



**Organización de las Naciones Unidas  
para la Alimentación y la Agricultura**

### **Project Document**

Upon request from the Government of Nicaragua, represented by the Ministry of Foreign Relations, the Food and Agriculture Organization of the United Nations (FAO) will provide technical assistance for the following Project:

<b>Project Title</b>	CoRe - Corridor Resilient  Resilient, inclusive, and transformative recovery of small farmers, women, youth, and indigenous people in the Dry Corridor of Nicaragua
<b>Project Symbol</b>	GCP/NIC/057/GAF

Upon signature of this project document by duly authorized representatives of both parties, the project will be implemented in accordance with the provisions of the Framework Agreement signed between the Government of Nicaragua and FAO on June 15<sup>th</sup> 2020, as well as the project description and management arrangements described herein.

<b>On behalf of the Government</b> Ministry of Foreign Affairs, Nicaragua	<b>On behalf of the</b> Food and Agriculture Organization of the United Nations, Nicaragua
<b>Name:</b>	<b>Name:</b> Iván Felipe León Ayala
<b>Title</b>	<b>Title:</b> Representative FAO Nicaragua
<b>Date</b>	<b>Date:</b>

<b>Project Title</b>	Resilient, inclusive, and transformative recovery of small farmers, women, youth, and indigenous people in the Dry Corridor of Nicaragua
<b>Project symbol</b>	CoRe - Corridor Resilient
<b>Recipient Country</b>	Nicaragua
<b>Counterparts</b>	National Union of Farmers and Ranchers (UNAG, its acronym in Spanish)
<b>Expected EOD</b>	January 1 <sup>st</sup> 2024
<b>Expected NTE</b>	February 29 <sup>th</sup> 2028
<b>Contribution to FAO's Strategic Framework</b>	<p>In terms of FAO's <b>Country Program Framework (CPF) 2022 - 2026</b>, the project contributes to <b>Strategic Priority 1 "Resilient Production"</b>:</p> <p>CPF Outcome 1.2: i) links to CoRe Component 1 (UNAG and its producer organizations consolidate their management and governance capacity), activity 1.5. ii) To CoRe Component 2 (Farmers organized in cooperatives and/or associations affiliated to UNAG, produce in a sustainable and climate resilient manner), activities 2.1, 2.2, 2.6 and 2.7.</p> <p>CPF Outcome 1.3: i) linked to CoRe Component 1, activities 1.1, 1.2, 1.3 and 1.4. ii) CoRe Component 2, activities 2.3 and 2.5.</p> <p>CPF Outcome 1.4: links to CoRe component 3, activity 2.4.</p> <p>Likewise, the CoRe contributes to <b>Strategic Priority 2 "Rural Investments"</b>:</p> <p>CPF Outcome 2.2: links to CoRe component 3, activities 3.1, 3.2, 3.3, 3.4, 3.5 and 3.6.</p> <p>CPF Outcome 2.3: i) is linked to CoRe Component 1, activities 1.2, 1.3 and 1.4. ii) is linked to CoRe Component 3, activities 3.1, 3.2 and 3.4.</p> <p>It also contributes to <b>Strategic Priority 3 "Sustainable Ecosystem Management"</b>:</p> <p>CPF Outcome 3.3: i) links to CoRe component 1, activities 1.2, 1.3 and 1.4. ii) links to CoRe component 2, activities 2.1, 2.2, 2.3, 2.5 and 2.6.</p>
<b>Environmental and Social Risk Classification</b>	Low risk <b>Moderate risk x</b> High risk
<b>Total Budget</b>	USD 3,210,000

## Executive Summary

One of the main challenges for small producers in Nicaragua is difficult access to finance, which is a major constraint to business development, and in turn exacerbates the impacts of COVID-19 and climate change.

Inadequate access to relevant financial and capacity building services is hindering economic growth by undermining the adoption of newly available climate-smart technologies and limiting the development potential of MSMEs.

Financing possibilities for small producers are characterized by low and unequal access to credit, high intermediation costs, and low availability and appropriation of financial products. CoRe may be the only opportunity for many small producers, women, youth, and indigenous peoples in SC to gain access to financing, means of production, information, and markets. Project activities will be aimed at strengthening UNAG's capacity and will indirectly benefit more than 10,000 small producers living in Nicaragua's dry corridor (SC). There will be 4,369 direct beneficiaries, members of 192 producer organizations affiliated with UNAG, of which 43% are women, 27% are young people, and 13% are indigenous.

In August 2021, a consultation process was carried out with the potential beneficiaries of the project. Four workshops were held with community leaders and representatives of UNAG member organizations in each of the 14 municipalities identified. Ninety-eight (98) producers actively participated in the sessions, of which twenty (20) were women and thirty-seven (37) were young people. The participants reported having experienced in their communities a significant increase in cases of COVID-19 infection, as had not been seen since the pandemic officially began in the country, a year, and a half ago. They expressed fear, uncertainty, and precariousness, since, because of the pandemic, there has been an escalation in the increase of prices of production inputs, medicines, and food. Another effect of the pandemic and the global food and fertilizer price crisis is the drop in family incomes, which has stimulated the migration of thousands of young people from the northern region to other Central American countries, with the United States and Panama as the main destinations. In 2022, according to the producers participating in the project formulation workshops, there have been waves of migration, mainly of young people traveling alone, facing multiple dangers. Based on this process and the analysis of the context, the project proposes the following components: Component 1: UNAG and its producer organizations consolidate their management and governance capacity; Component 2: Farmers organized in cooperatives and/or associations affiliated to UNAG, produce in a sustainable and climate resilient manner; and Component 3: UNAG farmer organization can support its members to have access to information, financing, and markets.

During 2022, FAO led three studies with the participation of UNAG leadership and beneficiaries: i) documenting and designing the methodology of the agro-ecological field school (AFS) model implemented by UNAG, its member organizations, and associative groups; ii) analysis of the microcredit program "Sembrando Esperanza" and proposing an implementation strategy in the CORE-GAFSP project and iii) feasibility study to build or rehabilitate multipurpose community water/irrigation systems. These studies have been very useful to improve the project's implementation strategy; likewise, between July and August 2022, a survey was conducted to learn more details about the impacts of COVID-19 on the Project's beneficiaries, in which 406 people participated, of whom 50.5% were women. The implementation of the CoRe will be mainly the responsibility of UNAG, who will hire a person for coordination, as well as technical/administrative staff for this purpose.

A central structure for project implementation will be the network of UNAG Promoters, who will lead the implementation of all components at the community level and will also be beneficiaries. FAO, in its role as supervising entity, will provide specialized technical advice, support the procurement of goods and services, provide support for linking the project to public programs, and promote the establishment of strategic alliances at the national and territorial levels, among others. For its governance, the project will have a steering committee. FAO and UNAG will design a baseline that will be applied at the beginning of implementation to allow for better measurement of project results over the life span of the project. FAO and UNAG will also formulate a project operating modality (ROP) for monitoring, assessing and learning especially regarding key milestones in the project management cycle such as mid-term reviews and final impact assessment, in accordance with FAO procedures and GAFSP guidelines. UNAG will be responsible for implementing the annual operational plans and drafting quarterly progress reports, including the respective means of verification. FAO will be responsible for securing most of the procurement, participating in the development of actions where it generates value and will oversee implementation, especially regarding the strategic aspects of the project, as well as drafting reports and other information required by GAFSP.

