundial garantizará una supervisión estrecha de los procedimientos financieros y de adquisición y contratación del programa.
52. Los riesgos ambientales se mitigarán mediante la introducción de intervenciones climáticamente inteligentes y la formulación de planes de gestión ambiental, social y climática específicos para cada emplazamiento.
53. El riesgo fiduciario general se ha calificado de “considerable”. Las medidas de mitigación de la matriz integrada de los riesgos del proyecto tienen por objeto fortalecer la capacidad y el desempeño del sistema fiduciario con el fin de ofrecer una garantía razonable de que los fondos se utilizarán para los fines previstos, prestando la debida atención a los principios de economía, eficiencia, eficacia, transparencia y rendición de cuentas.

Cuadro 4

Calificación general de los riesgos

<i>Esferas de riesgo</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	Moderado	Moderado
Capacidad institucional de ejecución y sostenibilidad	Moderado	Moderado
Gestión financiera	Considerable	Considerable
Adquisiciones y contrataciones en el marco del proyecto	Considerable	Considerable
Impacto ambiental, social y climático	Moderado	Moderado
Partes interesadas	Moderado	Moderado
Riesgo general	Moderado	Moderado

B. Categoría ambiental y social

54. La **categoría ambiental y social** asignada al programa por el Banco Mundial es “moderada”. Los posibles riesgos y efectos adversos son previsible y se espera que sean temporales o reversibles. No se prevén grandes obras de construcción y el programa no afectará a zonas vulnerables ni provocará la pérdida de hábitats naturales o biodiversidad. La inversión en infraestructuras se limitará principalmente a la explotación, el mantenimiento y la gestión, y se contratará a un número limitado de trabajadores. Las actividades propuestas para las tierras agrícolas se limitarán a las tierras de regadío que ya existen y no se llevarán a cabo en zonas propensas a peligros geofísicos, por lo que el riesgo se considera mínimo. Los adjudicatarios de subproyectos deberán elaborar planes de gestión ambiental y social donde se indiquen los posibles riesgos y oportunidades asociados a las actividades propuestas, incluidas las medidas de mitigación o mejora.

C. Clasificación del riesgo climático

55. La **clasificación preliminar del riesgo climático** del programa es "considerable" debido a la exposición de la República Unida de Tanzania a fenómenos meteorológicos extremos como sequías, inundaciones, altas temperaturas, olas de calor y períodos secos, aumento de la frecuencia e intensidad de las lluvias torrenciales, las granizadas, los fuertes vientos y mayor asiduidad de las subidas del nivel del mar. La vulnerabilidad de los beneficiarios objetivo a las perturbaciones relacionadas con el clima supondrá un riesgo para el cumplimiento de los objetivos del programa.

D. Sostenibilidad de la deuda

56. Según el análisis de sostenibilidad de la deuda de 2021 del Fondo Monetario Internacional (FMI) y la AIF, el riesgo de sobreendeudamiento externo de Tanzania se mantiene moderado. En ese informe se subraya la importancia de que el país pueda obtener financiación exterior en condiciones favorables. Asimismo, para mantener la sostenibilidad fiscal y de la deuda, las autoridades deben mejorar la gestión de la inversión pública y realizar proyectos de inversión que aporten beneficios socioeconómicos.

