
Informe del Presidente
Propuesta de préstamo
República Federativa del Brasil
Proyecto de Desarrollo Sostenible del Bosque Atlántico (Proyecto Parceiros da Mata)

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Medida: Se invita a la Junta Ejecutiva a que apruebe la recomendación que figura en el párrafo 69.

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Mapa de la zona del proyecto



Las denominaciones empleadas y la forma en que aparecen presentados los datos en este mapa no suponen juicio alguno del FIDA respecto de la demarcación de las fronteras o límites que figuran en él ni acerca de las autoridades competentes.

Fuente: FIDA | 22-11-2023

Resumen de la financiación

Institución iniciadora:	Banco Interamericano de Desarrollo
Prestatario:	Estado de Bahía (República Federativa del Brasil)
Organismo de ejecución:	Secretaría de Desarrollo Rural
Costo total del proyecto:	USD 150,0 millones
Monto del préstamo del FIDA:	USD 18,0 millones
Condiciones del préstamo del FIDA:	Ordinarias, con un plazo de reembolso de 18 años y un período de gracia de 3 años, a una tasa de interés equivalente a la tasa de referencia del FIDA, más un diferencial variable
Cofinanciadores:	Banco Interamericano de Desarrollo
Monto de la cofinanciación:	USD 100 millones
Condiciones de la cofinanciación:	Préstamo
Contribución del prestatario:	USD 32,0 millones
Monto de la financiación del FIDA para el clima:	USD 15,3 millones
Institución cooperante:	Banco Interamericano de Desarrollo

I. Contexto

A. Contexto nacional y justificación de la actuación del FIDA

Contexto nacional

1. Tras haber logrado una tasa de crecimiento del 2,9 % en 2022, el producto interno bruto (PIB) del Brasil presentó buenos resultados en los dos primeros trimestres de 2023, en especial gracias al impulso del sector agrícola. La expectativa de crecimiento para 2024 es del 1,5 % y la de inflación es del 3,92 %. El Gobierno está llevando adelante importantes reformas, entre ellas, la aplicación de un nuevo marco fiscal y una reforma tributaria. Pese a esto, las desigualdades que se observan en el país son profundas y persistentes.
2. En la actualidad, unos 52 millones de brasileños (el 24 % de la población) viven por debajo del umbral de pobreza y 14 millones (el 6,5 %), en condiciones de pobreza extrema. Casi la mitad de la pobreza del Brasil se concentra en la región nordeste, que alberga menos de una tercera parte de la población del país. En 2022, 125,2 millones de brasileños enfrentaron inseguridad alimentaria y más de 33 millones padecieron hambre. La región nordeste es una de las más vulnerables al cambio climático de todo el Brasil.
3. La agricultura familiar reviste una importancia estratégica para reducir la pobreza (Objetivo de Desarrollo Sostenible (ODS) 1) y promover la seguridad alimentaria y nutricional (ODS 2), así como para sostener los medios de vida de la mayor parte de la población rural. El sector emplea a tres cuartas partes de la fuerza de trabajo agrícola, constituye el 77 % de las explotaciones y genera un tercio de los ingresos agrícolas del país. Sin embargo, los agricultores familiares tienen poco acceso a recursos humanos y financieros, lo cual limita su capacidad de adaptación, aumenta su pobreza e inseguridad alimentaria y ocasiona su éxodo de las zonas rurales.
4. **Estado de Bahía.** En 2023, la población del Estado de Bahía superaba los 14 millones de personas (el 7 % de la población del Brasil), y su PIB representaba el 4 % del total del país. Alrededor del 45,3 % de los habitantes enfrenta inseguridad alimentaria y el 6,3 % sufre hambre. En las zonas rurales, la pobreza deriva de la baja productividad agrícola y las dificultades para acceder a la tierra, la financiación y los conocimientos técnicos.

Aspectos específicos relativos a las esferas transversales prioritarias del FIDA

5. En consonancia con los compromisos transversales asumidos por el FIDA, el Proyecto de Desarrollo Sostenible del Bosque Atlántico (Proyecto Parceiros da Mata) ha recibido las clasificaciones que se detallan a continuación:
 - abarca la financiación para el clima;
 - incluye una perspectiva transformadora de género;
 - es sensible a la nutrición;
 - tiene en cuenta a la juventud, y
 - tiene en cuenta la capacidad de adaptación.
6. **Perspectiva transformadora de género.** Se crearán nuevas oportunidades de obtención de ingresos para las mujeres mediante la formulación de planes de desarrollo productivo y planes de negocio, y gracias a un aumento de su acceso a los recursos naturales y su control sobre ellos. El uso de cuadernos agroecológicos permitirá visibilizar la contribución económica de las mujeres. Su participación en las actividades del proyecto se facilitará gracias a la prestación de servicios de atención infantil, la capacitación en liderazgo y la promoción de la toma de decisiones por su parte en los ámbitos comunitario e institucional. Su carga de

trabajo se reducirá mediante el uso de tecnologías sociales para el acceso al suministro de agua que permiten ahorrar tiempo. Se prevé difundir información sobre el modo de prevenir y abordar la violencia de género.