## TABLE OF CONTENTS

<b>ACRONYMS</b> .....	<b>7</b>
<b>1 SECTION 1 - RELEVANCE</b> .....	<b>9</b>
1.1 Strategic alignment .....	9
1.1.1 Alignment with FAO Strategic Framework and the SDG's .....	11
1.1.2 Alignment with the Country Program Framework (CPF) .....	12
1.1.2.1 Contribution to National Priorities .....	13
1.1.3 Alignment with UNAG's strategic lines 2022-2027 .....	16
1.1.4 Expected achievements .....	17
1.1.4.1 Impact .....	17
1.1.4.2 Result .....	17
1.1.4.3 Components and activities .....	17
1.2 Comparative advantages .....	26
1.3 Context analysis .....	29
1.3.1 Target population and targeting strategy .....	29
1.3.2 Gender and empowerment of women and families .....	32
1.3.3 Stakeholder engagement .....	33
1.3.4 Consultation with Project stakeholders .....	33
1.3.4.1 Stakeholders .....	34
1.3.4.2 Disclosure .....	34
1.3.4.3 Complaint Mechanism .....	35
1.3.5 Problems to solve .....	36
1.3.6 Alliances .....	38
1.3.7 Knowledge .....	39
1.3.7.1 Exchange Experiences .....	39
1.3.7.2 Lessons Learned .....	39
1.3.7.3 Communications and Visibility .....	42
1.3.8 Summary of the Project's Theory of Change (ToC) .....	42
<b>2 SECTION 2 – FEASIBILITY</b> .....	<b>43</b>
2.1 Implementation Arrangements .....	43

2.1.1	Institutional framework and coordination.....	43
2.1.2	<i>FAO Contributions (Co-financing)</i> .....	45
2.1.3	<i>Contributions from UNAG (Co-financing)</i> .....	46
2.1.4	<i>Contributions from GAFSP</i> .....	48
2.1.5	<i>Strategy/ Methodology</i> .....	49
2.1.5.1	<i>Implementation of Agroecological Field Schools</i> .....	52
2.1.5.2	<i>Implementation of the “Sembrando Esperanza” Program</i> .....	54
2.1.5.3	<i>Implementation of community drinking water systems</i> .....	59
2.1.5.4	<i>Implementation of irrigation and drainage systems</i> .....	60
2.1.5.6	<i>Links between proposed Project activities and strategic priorities relevant to the PO’s involved</i> .....	63
2.1.5.7	<i>Project response to COVID-19 in the mid and long term and the recovery of the agricultural and food sectors in the face of climate change</i> .....	63
2.1.6	<i>Technical supervision and support arrangements.</i> .....	64
2.1.6.1	<i>Management and operational support arrangements</i> .....	65
2.2	Operational mode .....	66
2.3	Statistics and Data .....	66
2.4	Information Technology .....	66
2.5	Risk Management.....	67
2.5.1	<i>Potential Risks that Project may face</i> .....	67
2.5.2	<i>Social and environmental risks that the Project may face</i> .....	68
2.6	Monitoring, performance analysis and reporting.....	68
2.6.1	<i>Monitoring Arrangements</i> .....	68
2.6.2	<i>Performance Analysis</i> .....	68
2.6.3	<i>Reports</i> .....	70
2.6.4	<i>Evaluation Provision</i> .....	70
<b>3</b>	<b>SECTION 3 - SUSTAINABILITY</b> .....	<b>71</b>
3.1	Development of capabilities.....	71
3.2	Decent rural employment.....	72
3.3	Environmental sustainability.....	73
3.4	Gender situation analysis:.....	73
3.5	Project Approach.....	74

3.6	Right to Food .....	75
<b>4</b>	<b>Annex I. Logical Framework Matrix .....</b>	<b>78</b>
<b>5</b>	<b>Annex II. Matrix of commitment with the partners .....</b>	<b>85</b>
<b>6</b>	<b>Annex III. Work Plan .....</b>	<b>89</b>
<b>7</b>	<b>Annex IV. Budget .....</b>	<b>101</b>
<b>8</b>	<b>Annex V. Risk Management.....</b>	<b>103</b>
<b>10.</b>	<b>Annex VI. Supporting Documents.....</b>	<b>107</b>

## ACRONYMS

ACC	Adaptation to Climate Change
ACL	Agricultural Credit Line
AFS	Agroecological Field Schools
AOP	Annual Operational Plan
BE	Better Environment
BFP	Banco de Fomento a la Producción
BL	Better Life
BP	Better Production
BN	Better Nutrition
CC	Climate Change
CDS	Communication for Development Strategy
CfD	Communication for Development
CoRe	Corridor Resilient
CPF	Country Program Framework
CSA	Climate-Smart Agriculture
CSB	Community Seed Banks
DWSC	Drinking Water and Sanitation Committees (DWSC)
FAO	Food and Agriculture Organization of the United Nations
FPIC	Free Prior and Informed Consent
GAFSP	Global Agriculture and Food Security Program
HiH	Hand in Hand Initiative
INTA	Nicaraguan Institute of Agricultural Technology
ICTs	Information and Communication Technologies
LoA	Letter of Agreement
MEFCCA	Ministry of the Family, Community, Cooperative and Associative Economy

MEL	Monitoring, Evaluation and Learning
NWA	National Water Authority
OED	Office of Evaluation
OP	Producer Organizations
OPC	Office of Partnerships, Advocacy and Capacity Building OED Office of Evaluation
PGRA	Plan of Governance, Responsibility and Action
PNCL-DH	National Plan for Poverty Reduction and Human Development PNCL-DH
PTC	Project Technical Committee
SAC	Social Audit Committee
SC	Steering Committee
SDGs	Sustainable Development Goals
SE	Supervising Entity
SNPCC	National Production, Consumption and Commerce System
SP	Strategic Program
SWC	Soil and Water Conservation
UN	United Nations
UNA	National Agrarian University
UNAG	National Farmers and Ranchers Union



## 1 SECTION 1 - RELEVANCE

### 1.1 Strategic alignment

FAO's global Strategic Framework 2022-2031 seeks to support the 2030 Agenda by transforming towards more efficient, inclusive, resilient and sustainable agri-food systems for better production, better nutrition, a better environment and better lives, leaving no one behind<sup>1</sup>. The CoRe's three components are aligned with FAO's strategic framework, namely: i) UNAG and its producer organizations consolidate their management and governance capacity; ii) farmers organized in cooperatives and/or associations affiliated with UNAG produce in a sustainable and climate resilient manner; and iii) UNAG farmer organizations can assist their members in accessing information, finance, and markets.

Similarly, the CoRe design considered priority factors that are drivers of transformative processes as described below:

*a) Institutions and governance: Transformational processes require, as a precondition (bottom-up enabler), much stronger, more transparent and more accountable institutions and governance, adaptive and effective regulatory governance<sup>2</sup>, CoRe component 1 is aligned to this transformational factor.*

*b) Consumer awareness: *The need to increase and leverage consumer awareness of the type, quantity, and safety of food for consumption, as well as food waste... Increasingly, younger generations are willing to change, for example, in relation to climate action social networks are also increasingly impacting the shaping of opinions and behaviors<sup>3</sup>. Components 2 and 3 of the CoRe contain activities that contribute to this transformative factor.**

*(c) Innovative technologies and approaches: *great confidence is placed in innovative "technological" solutions to produce more with less (in terms of water, land degradation, loss of**

---

<sup>1</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p.44.

<sup>2</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p.11.

<sup>3</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p.12.