IV. Ejecución

A. Marco organizativo

Gestión y coordinación del programa

57. El Ministerio de Agricultura nombrará un equipo de gestión del programa con personal a tiempo completo para supervisar la gestión diaria de las operaciones. Además, se asignarán personas de contacto de los departamentos y unidades competentes del Ministerio de Agricultura y de la Oficina Presidencial para la Administración Regional y los Gobiernos Locales para que trabajen con los equipos. Las actividades relacionadas con las adquisiciones y contrataciones y la gestión financiera estarán a cargo de los departamentos competentes del Ministerio de Agricultura y de la Oficina Presidencial para la Administración Regional y los Gobiernos Locales.
58. El Ministerio de Agricultura, Riego, Recursos Naturales y Ganadería de Zanzíbar supervisaré la ejecución de las actividades específicas de la FPI en Zanzíbar. La ejecución del programa se integrará en los mecanismos institucionales existentes del Ministerio de Agricultura, Riego, Recursos Naturales y Ganadería, que nombrará un equipo de personal a tiempo completo (equipo de gestión del programa - Zanzíbar) para supervisar la gestión diaria del programa.
59. Asimismo, cada equipo de gestión del programa contará con el apoyo de un especialista en juventud y focalización a tiempo completo, un experto en horticultura a tiempo completo y un experto en agricultura digital a tiempo parcial.
60. Varios organismos participarán en la ejecución de las actividades. El Ministerio de Agricultura será responsable de todas las actividades que se lleven a cabo según lo descrito anteriormente. Se podrá asignar al Instituto de Investigación de Tanzania la responsabilidad de la creación de capacidad de los agentes de extensión. Esta disposición ayudará a forjar una relación entre el ámbito de la investigación y los servicios de extensión y, por tanto, a mejorar los vínculos funcionales. Otros asociados en la ejecución serán las autoridades de los gobiernos locales, la iniciativa del corredor de crecimiento agrícola del sur de Tanzania y la Asociación Tanzana de Horticultura. Sobre la base de las disposiciones institucionales vigentes, las autoridades de los gobiernos locales se encargarán de los servicios de extensión.
61. La Comisión Nacional de Riego se encargará de supervisar la ejecución de las intervenciones de riego.

Gestión financiera, adquisiciones y contrataciones, y gobernanza

62. El programa será administrado por el Banco Mundial, de conformidad con su política y directrices de gestión financiera. El Banco Mundial ya ha evaluado los sistemas fiduciarios a todos los niveles, incluidos los mecanismos institucionales y de ejecución, la capacidad de gestión fiduciaria y los resultados de la ejecución. El FIDA se basará en los sistemas de gestión financiera del país para el PporR.
63. Para el mantenimiento de los registros financieros del PporR se utilizará el sistema integrado de gestión financiera. Los estados financieros se prepararán de acuerdo con el criterio contable del devengo de las Normas Internacionales de Contabilidad del Sector Público (IPSAS).
64. Los registros financieros del componente de FPI se mantendrán con arreglo al criterio contable de caja de las IPSAS en hojas de cálculo de Excel, ya que el Ministerio no dispone de un programa informático de contabilidad.
65. Los auditores internos del Ministerio de Agricultura realizarán las auditorías internas del PporR de acuerdo con su plan anual. Las auditorías internas del componente de FPI se llevarán a cabo al menos dos veces al año. El Banco Mundial facilitará al FIDA los informes de auditoría interna.
66. De conformidad con el documento de evaluación del proyecto del Banco Mundial, los informes de auditoría externa relativos al componente de FPI se presentarán al Banco Mundial dentro de los seis meses siguientes al cierre de cada ejercicio financiero.
67. La Entidad Fiscalizadora Superior realizará las auditorías externas del PporR y las remitirá al Banco Mundial en un plazo de nueve meses a partir del final del ejercicio financiero. Como excepción al tenor de la sección 9.03 b) de las Condiciones Generales del FIDA, se solicita a la Junta Ejecutiva que apruebe la presentación de los estados financieros anuales auditados nueve meses después del cierre de cada ejercicio financiero, tanto de los componentes del PporR como de la FPI.
68. El programa cumplirá las Normas para la prevención y lucha contra el fraude y la corrupción del Banco Mundial. Como se indica en el documento de evaluación *ex ante* del programa, el Gobierno también adoptará las medidas adecuadas para prevenir el fraude y la corrupción.
69. De conformidad con el acuerdo marco en materia de adquisiciones y contrataciones suscrito en septiembre de 2023 entre el FIDA y el Banco Mundial, para la adquisición y contratación de bienes, obras y servicios se aplicarán las políticas, reglamentos, normas e instrucciones en materia de adquisiciones y contrataciones del cofinanciador principal.