7. **Juventud.** El proyecto se apoyará en la experiencia de otros proyectos respaldados por el FIDA en el Brasil. Facilitará la participación de la gente joven en la gestión sostenible de los recursos naturales, la creación de nuevos empleos y oportunidades, el fortalecimiento de las organizaciones de jóvenes, el empoderamiento de la gente joven en la toma de decisiones en los ámbitos comunitario e institucional, la participación de las Escuelas Familiares Agrícolas para vincular la educación con las actividades productivas, las actividades de comunicación social y el apoyo a las redes de jóvenes de las zonas rurales.
 8. **Nutrición.** Los ámbitos relacionados con la nutrición a los que contribuirá el proyecto son la mejora del acceso de los hogares al suministro de agua, además del acceso a tecnologías agrícolas y sociales, como, por ejemplo, el uso de energía renovable y la captación, almacenamiento y reutilización del agua. La educación relativa a la nutrición comprenderá aspectos básicos de este tema, prácticas vinculadas a la inocuidad de los alimentos, saneamiento, higiene y prácticas de elaboración y preservación que tengan en cuenta la nutrición.
 9. **Financiación para el clima y fomento de la capacidad de adaptación.** Todos los componentes del proyecto contribuyen a la financiación para el clima. De conformidad con las metodologías que aplican los bancos multilaterales de desarrollo en el seguimiento de la financiación para la adaptación al cambio climático y la mitigación de sus efectos, se estima que el total de la financiación para el clima en este proyecto será de USD 15 333 000, esto es, el 85,8 % de la inversión del FIDA, de la cual USD 8 854 000 se destinarán a las actividades de adaptación al cambio climático y USD 6 479 000, a las actividades de mitigación de sus efectos.
 10. **Pueblos Indígenas y comunidades tradicionales.** La preparación de planes de desarrollo productivo contemplará los aspectos sociales y culturales y los conocimientos y formas de vida tradicionales. Estas comunidades se verán beneficiadas por un mayor acceso al suministro de agua para uso doméstico y productivo, además de otras tecnologías sociales (p. ej., energía y saneamiento) con el objetivo de fortalecer sus medios de vida. El proyecto promoverá el otorgamiento de títulos de propiedad sobre la tierra para las comunidades *quilombola* y reforzará la organización social de los pueblos y las comunidades tradicionales, desde las asociaciones del ámbito comunitario hasta las comisiones regionales y estatales con representación política.
- Razones que justifican la intervención del FIDA**
11. El FIDA y el Banco Interamericano de Desarrollo (BID) firmaron un acuerdo de asociación en 1978. Esta será la segunda operación de préstamo cofinanciada del BID y su segundo proyecto de tipo C en el Brasil. La asociación con el BID permite al FIDA atender el pedido del Estado de Bahía de ampliar la escala del Proyecto de Desarrollo Rural Sostenible en la Región Semiárida de Bahía (Proyecto a favor del Semiárido) que se encuentra en curso.
 12. El proyecto ampliará el enfoque del Fondo con respecto a la intensificación de la agricultura sostenible a través de las organizaciones rurales en el bosque atlántico. La asociación tendrá los siguientes resultados para el FIDA, a saber: i) movilización de recursos adicionales para invertir en las poblaciones de las zonas rurales y aplicación a esta cofinanciación de las prioridades y experiencias de desarrollo del Fondo a esta cofinanciación; ii) ampliación de la intervención y la base de conocimientos del FIDA al bosque atlántico, beneficiándose de la experiencia previa del BID en el bioma; iii) aumento del alcance de su labor; iv) incremento de la inversión pública en la inclusión social y la sostenibilidad; v) reducción de los costos administrativos del diseño y la supervisión; vi) aprovechamiento de los conocimientos y las experiencias

complementarios del FIDA y el BID; vii) consolidación de la labor del Fondo en materia de gestión de los conocimientos y cooperación Sur-Sur y triangular, y viii) consolidación de la asociación del FIDA con el Estado de Bahía tras haberse llevado a cabo con éxito tres proyectos sucesivos.

B. Enseñanzas extraídas

13. Es fundamental contar con un equipo experimentado para la rápida puesta en marcha del proyecto, en especial para la planificación, las adquisiciones y contrataciones y la preparación de los planes comunitarios. El Proyecto a favor del Semiárido financiado por el FIDA —que se encuentra en curso con buenos resultados— aportó sus experiencias en el diseño y será esencial para la puesta en marcha. También será decisivo mantener parte del equipo básico de ese proyecto para poder aprovechar el capital humano generado durante su ejecución.
14. La donación del FIDA al Programa Semear Internacional ha allanado el camino a la intervención de la institución en la gestión de los conocimientos en el Brasil, además de haber ayudado a documentar e intercambiar buenas prácticas. El Proyecto a favor del Semiárido contrató consultores especializados en la gestión de los conocimientos para consolidar el aprendizaje y la experiencia en el marco de este, creando así capacidades sólidas.
15. El mencionado proyecto ha recopilado experiencias positivas a través de los intercambios internacionales. Recibió visitas técnicas de Angola y Mozambique y organizó el primer taller para los proyectos del FIDA en los países del MERCOSUR.
16. Los datos y la información empírica de buena calidad son fundamentales para arrojar luz sobre la ejecución de los proyectos, la determinación de nuevas operaciones y el diálogo sobre políticas. Además, contribuyen a fundamentar las intervenciones como las que lleva adelante el FIDA. El Estado de Bahía dispone de un sólido sistema de evaluación y seguimiento (SyE).
17. El diálogo constante del Fondo con las autoridades estatales, la sociedad civil y las organizaciones de productores ha fortalecido su relación con los responsables de formular las políticas y ha facilitado numerosas innovaciones en el marco del Proyecto a favor del Semiárido, como, por ejemplo, el uso de cuadernos agroecológicos, que se incorporarán a los programas públicos. El nuevo proyecto también incidirá en las políticas públicas de forma directa mediante sus innovaciones en el bosque atlántico.
18. Recurrir a las organizaciones de la sociedad civil para la prestación de asistencia técnica ha permitido que el Proyecto a favor del Semiárido pueda aplicar la experiencia y los conocimientos especializados locales y fomentar la capacidad de ejecución local. Esta situación contribuye especialmente a la agroecología, la transformación en materia de género y la inclusión de la gente joven, y revestirá particular importancia en un nuevo proyecto en este bioma.
19. La experiencia del FIDA en el Brasil ha puesto de relieve la importancia de que los hogares dispongan de agua limpia para el consumo humano, en especial en el contexto del cambio climático. También ha demostrado la importancia de las tecnologías sociales como las cisternas, los biodigestores, las cocinas ecológicas, la reutilización de las aguas grises, etc. para fomentar la resiliencia al clima. El proyecto procurará aplicar estas soluciones y ampliarlas con otras tecnologías de saneamiento innovadoras que mejoran la salud y la nutrición de las personas y reducen la degradación ambiental.
20. Dado que el proyecto trabajará con cadenas de valor consolidadas, como la del cacao, las inversiones productivas deben complementarse con la comercialización de los productos. Se trabajará en asociación con empresas privadas, organizaciones no gubernamentales, federaciones de cooperativas que emplean el modelo de almacenamiento de la Central da Caatinga, y uniones de cooperativas para innovar en materia de comercialización.