*food, and inputs, loss of biodiversity, etc.). Technologies are also expected to increase transparency in transactions, create new income-earning opportunities and boost overall technical progress, while promoting social inclusion<sup>4</sup>. Components 1, 2 and 3 of the CoRe contain activities that contribute to this transforming factor in line with the use of technologies, production efficiency, transparency, and social inclusion for women, youth, and indigenous peoples.*

FAO's global vision is as follows: A world free from hunger and malnutrition in which food and agriculture contribute to improving the living standards of all its inhabitants, especially the poorest, in an economically, socially and environmentally sustainable manner<sup>5</sup>. The CoRe aligns its impact objective with FAO's vision, which aims to reduce livelihood vulnerability, increase resilience and agricultural productivity and promote economic opportunities, mainly for women and youth affiliated with the National Farmers Union (UNAG) in the Dry Corridor of Nicaragua, to stimulate their recovery from the impact of COVID-19 and the fertilizer price crisis, and thus improve their food and nutritional security.

FAO's Strategic Framework focuses on the transformation towards more efficient, inclusive, resilient, and sustainable agrifood systems to achieve i) better production, ii) better nutrition, iii) a better environment and iv) a better life without leaving no one behind<sup>6</sup>. CoRe through its strategic design, contributes significantly to the four improvements described above.

In the design of the CoRe project, the principle of building back better with a focus on resilience was considered, understanding that the impacts of the COVID pandemic drastically affected the social and economic life of Latin America, in a context in which there were already huge inequalities, high levels of informal labor and fragmented health services, making the most vulnerable populations and people once again the most affected (adapted from Guterres A, UN Secretary General).

The crisis is affecting women more severely, as they represent more than 60% of the labour force in the accommodation and food services sectors, 72.8% of the health care workforce, and are more likely to work in informal occupations than men. Confinement has put additional pressure on women as primary caregivers, while increasing the incidence of femicide and other forms of sexual and gender-based violence (Guterres A, UN Secretary-General).

The limited economic and social participation of women and youth on equal terms is a structural factor that further weakens the status quo in the Dry Corridor a situation exacerbated with the advent of COVID-19. The recent FAO study conducted in 2021 in the Dry Corridor (DC) indicated that the main challenges faced by women and young adults are unemployment (54%), poverty (50%), the high cost of living (28%), drought (28%), and COVID-19 (21%). The same study identified other factors that limit the economic and social participation of women and young people, such as the fact that only 39% of women completed primary school; only 14% received training or technical assistance, a figure that drops to 11% among young people. In addition, 85 percent have not had access to a loan in the last 12 months, 86 percent have not benefited from a project, 70 percent do not have income diversification enterprises and 66 percent t of

---

<sup>4</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p.13.

<sup>5</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p.16

<sup>6</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p. 15.

women do not have access to markets (77 percent for young women and 63 percent for indigenous women). The use of ICTs in merchandising remains a challenge, as it is not enough to build capacity to promote better use of these tools.

Indigenous peoples and Afro-descendants have been disproportionately affected, as they tend to live in worse socio-economic conditions and have limited access to social protection compared to the rest of the population, in addition to facing high levels of discrimination in the labor market<sup>7</sup>.

To contribute to the concept of building back better, the CoRe proposes the following performance indicators, which are highly sensitive to gender, youth and indigenous peoples affiliated to UNAG:

- a) Increased household incomes due to better access to markets and higher sales of their products.
- b) Reduction in the percentage of households participating in the project experiencing moderate or severe food insecurity (FIES scale).
- c) Percentage of women, indigenous people and/or youth receiving direct benefits from the project.

#### **1.1.1 Alignment with FAO Strategic Framework and the SDG's**

The four programmatic improvements constitute an organizing principle on how FAO intends to contribute directly to the three guiding SDGs related to its mandate: **the SDG 1 (end poverty), SDG 2 (zero hunger), and SDG 10 (reduce inequalities)**, and support the achievement of the 2030 Agenda in general, which is fundamental to achieving FAO's overall vision<sup>8</sup>. In this regard, the CoRe's development objective is aligned to programmatic improvements and contributes to all three SDGs mentioned, being the following:

Reduce livelihood vulnerability, increase agricultural resilience and productivity, and promote economic opportunities, primarily for women and youth affiliated with the National Farmers Union (UNAG) in the Dry Corridor of Nicaragua, to stimulate their recovery from the impact of COVID-19 and improve their food and nutrition security.

Specifically, CoRe contributes to 13 of the 20 priorities program areas of the FAO Strategic Framework, which are described below:

**BETTER PRODUCTION (BP):** Ensure sustainable consumption and production patterns through efficient and inclusive food and agricultural supply chains at local, regional, and global levels, ensuring the resilience and sustainability of agri-food systems under changing climatic and environmental conditions. CoRe contributes to:

- BP 1: Innovation for sustainable agricultural production
- BP 2: Blue Transformation
- BP 4: Equitable access to resources for smallholders
- BP 5: Digital Agriculture

---

<sup>7</sup> Online (2022). António Guterres, UN Secretary General. <https://lac.unfpa.org/es/news/para-reconstruir-mejor-es-necesario-transformar-el-modelo-de-desarrollo-de-am%C3%A9rica-latina-y-el>

<sup>8</sup> FAO (2021). FAO Strategic Framework 2022-2031. Rome. p.17

**BETTER NUTRICIÓN (BN):** Ending hunger, achieving food security, and improving nutrition in all its forms, by promoting nutritious food and increasing access to healthy diets. CoRe contributes to:

- BN 2: Nutrition for the most vulnerable people
- BN 5: Transparent markets and trade

**BETTER ENVIRONMENT (BE):** protect and restore and promote the sustainable use of terrestrial and marine ecosystems and fight against climate change (reduction, reuse, recycling, and waste management) through more efficient, inclusive, resilient, and sustainable agri-food systems. CoRe contributes to:

- BE 1: Agri-food systems that mitigate and are adapted to the effects of climate change
- BE 2: Bioeconomy for Sustainable Food and Agriculture
- BE 3: Biodiversity and ecosystem services for food and agriculture

**A BETTER LIFE (BL):** Promoting inclusive economic growth by reducing inequalities (between urban and rural areas, rich and poor countries, men and women). CoRe contributes to:

- BL 1: Gender equality and rural women's empowerment
- BL 2: Inclusive rural transformation
- BL 5: Resilient Agrifood Systems
- BL 6: Hand in Hand Initiative (HiH)

#### ***1.1.2 Alignment with the Country Program Framework (CPF)***

The CoRe contributes directly to the following strategic priorities contained in the **Country Programming Framework (CPF) 2022 - 2026**, signed between the Government of Nicaragua and FAO:

##### **a) RESILIENT PRODUCTION:**

Outcome 1 describes that agricultural, fisheries, aquaculture, and forestry production, livelihood, and nutrition of rural people are more resilient to socio-economic, environmental, health and/or climatic shocks and stresses<sup>9</sup>. The CoRe is aligned with CPF outcome 1.2 through component 1 (UNAG and its producer organizations strengthen their management and governance capacity) and with project component 2 (farmers organized in cooperatives and/or associations affiliated with UNAG produce in a sustainable and climate-resilient manner).

The project also contributes to CPF outcome 1.3 through component 1 and CoRe component 2, and to CPF outcome 1.4 through project component 3.

##### **b) RURAL INVESTMENTS:**

Outcome 2 states that public and private investments promoting decent and equal employment, reducing rural poverty, and agro-climatic transformation of the rural productive matrix will be increased, framed in a sustainable, inclusive development, adapted to climate change and variability, and low in emissions, in

---

<sup>9</sup> FAO (2022). Country Programming Framework 2022-2026. Nicaragua. p. 14.