Participación y observaciones del grupo objetivo y resolución de reclamaciones

70. Se pondrán a disposición instrumentos de consentimiento libre, previo e informado, planes de participación de las partes interesadas y un mecanismo de resolución de reclamaciones para gestionar posibles conflictos sociales durante el inicio y la ejecución del programa. Se establecerán canales siguiendo los requisitos del Banco Mundial y el FIDA, sobre la base de las prácticas vigentes.

Resolución de reclamaciones

71. El programa aplicará los mecanismos de resolución de reclamaciones del Banco Mundial, que se ajustan plenamente a los requisitos del FIDA, tal como se destaca en el análisis de deficiencias de los Procedimientos del FIDA para la Evaluación Social, Ambiental y Climática (PESAC). El enfoque de estos mecanismos también se basará en los enfoques gubernamentales existentes, que han sido valorados positivamente por el Banco Mundial. En el mecanismo de resolución de reclamaciones del programa se incluirán los contactos del FIDA y los canales de resolución de reclamaciones.

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

72. El marco de seguimiento y evaluación (SyE) del programa se basará en los datos del Gobierno, y la mayoría de los datos para los indicadores se generarán a través del sistema de recopilación periódica de datos agrícolas del Ministerio de Agricultura. Este sistema se actualizará durante el primer año de ejecución del programa. Algunos indicadores se obtendrán de otras bases de datos gubernamentales, mientras que el seguimiento de unos pocos se realizará a través de los sistemas de gestión de la información ya establecidos. El uso de los sistemas gubernamentales garantizará que las disposiciones de SyE del TFSRP se ajusten al marco general de SyE del Gobierno y sean coherentes con las plataformas de SyE creadas para el ASDP.
73. La gestión de los conocimientos formará parte de la ejecución del programa a través del sistema de SyE. Al inicio del programa se elaborará una estrategia de gestión de los conocimientos. El equipo de gestión del programa documentará y difundirá las enseñanzas extraídas a intervalos periódicos durante las misiones de supervisión, en el examen de mitad de período y al término del programa. El Banco Mundial está trabajando actualmente en la mejora de sus sistemas de SyE, y la gestión de los conocimientos es una de las esferas que se propone mejorar para extraer enseñanzas sobre la ejecución real de los programas y los convenios de financiación. Esto incluirá la extracción de enseñanzas de especial valor para el FIDA, centrándose en la modalidad del programa por resultados.

Innovación y ampliación de escala

74. El diseño del programa se centra en el fortalecimiento de la innovación y la mejora de los conocimientos, en particular en torno a las dificultades para aumentar el acceso a las tecnologías climáticamente inteligentes y a los sistemas de alerta temprana. El programa pretende introducir nuevos modelos operativos que aumenten al máximo el impacto de las inversiones de capital del Gobierno, especialmente las que se centran en la reducción del impacto potencial de la escasez de agua en los sistemas de riego existentes y en la reducción de las pérdidas posteriores a la cosecha, así como en el aumento de la eficiencia y la eficacia de los presupuestos y los instrumentos normativos.
75. Como parte de la estrategia de innovación, el Programa de Resiliencia de los Sistemas Alimentarios de Tanzania – Horticultura expandirá el uso de soluciones digitales para aumentar el acceso a tecnología climáticamente inteligente y mejorar el suministro de semillas de alta calidad resilientes al clima.
76. Como parte del ASDP II, un programa mucho más amplio dirigido por el Gobierno, las intervenciones del Programa de Resiliencia de los Sistemas Alimentarios de Tanzania – Horticultura podrán ampliarse fácilmente en el marco de esta y otras iniciativas gubernamentales.