21. En el Brasil, la introducción por parte del FIDA de aspectos agroecológicos en las escuelas rurales ha fomentado la participación eficaz de la gente joven y estimulado el interés de las nuevas generaciones en la producción sostenible y la alimentación variada. En el Proyecto Parceiros da Mata se ampliará la escala de la considerable experiencia que ha generado el Proyecto a favor del Semiárido en relación con las Escuelas Familiares Agrícolas.
22. El Proyecto a favor del Semiárido ha empleado a jóvenes de las comunidades como agentes comunitarios rurales. Como parte del equipo del proyecto, esos agentes apoyaron la ejecución al fortalecer las organizaciones locales y, al mismo tiempo, contribuyeron al sentido de apropiación, la proximidad y la confianza en las comunidades. Este modelo se aplicará en el Proyecto Parceiros da Mata.
23. La oficina del FIDA en Salvador tiene un rol fundamental en la movilización de la cofinanciación aportada por otros asociados y en la ampliación de escala de las intervenciones. Su labor fue decisiva en la determinación del proyecto y la colaboración con el BID. El apoyo de esta oficina en el diseño, la supervisión y la ejecución será clave para la eficacia del proyecto, al igual que lo será el apoyo del Proyecto a favor del Semiárido.

II. Descripción del proyecto

A. Objetivos, zona geográfica de intervención y grupos objetivo

24. El **objetivo general** del proyecto es mejorar los ingresos, la situación nutricional y la seguridad alimentaria, el acceso a los servicios básicos y la adaptación al cambio climático de la población rural, además de proteger la base de recursos naturales de la región. Los **objetivos específicos** son los siguientes: i) aumentar la adopción de tecnologías agrícolas, con énfasis en las tecnologías para la adaptación al cambio climático, dando prioridad a las mujeres, la gente joven y los pueblos y las comunidades tradicionales; ii) mejorar la integración de los productores en las cadenas de valor, especialmente las mujeres, la gente joven y los pueblos y las comunidades tradicionales; iii) mejorar las condiciones ambientales para las familias rurales y sus entornos, y iv) mejorar el acceso al suministro de agua potable y los sistemas de tratamiento de las aguas residuales en las comunidades rurales.
25. El grupo objetivo del Proyecto Parceiros da Mata serán los hogares de los pequeños productores que viven en situación de pobreza y pobreza extrema. El proyecto beneficiará de forma directa a 88 000 hogares (alrededor de 352 000 personas) de las comunidades rurales. El 50 % de los hogares beneficiarios estarán encabezados por mujeres y el 30 %, por personas jóvenes, y al menos el 5 % pertenecerán a comunidades tradicionales.
26. **Focalización geográfica.** La zona del proyecto abarcará ámbitos rurales de 77 municipalidades en cuatro territorios del bosque atlántico del Estado de Bahía, a saber: Baixo Sul, Litoral Sul, Médio Rio das Contas y Vale do Jiquiriçá. Se dio prioridad a estas municipalidades porque tienen un bajo índice de desarrollo humano, escasos servicios de suministro de agua y saneamiento, una productividad agrícola magra, poco acceso a servicios de asistencia técnica y procesos de degradación ambiental.
27. **Focalización social.** La población objetivo abarca a agricultores familiares pobres y otras poblaciones pobres de las zonas rurales, y se dará prioridad a las mujeres, la gente joven, las comunidades tradicionales, y las personas LGBTQIAPN+ (lesbianas, gais, bisexuales, transgénero, *queer*, intersexuales, asexuales, agénero, pansexuales, no binarias y otras) de las comunidades rurales prioritarias. Se utilizará una combinación de métodos de focalización directa y autofocalización para asegurar una intensa participación e inclusión social de los grupos objetivo. Las actividades específicas para cada grupo objetivo se complementarán con criterios de selección claros, cuotas y el fomento de la capacidad y la sensibilización para garantizar la participación de los grupos más vulnerables.

B. Componentes, efectos directos y actividades

Componente 1: Sistemas de producción resilientes, recuperación ambiental y fomento de la capacidad

28. Este componente financiará los planes para mejorar la producción y la comercialización, restaurar las zonas degradadas, fortalecer la capacidad de las familias y sus organizaciones, y prestar asistencia técnica. Comprenderá la formulación de planes comunitarios de desarrollo sostenible para los grupos de comunidades rurales contiguas, centrándose en los grupos objetivo y sobre la base de un diagnóstico participativo. Cada uno de estos planes incluirá un plan de desarrollo productivo a fin de financiar los insumos, las herramientas y el equipo que posibiliten la adopción de tecnologías para mejorar la seguridad alimentaria y la producción sostenible, ayudar a reducir la deforestación y facilitar la adaptación al cambio climático. Asimismo, incluirá un plan de fortalecimiento sociocultural que financiará la capacitación y los equipos para reforzar las capacidades de las mujeres, la gente joven y las organizaciones comunitarias, además de fomentar la inclusión de los grupos prioritarios en las actividades del proyecto. Este componente también comprenderá iniciativas relacionadas con el pago por los servicios ambientales, la regularización ambiental y de la tierra, y la formulación de planes de negocio para las cooperativas y otras organizaciones económicas en los territorios seleccionados, con objeto de agregar valor a los productos y mejorar la comercialización mediante la financiación de inversiones y de asistencia técnica especializada.