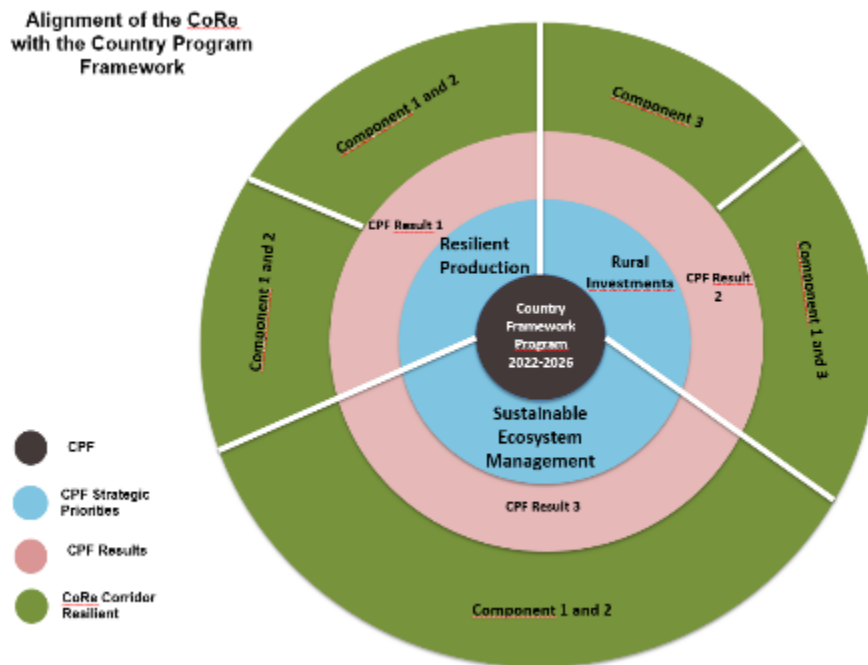
accordance with Nicaragua's NDCs and international climate commitments<sup>10</sup>In that sense, CoRe aligns with CPF Outcome2.2 through component 3. It also contributes to CPF Outcome22.3 through components 1 and 3 of the project.

**c) SUSTAINABLE ECOSYSTEM MANAGEMENT:**

Outcome 3 states that the conservation and restoration of ecosystem services and functions, especially GHG capture and storage, will be improved through sustainable agricultural, fisheries and forestry production, effective management of protected areas, protection of biodiversity, and reduction of deforestation<sup>11</sup>.

In this sense, CoRe aligns with CPF Output 3.3 through components 1 and 2 of the project.

**Graph 1. Alignment of the CoRe with the CPF**



**1.1.2.1 Contribution to National Priorities**

The CoRe will contribute to the following lines of action contained in each of the CPF's strategic priorities:

**Resilient Production:**

<sup>10</sup> FAO (2022). Country Programming Framework 2022-2026. Nicaragua. p. 14.

<sup>11</sup> FAO (2022). Country Programming Framework 2022-2026. Nicaragua. p. 18

- ✓ Strengthen institutional and community spaces that promote agricultural research and extension processes, innovation and digitalization of the agricultural and forestry sectors, as well as access to services and information and the generation of ancestral exchange and traditional knowledge and know-how among rural populations, including the promotion of the creation of networks and other territorial associative forms for production and marketing.
- ✓ Disseminate and promote the adoption of productive practices and climate-efficient agricultural technologies (efficient water management and use, restoration and sustainable use of soils, seed rescue, safe, sustainable, and environmentally friendly artisanal fishing and aquaculture, bio-input production, integrated pest management, agro-ecology, Community Seed Banks, among others) through the use of Communication for Development (CfD), intercultural and multilingual communication, and Information and Communication Technologies (ICT's), with the leadership of women and youth.
- ✓ Support institutional, public, and private actions aimed at preparing for meteorological events, the generation of early warnings, the state of food security and nutrition, damage assessment, needs analysis, and recovery in the agricultural, fishing, aquaculture, and forestry sectors, guaranteeing the participation of adult and young women and men from rural populations.
- ✓ Develop actions to educate and raise awareness among the population about healthy lifestyles, including strengthening knowledge about nutrition, healthy food consumption, physical activity through the incorporation or development of educational curricula and the implementation of national campaigns with institutions in the education sector.
- ✓ Support specialized training processes at a higher level for public officials, workers in the private agricultural, forestry, fisheries, and aquaculture sectors, community representatives, and the population in general, mainly in topics related to the impact and management of climate change, hydrology, agro meteorology, climate services, forest and agricultural health, and other related areas, addressing the gender approach and cultural relevance.
- ✓ Develop programs for the restoration, rehabilitation, and resilience of livelihoods and the nutritional improvement of communities in the Dry Corridor and the Autonomous Regions of the Caribbean affected by extreme natural events, ensuring equal access to and control of agri food goods with a gender and intercultural approach.
- ✓ Develop specific actions to address the vulnerabilities of women, youth, indigenous and Afro-descendant peoples that affect their livelihoods, based on their needs and interests.

**Rural Investments:**

- ✓ Support the mobilization of resources for the implementation of programs and projects that increase agricultural, forestry and livestock productivity and sustainable food production, strengthen resilience to the impacts of climate change and climate variability, innovation, research, and technology generation and transfer, value, as well as the use of digital technology, geospatial tools, and artificial intelligence, supporting the goals established in the NDCs for the agricultural, fisheries, and forestry sectors.
- ✓ Improve technical, human, and institutional capacities to stimulate partnerships for future public and private investments that seek large-scale effects in increasing agricultural, forestry, fisheries,

and aquaculture productivity, and sustainable food production, strengthen resilience to the impacts of climate change and climate variability, contribute to the reduction of gender, ethnic, age, and territorial inequalities and the eradicate of poverty and hunger.

- ✓ Support the development of sustainable and efficient agro-industry, as well as with the development of technologies and energy alternatives based to the country's potential, that generate employment opportunities and the development of value chains and networks for traditional and non-traditional products and items defined by the PNLCP 2022-201627 (including agro-tourism), and that strengthen the links between the public and private sectors for their scaling up.
- ✓ Strengthen technical and organizational capacities to improve institutional management mechanisms that incorporate gender practices at the family and community levels, through
- ✓ Economic empowerment and the expansion of business and entrepreneurial skills of women and youth.
- ✓ Mobilize resources and implement programs that promote the inclusion of rural women and youth and the economic empowerment of indigenous and Afro-descendant peoples, facilitating their better participation in agrifood systems.
- ✓ To technically assist in the development of programs that promote actions for the scaling up of family farming, commercial agriculture, livestock, forestry, fisheries, and aquaculture sectors to green value networks through the creation of business and trade opportunities supported by innovations, technologies, and policies.
- ✓ Work with public entities, the productive private sector, and the financial sector for the development of alternatives for access to credit, microfinance, and market strategies that facilitate the rural population's access to means of production and markets.
- ✓ With the participation of producers, academia, the private sector, and other relevant actors, assist in the identification and development of business and marketing opportunities and/or value addition to products from family farming.

#### **Sustainable Ecosystem Management:**

- ✓ Develop programs and projects aimed at the effective management of terrestrial and marine protected areas, and the sustainable use and conservation of resources through sustainable agricultural, fisheries, and aquaculture production, considering the participation and decision-making rights of indigenous and Afro-descendant peoples.
- ✓ Strengthen technical capacities for the promotion of practices of Sustainable Land Management (SLM), Sustainable Forest Management (SFM), adaptation and mitigation of the effects of Climate Change and landscape restoration.

Finally, CoRe will provide data to feed the following CPF indicators:

- ✓ Number of households implementing practices and/or technologies for climate change mitigation and adaptation
- ✓ The number of families benefited by the projects implemented by FAO.