C. Planes para la ejecución

Preparación para la ejecución y planes para la puesta en marcha

77. El ASDP II está en curso y la financiación de la AIF ya es efectiva. La unidad de coordinación del programa ya está en funcionamiento y plenamente preparada para ejecutar las actividades financiadas por el FIDA.

Supervisión, examen de mitad de período y planes de finalización

78. Se llevarán a cabo anualmente misiones conjuntas de supervisión del Gobierno de Tanzania, el Banco Mundial y el FIDA para analizar y evaluar los progresos realizados en la ejecución. El FIDA participará en la planificación de las misiones, así como en la redacción y validación de los mandatos. Se llevarán a cabo misiones específicas de apoyo a la ejecución en función de las necesidades concretas y de los obstáculos a los que pueda enfrentarse el programa.

V. Instrumentos jurídicos y facultades

79. Un convenio de financiación entre la República Unida de Tanzania y el FIDA constituye el instrumento jurídico para la concesión de la financiación propuesta al prestatario. Se adjunta una copia del convenio de financiación negociado como apéndice I.
80. La República Unida de Tanzania está facultada por su legislación para recibir financiación del FIDA.
81. 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

82. 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 la República Unida de Tanzania por un monto equivalente a veintiún millones quinientos ocho mil setecientos treinta y cuatro dólares de los Estados Unidos (USD 21 500 000), conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario
Presidente

Negotiated financing agreement

(Negotiations concluded on 13 September 2024)

Loan No: _____

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

The United Republic of Tanzania (the "Borrower")

and

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

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

WHEREAS the Borrower has requested a loan from the Fund for the purpose of co-financing the Programme and Project (both of them collectively the "Operation") described in Schedule 1 to this Agreement;

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

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

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

Section A

1. The following documents collectively form this Agreement: this document, the Programme Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).
2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement, except for the provisions identified in Section E paragraph 4 below. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.
3. The Fund shall provide a Loan (the "Financing") to the Borrower, which the Borrower shall use to implement the Operation in accordance with the terms and conditions of this Agreement.

Section B

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

Section C

1. The Lead Programme Agency shall be the Ministry of Agriculture (MoA).
2. Additional Programme Parties are described in Schedule 1 Part I.
3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Programme.
4. The Programme Completion Date shall be the fourth (4) anniversary of the date of entry into force of this Agreement (the "Effective Date") and the Financing Closing Date shall be 6 months later, or such other date as the Fund may designate by notice to the Borrower.
5. Procurement of goods, works and services financed by the Financing shall be carried out:
 - (a) in accordance with the Cooperating Institution's procurement guidelines in so far as they pertain to the Investment Project Financing ("IPF") components; or
 - (b) in accordance with the provisions of the Borrower procurement regulations where it pertains to Program-for-Results ("PforR") elements.

Section D

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

Section E

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

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

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

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

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

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

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

For the Borrower:

Minister of Finance
Ministry of Finance, United Republic of Tanzania

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

For the Fund:

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

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

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

THE UNITED REPUBLIC OF TANZANIA

Dr. Natu El-maamry Mwamba
Permanent Secretary

Date: _____

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

Alvaro Lario
President

Date: _____

Schedule 1

Programme Description and Implementation Arrangements

I. Programme Description

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

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

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

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

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

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

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

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

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

II. Implementation Arrangements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Schedule 2

Allocation Table

1. Allocation of Loan.

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

Table 1

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

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

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

2. *Disbursement Arrangements*

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

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

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

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

(c) Financing of taxes

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

(d) Audit arrangements

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

Table 2

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

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

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

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

Schedule 3

Special Covenants

I. General Provisions

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

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

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

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

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

II. SECAP Provisions

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

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

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

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

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

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

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

Logical framework

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

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

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

Integrated programme risk matrix

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

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

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

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

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

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

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

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

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

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

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

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

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