Componente 2: Seguridad hídrica y saneamiento rural

29. Este componente financiará obras en pequeña escala en las comunidades rurales, a saber: i) estructuras para mejorar el acceso al suministro de agua potable, como, por ejemplo, cisternas domésticas para el agua de lluvia y redes comunitarias vinculadas a los hogares; ii) sistemas de tratamiento de efluentes y aguas grises, y iii) módulos de saneamiento en los hogares que incluyan tanto inodoros como lavaderos. También proporcionará apoyo técnico y equipos para el diseño y la ejecución de una iniciativa piloto de gestión de residuos sólidos en el medio rural, basada en la clasificación y el tratamiento adecuado de los desechos, en coordinación con las autoridades municipales y las organizaciones comunitarias, tales como cooperativas de clasificación de desechos y organizaciones integradas por varias comunidades.

Componente 3: Fortalecimiento institucional y gestión de los conocimientos

30. Este componente fortalecerá las principales instituciones públicas de desarrollo rural, los proveedores de asistencia técnica contratados y las organizaciones de beneficiarios. Los planes de fomento de la capacidad incluirán capacitación y mejoras en los sistemas de información, equipos y vehículos. Este componente brindará apoyo al establecimiento de sistemas de gestión del agua compuestos por varias comunidades para garantizar la sostenibilidad de las intervenciones en el marco del componente 2. Además, respaldará la gestión de los conocimientos y la cooperación Sur-Sur y triangular, lo cual comprenderá rutas de aprendizaje y un programa orientado a las personas jóvenes de las zonas rurales. Asimismo, incluirá actividades de SyE que reforzarán la gestión del proyecto basada en los resultados.
31. **Gestión del proyecto.** Este aspecto comprenderá: i) la administración y gestión del proyecto; ii) la labor de SyE, y iii) la realización de auditorías.

C. Teoría del cambio

32. El proyecto procura mejorar los ingresos, la situación nutricional y la seguridad alimentaria, el acceso a los servicios básicos y la resiliencia al clima de la población rural pobre, además de proteger la base de recursos naturales de la región. Fortalecerá la resiliencia de los productores rurales y abordará las causas profundas de la pobreza y la malnutrición. Asimismo, atenderá las desigualdades de género y la exclusión social, y procurará empoderar a las mujeres, las personas jóvenes, los pueblos y las comunidades tradicionales y la comunidad LGBTQIAPN+.

33. En la actualidad, los sistemas de producción se caracterizan por una baja productividad, la falta de diversificación y la creciente degradación del bosque atlántico, especialmente debido a la deforestación y los elevados niveles de vulnerabilidad al cambio climático. También presentan varios problemas de inclusión social, generacional y racial, lo cual conduce a la perpetuación de la pobreza, la vulnerabilidad, la inseguridad alimentaria y la malnutrición. Los productores familiares tienen pocas posibilidades de acceder a tecnologías adaptadas, servicios y mercados que se orienten al fomento tanto de la producción sostenible de alimentos de forma y como de oportunidades de empleo. Para hacer frente a estos desafíos, el proyecto se desarrollará en torno a tres componentes que permitirán la obtención de los resultados previstos y ayudarán a alcanzar el objetivo planteado.
34. Por medio del componente 1, los hogares rurales y las organizaciones de productores mejorarán sus sistemas de producción de alimentos y su situación nutricional al aumentar la adopción de tecnologías para hacer frente al cambio climático. Este componente integrará a los productores a las cadenas de valor brindándoles acceso a nuevos mercados e incrementando sus ventas, y garantizará que las familias rurales y sus comunidades disfruten de mejores condiciones ambientales. Esto se logrará mediante lo siguiente: la inversión en las comunidades y las organizaciones de productores a través de planes de desarrollo territorial orientados a diversificar los sistemas de producción y hacerlos más resilientes para posibilitar la producción de alimentos nutritivos, mejorar la gestión sostenible de los recursos naturales, y aumentar los ingresos; la obtención de inversiones en mejoras o adaptaciones con unidades cooperativas por medio de planes de negocio para mejorar la comercialización de los productos agroecológicos de las explotaciones agrícolas familiares; el apoyo a la regularización ambiental y de la tierra, en particular en beneficio de las comunidades *quilombola*, y la promoción de iniciativas relacionadas con el pago por los servicios ambientales para contribuir a la conservación y la reforestación del bosque atlántico.
35. El componente 2 permitirá que las familias y las comunidades rurales tengan un mayor acceso al suministro de agua y al saneamiento a través de tecnologías sociales. Este objetivo se logrará garantizando las inversiones en soluciones colectivas para el acceso al suministro de agua y al saneamiento de los hogares, lo cual incluye la gestión entre varias comunidades, y promoviendo la inversión en tecnologías sociales para recoger y almacenar agua de lluvia destinada al consumo humano y la producción.
36. Por medio del componente 3, el Proyecto Parceiros da Mata prestará apoyo a la capacitación y la generación de conocimientos como pilar principal de la sostenibilidad de las inversiones.