- ✓ Resources mobilized for the implementation of programs and projects that increase agricultural productivity with low emissions, the scaling up of family farming, and the strengthening of resilience to climate change and variability.
- ✓ Number of families of small and medium -size rural, indigenous and Afro-descendant producers who increase their income through the implementation of collectives and individual enterprises, and/or their linkage to productive activities of the networks/value chains.
- ✓ Resources mobilized for the development of programs and projects that promote the protection and restoration of terrestrial and coastal marine ecosystems, low-emission agricultural production, and the implementation of enabling activities. Number of hectares of protected areas with management plans that have been updated and are being implemented.
- ✓ Number of hectares of protected areas with management plans updated and under implementation.

### **1.1.3 Alignment with UNAG's strategic lines 2022-2027**

The CoRe contributes to the following strategic lines of UNAG 2022-2027:

- a) **Improving the productivity and income of its members:** The impact objective of the project is to improve productivity and increase the income of the project beneficiary families, who are members of UNAG. Productive diversification through biointensive production will contribute to better food and surplus production that will generate additional resources. The strengthening of seed banks will increase capacity in local seed production, resulting in new sustainable production practices that will favor higher crop yields. Likewise, supporting initiatives to access markets will contribute to invigorating the local economy and promoting value addition, establishing commercial relationships to solidify the commercial process.
- b) **Strengthen advocacy in public and private policies:** It is linked to the activities of components 2 and 3 of the project. It includes the articulation and synergies with governmental and non-governmental institutions, academia, and the private sector. UNAG will carry out field coordination with producers to develop the execution of the rehabilitation of community water systems. Articulation with the UNA for the implementation of research actions and certification of the promoters' capacities through the AFS's, with INTA for the AGROINNOVA program where producers will benefit, and coordination with the MEFCCA for producers to market their production in local fairs.
- c) **Strengthen the institutional sustainability of UNAG:** The activities of component 1 of the project will contribute to strengthening institutional capacity and governance. The capacity of the accounting and technical teams will be strengthened in the formulation and presentation of projects, which will allow for the mapping of organizations where agricultural and market access projects can be presented and where UNAG can manage financing. The expansion of the membership registry will allow UNAG to have information on its members in order to obtain their annual certification from the government. It will be possible to develop a quotation plan with the new members to obtain income to support UNAG's departmental affiliates.



- d) **Strengthen the integration of women and youth with gender equity:** The three project components linked to this strategic line will contribute to the specific activities 1.4, 2.1 and 3.3. In this regard, the work of the women's secretariat will be strengthened in each departmental branch of UNAG, and women will have access to training, financing, and productive resources that will improve their living conditions. In addition, a gender specialist will advise them in the agro-ecological field schools.

#### **1.1.4 Expected achievements**

##### **1.1.4.1. Impact**

The main objective of CoRe is to increase agricultural incomes and food security of smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor. Specific objectives are to increase agricultural productivity and improve the use of natural capital, through the adoption of sustainable production, market access and increased access to complementary value chain services, including finance.

##### **1.1.4.2. Result**

CoRe will be implemented over a period of four years, with a total budget of USD 3.21 million. The National Union of Farmers and Ranchers<sup>12</sup> (UNAG), will be in charge of implementation through 192 affiliated Producer Organizations (POs) in 14 municipalities. According to its organic statutes, "UNAG is a national trade organization that represents small and medium farmers and ranchers, without distinction of political or religious preferences. Its work focuses on improving the living conditions of its members, through strategies that lead to productive strengthening, organization, marketing and adding value to production" (see Annex 6.4: UNAG Institutional Document).

As a main **outcome** of CoRe, UNAG and its producer organizations provide their affiliates with sustainable access to climate resilient services, technical knowledge, markets and finance. Aiming to increase farm income and food security for smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor.

##### **1.1.4.3 Components and activities**

The project's overall strategy, based on the intention to build back better, rests on three pillars: communication for development, climate-smart agriculture, and financial inclusion. These pillars are interconnected by two elements that act as catalysts: the use of ICTs and UNAG's network of promoters. Sustainability will be determined by the institutional capacity built into UNAG and the Producer Organizations that will be enhanced by CoRe.

The components, results and activities of the project are described below:

- **Component 1** will address the outcome "UNAG and its POs improve their management and governance capacity." The main focus of this component will be an institutional evaluation of UNAG and its affiliated producer organizations. Based on this assessment, a strategy will be

---

<sup>12</sup> UNAG Official Facebook Page: <https://www.facebook.com/unag.nicaragua/>

developed to strengthen UNAG's (and affiliated POs) management and governance capacities, with emphasis on enhancing climate resilience and food and nutrition security of most vulnerable groups. As part of UNAG's institutional strengthening strategy, a training and mentoring program will be detailed and implemented. The evaluation of UNAG and its affiliated PO and the strategy to strengthen UNAG's PO will be carried out with technical assistance by FAO.

Topics to be covered in the training program include accounting and financial management, leadership, negotiation, organizational management and an induction to the principles and practices of responsible investments in agriculture and food production systems, as well as an introduction to the features and potential applicability of FAO Rural Invest toolkit.<sup>13</sup> On-site mentoring for each of the more mature POs will follow the training program, offering them special topics related to organizational development, such as the ability to present and defend projects, manage membership registration systems, prepare and communicate meeting minutes, among others. In addition, a specific training program will be implemented for UNAG Promotors on women's economic rights and their access to means of production, led by UNAG's Women's Secretariat. Another CoRe activity, that will benefit all three components of the Project, will be the preparation of CoRe's Communications for Development Strategy (CDS) based on the use of ICT tools.

CoRe's CDS is especially oriented to three types of users: promoters of UNAG's peasant-to-peasant Program, who will be strengthened through the Agroecological Field Schools (AFS), the youth of the POs and the women leaders at the community level (including indigenous people). This component will also support the consolidation of UNAG's national membership registration platform (physical and digital).

- **Component 2** will address the outcome "Farmers organized in cooperatives and other associative forms affiliated with UNAG produce in a sustainable and climate resilient manner". At the core of this component is the climate-smart agriculture (CSA) and the Agroecological Farmer Field School approach. Based on the experience of UNAG, FAO and INTA, Agroecological Field Schools (AFS) will be implemented in selected farms in each municipality. AFS will be leveraged with the use of ICTs as a mechanism to promote knowledge sharing (CDS - component 1). These AFS will become learning centres from which CSA measures at farm and community level will be disseminated (see section 2.1.5.1).

CSA priority measures will be guided through Climate Change Action Plans (PACCs) for target communities, developed throughout the implementation of AFS and complemented by planning activities / inputs from Component 1 and 3. The CSA technologies and practices promoted by CoRe are based on a catalogue of climate-smart technologies for the Dry Corridor that are promoted by FAO (Annex 6.20) and the Nicaraguan Institute of Agricultural Technology (INTA) (Annex 6.21).

---

<sup>13</sup> *RuralInvest* is a free toolkit designed to support field technicians in their work with rural entrepreneurs by allowing the systematization and development of bankable and sustainable business proposals. The toolkit comprises an e-learning course, a user-friendly software, user manuals, tailored face-to-face training and a worldwide community of users. Through a participatory and bottom-up approach, *RuralInvest* methodology brings together local communities, rural entrepreneurs, government field technicians, project staff, and financing institutions to identify, prepare, evaluate and finance small-and medium-size sustainable rural investment projects. <https://www.fao.org/in-action/ruralinvest/en/>

Besides CSA application at farm level, and guided by the PACCs, activities under this Component 2 include the establishment and development of biointensive - productive gardens and Community Seed Banks (CSB) (see Annex 6.7: Guide to Community Seed Banks), as well as multi-purpose water systems (water points and irrigation and drainage systems – see Annex 6.13). A very relevant aspect of this component is the food and nutritional security of families. Linked to the AFS process<sup>14</sup> and the PACC, the CSB and the biointensive gardens will also make it possible to develop a program that promotes healthy and nutritious food consumption habits, focused on the conservation and alternative use of local foods as a strategy cope with and be better prepared for multiple risks. In order to encourage youth inventiveness and innovation, a special module mechanism will be implemented in collaboration with the Nicaraguan Institute of Agricultural Technology (INTA)'s AGROINNOVACION program<sup>15</sup> to promote the dissemination of low-cost, youth-led climate change adaptation technologies (CCA).

