

Schedule 1

Project Description

1.1. *Strategic approach, target group and participating countries.*

- 1.1.1 In spite of its status as a middle income country (MIC) and the progress made in reducing poverty, Brazil continues to have a large number of poor people and is characterized by great inequalities. There are still more than 18 million people living below the poverty line and more than 8 million live in extreme poverty. The North and Northeast regions remain the poorest and concentrate 5 million of those living in extreme poverty, 46% of which belong to households in rural areas. The territories having the highest rates of rural extreme poverty are predominantly in the Northeast region, in particular the western areas of Maranhão and the area between southern Piauí and northwestern Bahia. The adverse economic context in 2014 and 2015, which is expected to last until 2017, may make it difficult to maintain the positive trend of reduction in poverty and inequality.
- 1.1.2 Although the federal Government is the major financier of policies and programmes to combat rural poverty in Brazil, IFAD has a longstanding presence in implementing operations in the northeastern states where rural poverty is concentrated. In this region of the country people inhabit a semi-arid environment where IFAD has carried out a number of successful interventions that have been well received by the Northeastern states concerned (Bahia, Ceará, Paraíba, Piauí and Sergipe) and by the federal Government (through the Dom Helder Camara I and II projects in seven states of the Northeast). IFAD's target group includes landless families and family farmers with limited land area, soils of lower fertility, usually located far from the largest markets, and with limited access to technical assistance and financial services. Traditional populations (indigenous, extractivists, afrodescendants or quilombolas) have the highest levels of poverty, and women and young people are the most vulnerable.
- 1.1.3 In the semiarid Northeast, where IFAD has concentrated its operations, although poor family farmers can benefit from several federal programmes, they frequently have difficulties to access them due to lack of information, complicated procedures, insufficient technical assistance, and weak capacities of state and municipal governments, including in M&E.
- 1.1.4 The need for and relevance of implementing a cross-cutting programme to complement projects supported with loan operations is clearly indicated as a strategic orientation of the newly approved COSOP (2016-2021), where the country strategy responds to both the 2015 Annual Report on Results and Impact of IFAD Operations (ARRI) and the Country Programme Evaluation (CPE) recommendations to strengthen M&E systems and to enhance non-lending activities, such as knowledge management (KM), south-south cooperation (SSC) and Rome-based agencies (RBAs) cooperation. This orientation is also based on the following elements: (i) the positive impact of the Knowledge Management in Semi-Arid Areas of North-east Brazil (SEMEAR) programme, which will close at end-2016, in disseminating rural development best practices through knowledge management in the semiarid Northeast; (ii) the need for the IFAD country programme to receive operational strengthening for M&E given the complexity of its scope, significant portfolio growth and expansion into new regions in the Northeast region; (iii) the need to share IFAD and non-IFAD experience within and beyond Brazil for the scaling up of successful innovations in combatting rural poverty; and (iv) the opportunity to leverage the experience of IFAD projects in public policy dialogue and South-South Cooperation (SSC) in a large MIC like Brazil, that prioritizes both such areas, particularly policy engagement with family farming and SSC with Africa.
- 1.1.5 The programme will also make an important contribution to strengthening and improving the quality of IFAD interventions in Brazil. IFAD projects will both serve as the main source of inputs for the programme and be its primary beneficiaries, together with the States concerned, where solid and sustainable capacities will be built to enhance a culture of results-driven management also in public investments, aimed at the creation of sustainable public goods.

- 1.1.6 The planned implementation period will coincide with the first half of the implementation period of the Brazil COSOP, when eight loan-funded projects will be under execution in the country's Northeast region by 2017 – six already in operation and two under design.
- 1.1.7 The programme will operate in one of the thematic areas prioritized for grants in 2016: improving results measurement with better developed M&E systems, and be aligned to the Thematic Cluster III of the 2016-2018 MTP: Better results measurement through improved M&E systems, supporting impact assessment initiatives, closing data gaps and strengthening country/regional capacities in collection and management of improved data on issues relevant to IFAD mandate.
- 1.1.8 Moreover, two of the three components – knowledge management and communication on successful innovations in semi-arid zones, and public policy dialogue to promote the scaling up of innovations identified – clearly contribute directly to achieving the objectives set forth in the IFAD Strategic Framework 2016-2025: (i) increase poor rural people's productive capacities; (ii) increase poor rural people's market participation; and (iii) strengthen the environmental sustainability and climate change resilience of poor rural people's economic activities.
- 1.1.9 The programme will focus on IFAD's intervention in the poorer rural areas of Northeast Brazil. The target group comprises 17,800 people, including: 2,400 family farmers; 200 technicians; 100 public managers and authorities; 100 researchers and university staff, who would be the direct beneficiaries; and another 15,000 family farmers, technicians, public managers and authorities through the South-South Cooperation component and who would access the programme products digitally.

1.2. *Goal.* The overall goal of this initiative is to increase the impact and efficiency of programmes and policies combating rural poverty in the Northeast of Brazil, managed by the Brazilian authorities including through IFAD-funded projects, by building institutional capacities among government agencies in monitoring and evaluating results.