D. Armonización, sentido de apropiación y asociaciones

37. Los objetivos del proyecto se ajustan al principio de la Agenda 2030 de no dejar a nadie atrás y, en particular, a los siguientes ODS: 1 (fin de la pobreza), 2 (hambre cero y agricultura sostenible), 5 (igualdad de género), 6 (agua limpia y saneamiento), 7 (energía asequible y no contaminante), 10 (reducción de las desigualdades), 12 (producción y consumo responsables), 13 (acción por el clima), y 15 (vida de ecosistemas terrestres).
38. Además, contribuirá a cinco temas transversales de la Duodécima Reposición de los Recursos del FIDA (FIDA12) y a los objetivos estratégicos del Marco Estratégico del FIDA para 2016-2025, a saber: objetivo estratégico 1 (aumento de la producción), objetivo estratégico 2 (aumento de la participación en los mercados), y objetivo estratégico 3 (aumento de la resiliencia al cambio climático). También contribuirá a los objetivos estratégicos del programa sobre oportunidades estratégicas nacionales (COSOP) para el Brasil para el período 2016-2022, y al nuevo COSOP que se encuentra en las últimas etapas de elaboración, a saber: i) mejorar la producción agrícola sostenible, la seguridad alimentaria, la situación nutricional y el acceso a

los mercados, con énfasis en la sostenibilidad ambiental y la protección de los bienes públicos mundiales; ii) fortalecer las políticas y los programas públicos mediante ajustes basados en información empírica y la ampliación de escala de las mejores prácticas, y iii) reforzar las capacidades de las instituciones gubernamentales y las organizaciones de la población rural pobre para impulsar el desarrollo rural sostenible, salvaguardando al mismo tiempo los bienes públicos mundiales.

39. El proyecto concuerda plenamente con las políticas de desarrollo rural del Estado de Bahía, en particular su Plan Plurianual para 2020-2023 y el Plan Integrado de Desarrollo de Bahía 2035. Asimismo, se ajusta a varias políticas y programas nacionales para el desarrollo rural sostenible, tales como: la contribución determinada a nivel nacional; la Estrategia Nacional de Adaptación y el Plan Nacional de Adaptación al Cambio Climático; el Plan Nacional de Seguridad Hídrica; el Programa Nacional de Saneamiento Rural; la Política Nacional de Asistencia Técnica y Extensión Rural para la Agricultura Familiar y de Reforma Agraria; el Programa de Adquisición de Alimentos; el Programa Nacional de Alimentación Escolar, y el programa de crédito rural para la agricultura familiar. Es coherente con la Política Nacional de Desarrollo Sostenible de los Pueblos y las Comunidades Tradicionales y el Plan Nacional de Promoción de la Ciudadanía y los Derechos Humanos de las Personas LGBTQIAPN+. También se armonizará con la Política Nacional de Agroecología y Producción Orgánica que está elaborando el Gobierno Federal con el apoyo del FIDA.

E. Costos, beneficios y financiación

Costos del proyecto

40. El costo total del proyecto será de USD 150 millones, de los cuales USD 100 millones (el 66,7 %) se financiarán con un préstamo del BID, USD 18 millones (el 12,0 %), con un préstamo del FIDA y USD 32 millones (el 21,3 %), mediante la contribución de contrapartida del Estado de Bahía. Además, los beneficiarios aportarán alrededor de USD 15 millones, monto que de conformidad con la práctica estándar del BID no se ha incluido en el total de costos, pero que quedará sujeto a seguimiento por parte de la Unidad de Gestión del Proyecto (UGP) y del cual el FIDA dará cuenta durante las supervisiones. El Gobierno Federal proporcionará su garantía soberana para la operación.
41. El proyecto será financiado de forma proporcional por el FIDA, el BID y el Estado de Bahía en todos los componentes, con plena participación y visibilidad del Fondo. La financiación de contrapartida del Estado de Bahía será en efectivo.

Cuadro 1

Costos del proyecto desglosados por componente y entidad financiadora

(en miles de dólares de los Estados Unidos)

Componente	Estado de Bahía		Préstamo del FIDA		Préstamo del BID		Total	
	Monto	%	Monto	%	Monto	%	Monto	%
1. Sistemas de producción resilientes, recuperación ambiental y fomento de la capacidad	18 000	56	10 100	56	56 000	56	84 100	56
2. Seguridad hídrica y saneamiento rural	7 900	25	4 400	25	24 600	25	36 900	25
3. Fortalecimiento institucional y gestión de los conocimientos	3 000	9	1 700	9	9 500	9	14 200	9
Gestión del proyecto	3 100	10	1 800	10	9 900	10	14 800	10
Total	32 000	100	18 000	100	100 000	100	150 000	100

Cuadro 2

Costos del proyecto, desglosados por componente y año del proyecto

(en miles de dólares de los Estados Unidos)

Componente	Primer año	Segundo año	Tercer año	Cuarto año	Quinto año	Sexto año	Total
	Monto	Monto	Monto	Monto	Monto	Monto	Monto
1. Sistemas de producción resilientes, recuperación ambiental y fomento de la capacidad	3 900	9 700	15 800	20 600	20 800	13 300	84 100
2. Seguridad hídrica y saneamiento rural	1 700	4 200	6 900	9 100	9 100	5 900	36 900
3. Fortalecimiento institucional y gestión de los conocimientos	700	1 600	2 700	3 500	3 500	2 200	14 200
Gestión del proyecto	700	1 700	2 800	3 600	3 700	2 300	14 800
Total	7 000	17 200	28 200	36 800	37 100	23 700	150 000

Estrategia y plan de financiación y cofinanciación

42. Conforme a las políticas del BID, el cuadro de asignaciones está desglosado por componente. A fin de simplificar las disposiciones para la ejecución, el control de los presupuestos y los requisitos de presentación de información financiera, el cuadro de asignaciones que figura en el convenio de financiación del FIDA se desglosará por componente y no por categoría. Por lo tanto, no se incluye el cuadro sobre los costos del proyecto desglosados por categoría de gasto y entidad financiadora.