- **Component 3** will address the outcome "UNAG farmer organizations are able to help their member's access information, finance, and markets." FAO will support the improvement of UNAG's current credit policy, including the application of responsible investment principles, to overcome current and potential challenges. Based on an initial assessment of UNAG's Sembrando Esperanza and following consultations with stakeholders, a proposal for an improved financial mechanism is at the base of this component. It comprises an improved agricultural credit line (ACL) and a dedicated food production support Fund (grants aimed at financing productive initiatives of women, youth and/or indigenous people). This mechanism will provide improved financial services, cover unmet demand for and enable the inclusion of most vulnerable groups. See annexes 6.8.1 and 6.14.

A technical assistance program will be established to support the identification, preparation and implementation of investment initiatives from target beneficiaries. The Project would provide training for UNAG Promoters and OP leaders, particularly women, to identify market opportunities and formulate business plans (BP) to be financially supported by the Project (ACL or dedicated grants Fund). Experts from government, the private sector, and academia will be invited to work on topics of interest identified by the POs during the design of the training. The component includes exchange visits, information sessions and trade fairs, according to their interests and needs.

As a COVID-19 mitigation measure, and within the framework of the CDS program (component 1), digital marketing initiatives will be financed in those communities and organizations that meet the minimum requirements. This activity will benefit from FAO's previous experience in the Dry Corridor<sup>16</sup>.

UNAG will seek to establish an alliance with the Banco de Fomento a la Producción and the "Programa de Crédito Justo, Adelante Pueblo Presidente" of the Government of Nicaragua, in

---

<sup>14</sup> Systematization of agro ecological production farms: [Access here](#)

<sup>15</sup> Launch of 3rd. Edition of the National Innovation Award: [See here](#)

<sup>16</sup> See press releases [03/25](#) ; [06/18](#)

order to continue improving and also complement access to financial services for all its members. The Ministry of Family, Cooperative, Community and Associative Economy (MEFCCA) will facilitate the development of such alliance.

Finally, as part of this component, FAO will support POs in the formulation and implementation of sanitary protocols for safety management in the value chain, especially to avoid the spread of COVID-19 in markets. Table 1 presents a description of FAO and UNAG roles per activity.

**Table 1.** Roles of FAO and UNAG in the implementation of the Activities

Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<b>Activity 1.1.</b> Assess the organizational maturity of UNAG and affiliated POs.	Support UNAG in the formulation of the ToR, carry out the contracting.  Support in the technical validation of products of the consultancy.	Based on their needs, formulate the ToR of the consultancy in participative sessions, gather relevant information. Provide feedback on the outputs of the consultancy. Responsible for activities related to field logistics and organizing focus groups.	PO / SE
<b>Activity 1.2.</b> Develop a participatory strategy for strengthening the institutional capacity of UNAG, including the definition of a training and mentoring plan, and update the register of members.	Advises and participates in design sessions, provides feedback and technical assistance to the UNAG in connection with activity 1.1. Oversees the updating process of UNAG members. Procurement and contracting of services.	Leader in the strategy formulation process, organizes consultation sessions with the UNAG membership and leadership to build the strategy. Responsible for socializing member registration at the departmental and community levels. Issues periodic reports for the structure of the organization and for FAO.	PO / SE

Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<p><b>Activity 1.3.</b> Design and implement an organizational development training programme for all participating POs (training includes an introduction to the principles and practices of responsible investment in agriculture and food systems, as well as to the features and potential applicability of FAO Rural Invest Toolkit.</p>	<p>Accompanies the design process, providing feedback to the training proposal, follows up on the workshops at the field level, checking if the learning is being adopted; supports the design of workshop evaluation instruments; promotes inclusion (gender, youth and indigenous) and the use of horizontal methodologies. FAO provides feedback to the ToR of the programme.</p>	<p>Formulate and implement the training programme, which will consist of 5 modules addressed to the Boards of Directors of 10 cooperatives. The leader of the exercise should be the project coordinator, ensuring the participation of the departmental structures; the implementation of the workshops would oversee the key project staff with the support of qualified UNAG staff at national and territorial level. Ensures the means of verification and progress reports of the activity; socializes with the members at the departmental level and with FAO.</p>	<p>PO</p>
<p><b>Activity 1.4.</b> The UNAG Women's Secretariat implements a training programme on women's economic rights and access to means of production, designed for the network of UNAG Promoters, to be replicated by them at the community level.</p>	<p>Accompanies the programme design process based on the results obtained from the consultancy carried out during the formulation phase of the project (See Annex 6.12. AFS study). Formulate the documentation and design methodology of the agro-ecological field school model (AFS) implemented by UNAG and its member organizations and associative groups. Provide feedback on the methodological designs foreseen for each topic related to women's economic rights and access to means of production. FAO provides feedback to the ToR of the Gender specialists and supervises the work with the women's secretariat.</p>	<p>Responsible for implementing the training program through the women's secretariat; this activity should be part of the curricula of the FFSs that the project will implement. UNAG ensures the adequate empowerment of the promoters to multiply the knowledge at the community level, has the respective methodological designs and memories of the workshops that are being given. Socialize the results with FAO, departmental structures and promoters who participate in the process.</p>	<p>PO</p>

Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<b>Activity 1.5.</b> Design and implement the Communication Plan for the Development of UNAG, based on the use of Information and Communication Technologies (oriented, among others, to market access, climate change adaptation and COVID- 19 prevention).	<p>Responsible for leading the design process of the Plan, reviews, advises and socializes the products with UNAG for approval.</p> <p>Contracts the services of a communication specialist. Ensures that there is an action plan that leads to the implementation of UNAG's Communication Plan for Development; the implementation of the plan is a shared responsibility between FAO and UNAG.</p> <p>Another sub-activity is the design of the communication and visibility plan for the project, using the FAO, UNAG and GAFSP brand.</p>	<p>Operational coordination for the implementation of the plan in the field; keeps the digital platform updated and ensures technical maintenance; supports and prepares ICT content; disseminates content in different media; Maintains coordination with FAO to provide information, achievements and evidence that can be used in the communication strategy and visibility of the project; also uses the visibility materials defined for the project in the different events organized.</p>	PO / SE
<b>Activity 2.1.</b> Develop a training program on Climate-Smart Agriculture in the conditions of the Dry Corridor, based on the Agroecological Field School methodology.	<p>Design the training methodology, ensure, and advise on implementation, and document the Agroecological Field School (FFS) according to the study carried out during the project formulation phase (see Annex 6.12. AFS Study), ensuring that the process is carried out in a participatory manner; Procurement will be carried out by FAO. FAO has been promoting the development of field schools for the last 20 years, with INTA being one of the main institutions that have incorporated this methodology into their technology transfer system. This methodology will allow the use of the main technologies and practices adapted and valid in the dry corridor, contained in the INTA technology catalogue.</p>	<p>Responsible for selecting the promoters to be trained. Make purchases of materials and supplies for fields schools and replications; ensure that the agreed curriculum is implemented, evaluate and report on the process progress.</p> <p>Responsible for the logistical aspects of the Training, especially in training levels 2 and 3.</p>	PO
<b>Activity 2.2.</b> Establishment of agroecological field schools for farmers (AFS), driven by the use of ICT (including inputs for family replications)	<p>FAO will play an advisory role in implementation and facilitate learning, "scaling up" lessons learned from other projects that can be considered in the CoRe.</p> <p>Feedback into the technical document on garden design, ensure inclusion of women and youth. Procurement will be done by FAO.</p>	<p>Responsible for field implementation, selection of farms according to agro-ecological conditions and logistical feasibility.</p> <p>Provide technical assistance, as well as ensure that agreed training and investment plans are implemented.</p> <p>Evaluates and reports on the process progress.</p>	PO
<b>Activity 2.3.</b> Establishment of bio-intensive gardens and seed banks for food production at family and community level.	<p>FAO will play an advisory role in implementation and facilitate learning, "scaling up" lessons learned from other projects that can be considered in the CoRe.</p> <p>Feedback into the technical document on garden design, ensure inclusion of women and youth. Procurement will be done by FAO.</p>	<p>Responsible for field implementation, selection of farms according to agro-ecological conditions and logistical feasibility.</p> <p>Provide technical assistance, as well as ensure that agreed training and investment plans are implemented.</p> <p>Evaluates and reports on the process progress.</p>	PO / SE

Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<p><b>Activity 2.4.</b> In alliance with the AGROINNOVATION Program of the Nicaraguan Institute of Agricultural Technology, design and implement a special mechanism to promote the inventiveness of producers and the dissemination of low- cost climate change adaptation technologies, led by young people.</p>	<p>Technical advice implementing this activity in coordination with other projects being executed in the country, contributing the experience and lessons learned in this area that can be capitalized on in the CoRe.</p> <p>FAO will coordinate with INTA on the issue of technologies at national and territorial level, in line with the implementation agreements reached with UNAG and INTA.</p>	<p>Field implementation, Ensure the logistics for the organization of fairs, competitions and discussions with young people related to climate change adaptation technologies.</p> <p>Identify and propose technologies developed with the participation of young people that could be considered for the development of this activity.</p>	PO
<p><b>Activity 2.5.</b> Implement an investment plan to build or rehabilitate multipurpose community water systems, establish irrigation and drainage systems, and strengthen the Capacities of community networks for self-management, administration, and protection of water.</p>	<p>Based on the Feasibility Study to build or rehabilitate multipurpose community water/irrigation systems developed in the CoRe formulation phase (See annex 6.13), coordinate the implementation of the Investment plan, ensuring that it is executed with quality.</p> <p>Procurement of materials and supplies.</p>	<p>Facilitates field coordination and logistics. According to the technical parameters in the implementation stage, it selects the places where investments will be made, both for drinking water systems and irrigation systems; it also supervises the field work and reports on progress.</p> <p>Technical assistance in the field.</p>	PO/SE
<p><b>Activity 2.6.</b> Develop training on healthy eating habits and nutrition, as well as a wider campaign to promote healthy Lifestyles.</p>	<p>Provide technical guidance and expert advice in the design process of the nutrition training plan (promoting playful techniques and the use of didactic material based on adult education principles) and educational Campaigns.</p>	<p>Implement in the field, organize the logistics in the communities, and design the ToR for the hiring of people or companies to develop the materials and other requirements for the trainings and campaigns, evaluate and report on the progress of the process.</p>	PO

Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<p><b>Activity 3.1.</b> Adapt UNAG's credit policy and improve its financing mechanism to provide small seed capital loans to PO's economic ventures and grants for most vulnerable groups, based on the experience of "Sembrando Esperanza" Program</p>	<p>Based on the analysis of the microcredit program "Sembrando Esperanza" of UNAG and the implementation strategy defined in the consultancy carried out in the formulation phase of CoRe, taking stock of lessons learned and providing solutions to the current challenges (See Section 2.1.5.2) (see Annex 6.14), ensure that the process is carried out in a participatory manner and approve the final products, among which is the proposed strategy for the implementation of the CoRE Project improved financial mechanism, including two financing modalities: Agricultural Credit Line (ACL) and dedicated Fund to support food production and climate resilience of most vulnerable groups (grants Fund). During implementation, FAO will monitor and advise on the implementation of the ACL and be informed of the fund's status. The Fund to support food production that contributes to household food resilience (grants Fund) will be implemented by FAO in terms of the procurement process.</p>	<p>UNAG, through the Sembrando Esperanza program, is responsible for implementing the credit and directing it to the project's target population; the fund will also provide resources to promote food security, this fund will have the logic of promoting production and, in this sense UNAG will select the most vulnerable producers, especially women and young people. A record will be kept of the amounts and status of the fund, informing the Steering Committee in a timely manner of the progress and challenges.</p>	<p>PO / SE</p>
<p><b>Activity 3.2.</b> Implement a technical assistance program to support small projects financed by the CoRe improved financial mechanism and/or Banco BFP, especially in their market access process.</p>	<p>Advice and validate the ToR of the program design. Advice from the experience gained in other projects, feedback methodologies on the establishment of market alliances and participation in trade fairs. Institutional management and coordination with key entities and actors to enhance the results of the project.</p>	<p>Organize the logistics for the different sub- activities, as well as the hiring of technicians to ensure the proper support and technical assistance to the enterprises, as well as to ensure the logistics for the assembly of fairs and design an action plan for the establishment of market alliances.</p>	<p>PO</p>



Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<b>Activity 3.3</b> Map and diagnose the situation of small-scale enterprises, formulate marketing and sales plans based on the assessment of challenges and opportunities for improved performance in priority value chains.	<p>Validate the ToR and advice on the process of mapping and plan formulation.</p> <p>Advise from the experience gained in other projects implemented in Nicaragua, scaling up the results achieved.</p> <p>Provide feedback on the methodologies to be used for venture mapping, marketing and sales plan formulation, value chain analysis and training processes.</p>	<p>Organize the logistics for the different sub- activities, as well as to implement in the field the diagnostics using the tools agreed with FAO, Implement the training processes, provide follow-up and technical assistance to the selected enterprises.</p>	PO / SE
<b>Activity 3.4.</b> Facilitate the linkage to MEFCCA programs and strategies related to the promotion and development of entrepreneurial initiatives in order to increase their competitiveness and capacity to generate decent jobs.	<p>Validate the ToR and advise on the implementation of the plan, providing feedback in areas such as ICT, market and digital marketing.</p> <p>Advise from the experience gained in other projects implemented in Nicaragua, scaling up the results achieved.</p> <p>Coordinate the diagnosis of ICT and digital market opportunities and support the implementation of digital marketing plans.</p> <p>Implement the Business Roundtables.</p> <p>Coordinate with related institutions.</p>	<p>Organize the logistics for the diagnosis of ICTs and digital market opportunities.</p> <p>Organize exchanges at the municipal level and fairs in coordination with the MEFCCA. Organization of technical training in coordination with MEFCCA (food safety, food processing, labeling, value added).</p> <p>Provide accompaniment and technical assistance.</p>	PO / SE
<b>Activity 3.5.</b> Develop and implement sanitary protocols for safety management in value chains, especially to prevent the spread of COVID-19 in markets.	<p>In coordination with UNAG, implement the FAO sanitary protocol in the departmental offices of UNAG and in the economic enterprises with the highest risks. It will be responsible for carrying out the process of purchasing the necessary sanitary materials and equipment.</p>	<p>Organize logistics in the field when biosafety materials and equipment need to be distributed, as well as follow up to ensure that the proper protocols are implemented.</p>	SE