1.3. *Objectives.* (1) To develop and strengthen results-based monitoring and evaluation systems (M&E) and knowledge management in state government agencies responsible for the implementation of rural development, family farming and rural poverty reduction policies and programmes. (2) To build the capacities of state governments and civil society organizations for M&E, knowledge management, policy making and results-oriented implementation. (3) To share knowledge on innovative practices carried out by rural development and rural poverty reduction policies and programmes. (4) To facilitate policy dialogue focused on innovative best practices including, but not limited to those of IFAD projects, with a view to scaling up

The programme is expected to have the following outcomes: (i) leave a legacy of a single shared M&E system for all IFAD projects in the country up and running; (ii) generate sustainable public goods by involving state authorities in developing their own M&E systems and contribute to building capacity among technical teams for carrying out M&E activities for public policy instruments addressed to family farmers, and among family farmers for self-assessment; (iii) disseminate quality information to family farmers in the states concerned on successful cases developed with support from IFAD projects and other public policy instruments; (iv) facilitate public policy dialogue among state authorities, the federal Government, IFAD project directors, family farmers' organizations and civil society organizations; (v) identify and facilitate opportunities for effective exchanges of knowledge among family farmers in Brazil, with their peers in Latin America and the Caribbean and Africa, and South-South Cooperation between project directors and policymakers within and beyond the MERCOSUR region..

1.4. *Outputs.*

1.4.1 (i) M&E systems, measuring access to and impact of policies and programmes, operational in at least one of the relevant state secretariats/agencies in each of the nine states of the Northeast region, providing key information to decision-makers on results in order to identify and address problems promptly; (ii) Knowledge management systems operating in at least one of the state secretariats/agencies in each northeastern state, linked with the M&E system and oriented to specific studies on best practices that are identified as key in determining positive results of programmes and

policies; (iii) Other institutional work on management capacities, M&E and knowledge management as defined and structured to ensure sustainability after the end of the project (exit strategy).

1.4.2. (i) Enhanced capacities in M&E among managers and leaders at state government agencies dealing with rural development and family farming, including those responsible for IFAD projects; (ii) Enhanced capacities in M&E and management among leaders of rural civil society organizations.

1.4.3. Family farmers and rural civil society organizations informed and trained by exchanges and dialogue with other states and regions – and to a lesser extent with other countries – in innovative practices for agricultural production and better adaptation to the effects of climate changes, community initiatives and local public policies.

1.4.4. (i) Generate or facilitate policy coordination spaces to strengthen the harmonization of local development actors, such as the Forum of State Secretaries of Family Farming in the nine states in the Northeast and Minas Gerais, dealing with resilience strategies and production challenges in semi-arid areas and other regional biomes; (ii) Establish coordination mechanisms in M&E of rural development and poverty alleviation policies and programmes, scaling up experiences from state level and facilitating linkages with federal policy making; (iii) Introduce institutional innovations in public policies and programmes, including cooperation with the MERCOSUR sub-regional platform on policy making for family farming (REAF) and other South-South cooperation mechanisms.

1.5. *Activities.*

Component 1 – Design and strengthening of M&E systems. Activities: (1.1) Preparation and implementation of an M&E system in each selected state government agency, linked with the IFAD country portfolio M&E system, in the case of IFAD projects.

Component 2 – Knowledge management. (2.1) Design of knowledge management subsystems as a part of the broader M&E systems, including major actors, activities, procedures, etc.; (2.2) Identification of innovative best practices: the project will incorporate the information and databases on best practices generated by the SEMEAR knowledge management programme currently under implementation; (2.3) Analysis and systematization of best practices; (2.4) Dissemination of best practices and lessons learned addressed to different audiences at the regional, national and international levels, including a web platform in Portuguese, Spanish and English to facilitate access by international readers; (2.5) Exchanges and capacity-building initiatives, involving direct beneficiaries.

Component 3 Improvement of public policies – policy dialogue, coordination and scaling up of innovations. Activities: (3.1) Support regional events, such as the Forum of State Secretaries for Family Farming of Northeastern states and Minas Gerais, with the participation of managers from the federal Ministry of Agrarian Development and other relevant ministries such as the Ministry of Agriculture, Ministry of Social Development, Ministry of Environment, IFAD project coordinators, civil society groups, farmers organizations and other partners: the project will promote discussions based on systematizations and studies of best practices generated by the other project components to encourage scaling up; (3.2) Support regional events for consultation and dialogue with local and regional civil society organizations; (3.3) Facilitate the preparation/formulation of policy papers and other instruments focused on analysis and dissemination of knowledge generated by the adoption and scaling up of innovations in the regional and national context; (3.4) Promote exchanges and South-South cooperation, involving managers and regional and national leaders from priority ministries, IFAD projects, civil society groups and farmers' organizations. For these activities, the project will establish links with IFAD MERCOSUR and with other relevant regional programmes and partners.

1.6. *Lesson learning and knowledge management plan.* Using the collected information and the priority themes defined by experiences, lessons learned and innovations will be directly systematized, analysed and shared with the Forum of State Secretaries, IFAD projects, networks of organizations involved in the implementation of policies and networks formed around IFAD-supported projects. The Brazil country office will play an active role in this regard.

Schedule 2

Project Budget

2.1. *Overall Budget.* The overall budget for the Project shall be as follows:

Category of Expenditure	Amount (in USD)
I. Salaries and allowances	342 000
II. Consultancies	450 000
III. Travel and allowances	382 000
IV. Goods, services and inputs	400 000
V. Training (including capacity building)	693 000
VI. Workshops	48 000
VII. Overheads/management fees	185 000
TOTAL	2 500 000

2.2. *Authorized Reallocation.* Reallocation among Categories of Expenditures are authorized by the Fund provided that: (i) the reallocation does not affect the basic purpose of the Project operations; and that (ii) the budget changes do not exceed 10% of the total amount indicated in paragraph 2.1. above for each Category of Expenditure.