Desembolsos

43. El Estado de Bahía abrirá una cuenta designada en dólares de los Estados Unidos, que se utilizará exclusivamente para los recursos que proporcione el FIDA. Los fondos se transferirán en la moneda local de la cuenta designada a las cuentas operacionales del Estado de Bahía. En el caso de los componentes cofinanciados por el BID y el FIDA se aplicará la cláusula *pari passu*.
44. El proyecto utilizará los modelos y los procedimientos del BID para presentar las justificaciones de gastos y las solicitudes de desembolso de los adelantos, que coinciden con los procedimientos de desembolso del FIDA. Las solicitudes de retiro de fondos (justificaciones de gastos y solicitudes de desembolso de adelantos) se presentarán al BID para su examen y al mismo tiempo al FIDA a través del Portal de los Clientes de este. El BID las examinará para garantizar que se respeten las disposiciones del convenio de financiación del FIDA y le confirmará por escrito a este si se han cumplido las condiciones para el desembolso a fin de proceder con el pago.

Resumen de los beneficios y análisis económico

45. El análisis de la relación costo-beneficio evalúa los beneficios del préstamo, como el aumento de los ingresos agrícolas, la reducción de los costos y las ventajas vinculadas a la mejora del acceso al suministro de agua y el saneamiento. Los resultados confirman la viabilidad económica del proyecto, con un valor actual neto de USD 32 millones y una tasa interna de rendimiento del 18 % en un plazo de 20 años.

Estrategia de salida y sostenibilidad

46. Como parte de la gestión del proyecto se aplicará una estrategia de salida orientada a la sostenibilidad de las intervenciones, a lo cual contribuirán varios factores, a saber: i) el intenso programa de capacitación para los beneficiarios y los equipos de asistencia técnica; ii) la difusión de prácticas agroecológicas adaptadas al contexto y el mayor acceso a los mercados; iii) las asociaciones con la sociedad civil y las organizaciones de productores; iv) el fortalecimiento de las instituciones, y v) la divulgación de experiencias por medio de actividades de gestión de los conocimientos y cooperación Sur-Sur y triangular.
47. Además, el enfoque territorial garantizará que las actividades se integren a la dinámica de los Territorios de Identidad, posibilitando la complementariedad entre diferentes proyectos, programas y políticas ejecutados en esos territorios por el Gobierno de Bahía. El proyecto también apoyará la creación de sistemas de saneamiento comunitarios, con la participación directa de los beneficiarios en su gestión, mantenimiento y funcionamiento.

III. Gestión de riesgos

A. Riesgos y medidas de mitigación

48. La matriz integrada de riesgos del proyecto se preparó según las directrices del FIDA. El riesgo inherente general del proyecto se considera moderado, al igual que el riesgo residual.

Cuadro 3

Calificación general de los riesgos

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

B. Categoría ambiental y social

49. El FIDA realizó un análisis comparando el Marco de Política Ambiental y Social (MPAS) del BID con los Procedimientos del FIDA para la Evaluación Social, Ambiental y Climática (PESAC) de 2021. Ese análisis confirmó que los compromisos del FIDA en materia social, ambiental y sobre el cambio climático se cumplirán correctamente aplicando el MPAS del BID. Con arreglo al MPAS, se asigna al proyecto la categoría B en relación con su impacto ambiental y social, porque las actividades previstas pueden generar efectos ambientales y sociales moderados y, en el mediano plazo, negativos, que son reversibles mediante la aplicación de las medidas de mitigación disponibles. Se prevé realizar un seguimiento y una verificación adecuados del cumplimiento de las salvaguardias durante el transcurso del proyecto.

C. Clasificación del riesgo climático

50. En función del impacto de las inundaciones y las sequías en las obras y actividades del proyecto, el riesgo de desastres y relativo al cambio climático se considera moderado. Se han determinado las medidas para mitigar los riesgos, y el proyecto incluirá un análisis de los riesgos climáticos y de desastres.

D. Sostenibilidad de la deuda

51. En 2023, la deuda del Estado de Bahía se clasificó en la categoría "A" en relación con su capacidad de pago, ya que el coeficiente de endeudamiento era del 51,55 %. Además, la calificación de la Secretaría del Tesoro Nacional del Ministerio de Economía, que abarca el endeudamiento, los ahorros actuales y la liquidez, permite al Estado acceder a una garantía soberana del Gobierno Federal del Brasil. El préstamo estará garantizado por el Gobierno Federal del Brasil.

IV. Ejecución

A. Marco organizativo

Gestión y coordinación del proyecto

52. El organismo de ejecución será la Secretaría de Desarrollo Rural (SDR) del Gobierno de Bahía, que firmará un acuerdo subsidiario con la Compañía de Desarrollo y Acción Regional (CAR). Esta última será responsable de la gestión técnica y fiduciaria del proyecto y creará una UGP dentro de su estructura. La CAR es una empresa pública vinculada a la SDR, que tiene amplia experiencia en la ejecución de proyectos financiados por organizaciones internacionales y ha gestionado tres proyectos anteriores financiados por el FIDA.

Gestión financiera, adquisiciones y contrataciones y gobernanza

53. **Gestión financiera.** El equipo financiero de la UGP establecido en el seno de la CAR se encargará de la gestión financiera del proyecto. El BID será nombrado institución cooperante y se encargará de gestionar y supervisar la ejecución de la financiación del FIDA, con arreglo a un acuerdo de cooperación entre el Fondo y el BID que incluye los detalles de las disposiciones de supervisión —por ejemplo, misiones, informes financieros y auditorías—, con una organización similar a la utilizada en el Proyecto de Desarrollo Inclusivo y Sostenible de Piauí aprobado anteriormente. Para simplificar las disposiciones de ejecución, el FIDA aceptará la aplicación de las políticas y los procedimientos financieros del BID, que el Fondo ha examinado para confirmar que se ajusten a sus requisitos fiduciarios. De conformidad con las Condiciones Generales para la Financiación del Desarrollo Agrícola del FIDA, este mantendrá el requisito de retener los registros relativos a la ejecución por un período mínimo de 10 años, aunque el período de retención requerido en virtud de las condiciones del BID es de 3 años.
54. **Financiación retroactiva.** Como excepción a lo dispuesto en la Sección 4.07 a) ii) de las Condiciones Generales para la Financiación del Desarrollo Agrícola, se considerarán admisibles los gastos hasta un importe equivalente a USD 700 000 en que se incurra después del 24 de enero de 2024 —fecha de la aprobación del Grupo de Garantía de Calidad— para las actividades relacionadas con los servicios de consultoría para los estudios y diagnósticos, los salarios y las prestaciones del personal de la UGP y los costos de funcionamiento necesarios, incluida la compra de equipo informático. El prestatario podrá solicitar el reembolso de esos gastos una vez que se hayan cumplido las condiciones previas para los retiros de fondos.

55. **Auditoría externa.** De conformidad con el Instructivo de Informes Financieros Auditados y Gestión de Auditoría Externa del BID, el proyecto presentará estados financieros auditados preparados con arreglo a marcos de información con fines específicos, sobre la base de las Normas Internacionales de Contabilidad del Sector Público y auditados por el Tribunal de Cuentas del Estado de Bahía, en cumplimiento de las Normas Internacionales de Auditoría. El BID presentará los estados financieros auditados al FIDA dentro de los seis meses posteriores al cierre de cada ejercicio económico.
56. **Manual de ejecución del proyecto.** Las disposiciones relativas a la gestión financiera, las adquisiciones y contrataciones y la gobernanza se describen en el manual de ejecución del proyecto, y se basan en la Guía de Gestión Financiera para Proyectos Financiados por el BID (OP-273-12), las Políticas para la Adquisición de Bienes y Obras Financiadas por el Banco Interamericano de Desarrollo (GN-2349-15) y las Políticas para la Selección y Contratación de Consultores Financiados por el Banco Interamericano de Desarrollo (GN-2350-15). También se aprovechará la experiencia adquirida durante la ejecución del Proyecto a favor del Semiárido financiado por el FIDA, actualmente en curso.
57. En el plan de adquisiciones y contrataciones se determinarán las partidas sujetas a revisiones *ex ante* o *ex post* de las actividades de adquisición y contratación y se requerirá la declaración de conformidad del FIDA. Según el análisis comparativo de las directrices y los procedimientos del BID, este aplicará los siguientes procedimientos del FIDA: i) la autocertificación de los contratistas y consultores en todos los documentos de licitación y contratos, de conformidad con la Política del FIDA en materia de Prevención del Fraude y la Corrupción en sus Actividades y Operaciones y su Política sobre Prevención y Respuesta frente al Acoso Sexual y la Explotación y los Abusos Sexuales, y ii) el uso de la herramienta de seguimiento de los contratos del Fondo, para registrar los contratos firmados y actualizar su estado.

Participación y observaciones de los grupos objetivo y resolución de reclamaciones

58. El diseño del proyecto comprendió una consulta pública híbrida con múltiples partes interesadas, habitantes de la zona del proyecto y posibles asociados en la ejecución, entre ellos, la Secretaría de Medio Ambiente del Estado de Bahía.

Resolución de reclamaciones

59. Se adoptará el mecanismo de resolución de reclamaciones del BID en consonancia con su Marco de Gestión Ambiental y Social, que incluye un mecanismo específico que se establecerá durante las consultas y se mantendrá durante la ejecución del proyecto.

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

60. El sistema de planificación y SyE del proyecto se ajusta a su marco lógico. A fin de ceñirse a los criterios para la incorporación de los temas transversales del FIDA, el marco lógico incluye varios indicadores básicos del Fondo relativos al alcance, el número de personas con nuevos empleos u oportunidades laborales, el porcentaje de mujeres que notifican tener una diversidad alimentaria mínima, los hogares que reciben apoyo específico para mejorar su nutrición, las toneladas de equivalente de dióxido de carbono evitadas o secuestradas, y el indicador de empoderamiento del FIDA, entre otros. En el marco del proyecto se realizarán estudios de referencia, a mitad de período y sobre el impacto.

Innovación y ampliación de escala

61. El Proyecto Parceiros da Mata es una iniciativa colaborativa del FIDA y el BID en respuesta al pedido del Gobierno del Estado de Bahía para ampliar la escala del Proyecto a favor del Semiárido, uno de los proyectos del FIDA con mejores resultados en todo el mundo que se encuentra en fase de ejecución.
62. El proyecto transferirá y ampliará la escala del enfoque de desarrollo agrícola sostenible de la región semiárida al bosque atlántico, recurriendo para ello a las organizaciones rurales. También introducirá innovaciones, como, por ejemplo, el pago por servicios ambientales y la gestión de residuos sólidos.
63. El proyecto ampliará la escala de aspectos relacionados con los temas transversales y la transformación sostenible e inclusiva, ámbitos en los que el FIDA goza de reconocimiento. La ventaja comparativa del Fondo radica en la inversión en las comunidades rurales pobres siguiendo enfoques diferenciados para las personas jóvenes, las mujeres, las comunidades *quilombola* y los Pueblos Indígenas. En la reducción de la pobreza rural ha resultado eficaz el enfoque de la inversión participativa en las comunidades y en las organizaciones de productores rurales, acompañado del fomento de la capacidad y la asistencia técnica en relación con las prácticas agroecológicas resilientes, la gestión sostenible de los recursos naturales, la agregación de valor y el acceso a los mercados. Las inversiones del FIDA en las tecnologías sociales de eficacia demostrada para el acceso al suministro de agua, el saneamiento y las energías renovables se ajustan a las condiciones de las comunidades vulnerables.

C. Planes para la ejecución

Preparación para la ejecución y planes para la puesta en marcha

64. El Proyecto a favor del Semiárido incrementó considerablemente la preparación del Estado de Bahía para la ejecución del Proyecto Parceiros da Mata, lo que permitirá una puesta en marcha rápida y sin contratiempos. Además, el BID y el FIDA prepararán una misión de puesta en marcha y proporcionarán financiación retroactiva para apoyar el proceso.

Supervisión, examen de mitad de período y planes de finalización

65. El FIDA dará participación al BID como institución cooperante del proyecto por medio de un acuerdo de cooperación entre ambas instituciones. En virtud del acuerdo, el BID se coordinará con el FIDA para avanzar en la formulación de los planes de supervisión y otras misiones. La participación del FIDA en las misiones de supervisión, examen de mitad de período y finalización abarcará temas basados en las necesidades del proyecto en coordinación con el BID, y podrá centrarse en la focalización, los temas transversales del Fondo (género, juventud, nutrición y cambio climático), las adquisiciones y contrataciones, el proceso de SyE, la gestión de los conocimientos y las disposiciones fiduciarias.

V. Instrumentos jurídicos y facultades

66. Un convenio de financiación entre el estado de Bahía de la República Federativa del Brasil y el FIDA y un convenio de garantía entre la República Federativa del Brasil y el FIDA constituyen los instrumentos jurídicos para la concesión de la financiación propuesta al prestatario. Se adjunta como apéndice I una copia de los convenios negociados.
67. El Estado de Bahía está facultado por su legislación para recibir financiación del FIDA.

68. 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

69. 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 ordinarias al Estado de Bahía con garantía soberana de la República Federativa del Brasil por un monto de dieciocho millones de dólares de los Estados Unidos (USD 18 000 000) conforme a unos términos y condiciones que se ajusten sustancialmente a los presentados en este informe.

Álvaro Lario
Presidente

Negotiated financing agreement

Sustainable Atlantic Rainforest Development Project (Parceiros da Mata)

(Negotiations concluded on 16 May 2024)

Loan No: _____

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

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

and

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

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

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

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

Section A

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

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

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

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

Section B

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

Section C

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

Section D

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

Section E

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

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

For the Borrower:

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

Copy to:

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

Secretaria da Fazenda 2a Avenida, Centro Administrativo da Bahia 260
 Centro Administrativo da Bahia
 Salvador Bahia CEP.: 41.745-003
 email: apoioqasecsefaz@sefaz.ba.gov.br

For the Lead Project Agency:

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

For the Fund:

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

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

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

THE STATE OF BAHIA

 "[Authorised Representative Name]"
 "[Authorised Representative title]"

Date: _____

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

 Alvaro Lario
 President

Date: _____

Schedule 1

Project Description and Implementation Arrangements

I. Project Description

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

2. *Project area.* The Project area will cover 77 municipalities in four territories in the Atlantic Rainforest of Bahia State: Baixo Sul, Litoral Sul, Médio Rio das Contas, and Vale do Jiquiriçá (the "Project Area"). Its total area is 42,695 km², and its population is 1.8 million, of which 30% are rural. Beneficiary communities will be selected based on technical indicators to be included in the Project Implementation Manual (PIM), such as high levels of poverty and vulnerability to climate change, food and nutrition insecurity, and a low HDI.

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

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

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

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

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

5.2 Component 2. Water security and rural sanitation

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

5.3 Component 3. Institutional strengthening and knowledge management

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

II. Implementation Arrangements

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

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

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

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

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

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

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

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

Schedule 2

Allocation Table

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

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

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

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

2. *Disbursement arrangements*

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

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

Schedule 3

Special Covenants

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

Negotiated financing agreement

Sustainable Atlantic Rainforest Development Project (Parceiros da Mata)

(Negotiations concluded on 16 May 2024)

GUARANTEE AGREEMENT

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

WHEREAS:

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

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

THE PARTIES agree the following:

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

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

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

For IFAD:

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

For the Guarantor:

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

Copy to:

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

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

FEDERATIVE REPUBLIC OF BRAZIL

INTERNATIONAL FUND FOR AGRICULTURAL
DEVELOPMENT (IFAD)

[Name]
[Position]

Alvaro Lario
President

Date: _____

Date: _____

Logical framework

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

Females- Females	0	3520	8800			
Males- Percentage (%)	0	33	33			
Males- Males	0	1760	4400			
1.2.2 Households reporting adoption of new/improved inputs, technologies or practices				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm
Total number of household members - Number of people	0	49280	123200			
Households- Percentage (%)	0	40	40			
Households- Households	0	14080	35200			
1.2.8 Women reporting minimum dietary diversity (MDDW)				Impact Survey	Baseline, Mid-Term and End of Project	Consultancy firm
Women (%) - Percentage (%)	0	50	50			
Women (number) - Females	0	3520	8800			
Households (%) - Percentage (%)	0	20	20			
Households (number) - Households	0	7040	17600			
Household members - Number of people	0	28160	70400			
Women-headed households- Households						
2.2.1 Persons with new jobs/employment opportunities				Impact Survey	Baseline, Mid-Term, and End of Project	Consultancy firm
Males- Males	0	40	100			
Females- Females	0	40	100			
Young - Young people	0	60	150			
Total number of persons with new jobs/employment opportunities - Number of people	0	80	200			
3.2.1 Tons of Greenhouse gas emissions (tCO2e) avoided and/or sequestered				Impact Survey - Carbon-Balance Tool (EX-ACT)	Baseline, Mid-term and End of Project	External consultant
Hectares of land - Area (ha)	0	0	20074			
tCO2e/20 years- Number	0	0	- 749637			

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

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

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

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

Integrated project risk matrix

Overall Summary

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

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

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

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

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

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

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

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

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

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

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

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

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

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