Activities	Description of Roles		
	FAO	UNAG	Budget Distribution (SE o PO)
<b>Project Management, Technical Support, Monitoring and Assessment</b>	<p>FAO has a multidisciplinary technical team that, co-financed with the project, will lead and accompany the key activities of the project. FAO also has extensive experience in monitoring, assessing, learning, financial management and accountability processes that will help UNAG implement the project efficiently and effectively.</p> <p>In addition, FAO will provide support through a qualified team at key moments of the project implementation.</p>	<p>UNAG has qualified personnel and experience in the implementation of cooperation projects; likewise, within the framework of the CoRe, it will hire a diverse team that will oversee the activities and processes of the project to ensure its proper implementation. UNAG will use good management practices and administration of funds, as well as actively participate in monitoring, assessing, and learning moments; it must ensure evidence and means of verification of the entire project operation for proper accountability, both technical and administrative and financial.</p>	SE

## 1.2 Comparative advantages

### a) FAO's comparative advantages and strengths.

As a global intergovernmental organization specializing in food and agriculture, it is a major source of information and institutional memory with extensive networking capacity with Members and other partners. It has decentralized offices, with multidisciplinary professional staff with the capacity to respond to the unforeseen needs of member countries; accountable financial and administrative management<sup>17</sup>.

The following assumptions are derived from the Assessment of FAO's contribution:

- a) FAO is recognized as a global expert organization that provides information on a global scale and has the capacity to provide quality technical, policy and investment support (including the ability to bring in expertise and ideas and innovations from other countries and regions; as well as from Nicaragua).
- b) The leading organization that focuses on the farming and food systems approach to its Strategic Program<sup>18</sup>
- c) FAO's reliable international data on agricultural production, markets, and price trends provide objective information and analysis to inform Members' consultations on trade and food security issues in key fora, especially the WTO Committee on Agriculture<sup>19</sup>.

<sup>17</sup> Taken from reference 22, from the FAO format for writing projects.

<sup>18</sup> Contribution to Objective 4 of the Strategic Program.

<sup>19</sup> FAO. (2017). Assessment of FAO's contribution to Strategic Objective 4: Enabling more inclusive and efficient agriculture and food systems. p. 23.

- d) FAO is also recognized for its role in policy advice, and dialogue. FAO is unique in bringing all actors together, as it is respected and considered completely neutral<sup>20</sup>
- e) FAO has a comparative advantage in that it is well positioned to support governments in establishing the necessary regulatory and enabling frameworks and environments to support inclusive value chains, and in attracting the necessary investments<sup>21</sup>.
- f) FAO is a reference organization for food loss and waste reduction. FAO's support for the development of a methodology to quantify food losses and waste is seen as a strength, as is its role as a neutral authority with the power to convene all relevant parties<sup>22</sup>.
- g) FAO has established a well-recognized niche and reputation in "value chain finance" linking actors and operators along the finance and commodity value chains<sup>23</sup>.
- h) FAO has strong, internationally recognized expertise and experience in responsible investment in agriculture, food systems, including value chains, economic ventures, rural finance, and capacity development, guided by the Corporate Strategy on Capacity Development.

**b) UNAG's comparative strengths and advantages.**

UNAG has been working for 41 years as a trade organization that represents and defends the interests of approximately 50,000 small and medium agricultural producers nationwide, regardless of gender, political, religious, or ethnic background. Its objective is to improve the living conditions of its members through the improvement of the quality of production, technical advice, and marketing of their production with added value. During this time, UNAG has transparently executed projects with funds from international cooperation, carrying out financial audits of these projects,

The strengths of UNAG's work with farming families stand out:

1. Focus on agroecological production systems highlighting fundamental pillars such as productive diversification (successional agroforestry systems), nutrition and integrated management of soil health through its soil and water conservation program and mineralized organic technologies that contribute to improving the fertility and productivity of crops.
2. There is a Secretariat for Women and Youth, which focuses on the implementation of its gender policy in the territories to improve the living conditions of women and to provide them with access to productive and financial resources.
3. UNAG has experience in business management through its agribusiness unit, carrying out local marketing with added value and exporting beans and coffee to Central America and Venezuelan markets.

---

<sup>20</sup> FAO. (2017). Evaluation of FAO's contribution to strategic objective 4: Enabling more inclusive and efficient agriculture and food systems. p. 24.

<sup>21</sup> FAO. (2017). Evaluation of FAO's contribution to strategic objective 4: Enabling more inclusive and efficient agriculture and food systems. p. 24.

<sup>22</sup> FAO. (2017). Evaluation of FAO's contribution to strategic objective 4: Enabling more inclusive and efficient agriculture and food systems. p. 25.

<sup>23</sup> FAO. (2017). Evaluation of FAO's contribution to strategic objective 4: Enabling more inclusive and efficient agriculture and food systems. p. 55

4. Management and advocacy at the level of state and private institutions, which has made it possible to participate and influence public agricultural policies in favour of the peasantry and articulation actions for the channelling of programs and support services to its members.
5. We have begun to register the information of 7,777 members of UNAG in a data system stored in a WEB platform, generating useful information for the guild reports to the Ministry of Industry and Commerce (MIFIC) and for the formulation of project proposals and farm improvement plans of the members.

**c) Extent of FAO country experience and mandate for action.**

The scope of FAO's cooperation with Nicaragua, as defined in the CPF 2022-2026, is based on the strategic objectives and lines of work of the Government of Nicaragua, established in the National Plan to Fight Poverty for Human Development (PNLP) 2022 - 2026, the National Policy for Action on Climate Change and the National Strategy for the Reduction of Emissions from Deforestation and Forest Degradation.

FAO officially began its activities in Nicaragua in 1982<sup>24</sup>. With the arrival of the first permanent Representative, FAO's impact on the agricultural, fisheries and forestry productive sector allowed for greater dynamics in the programmes of the different State entities and a better projection of the impact of the actions derived from these programmes; to date, FAO has implemented more than 150 programmes.

FAO's specialized cooperation seeks to strengthen the institutional capacities of the State, local communities, and rural families, especially the most vulnerable, so that they can improve their living conditions. To this end, it supports the development and implementation of public policies and programmes aimed at reducing rural poverty, reducing food insecurity and the sustainable management of natural resources, with the generation of partnerships as the fundamental basis of our strategy<sup>25</sup>.

In addition to the above, FAO has more comparative advantages in the implementation of this project in several aspects. Firstly, it has the advantage of having implemented numerous projects in rural areas of Nicaragua, especially in the Dry Corridor (DC), in alliance with producers' organizations in the country; FAO has also been collaborating with technical entities of the government, academia, the private sector and producers' organizations in the design of national policies and investment projects.

Similarly, the organization's approach to gender and Indigenous Peoples' inclusion gives FAO another comparative advantage in the framework of the CoRe.

**d) Areas of synergy.**

FAO's collaborative work and synergies in the country are defined in the CPF 2022-2026, and are based on the strategic objectives and lines of work of the Government of Nicaragua, established in the National Plan for the Fight against Poverty and for Human Development (PNCL-DH) 2022-2026 as well as the experiences obtained with the relationship of different sectors such as the organizations that make up the National System of Production, Consumption and Commerce (SNPCC), private enterprise, the National Education Sector, academia, research centres and producers' organizations. This will facilitate the implementation of the project, seeking efficiency, effectiveness, and sustainability.

---

<sup>24</sup> On line (2022) <https://www.fao.org/nicaragua/fao-en-nicaragua/es/>

<sup>25</sup> On line (2022). <https://www.fao.org/nicaragua/fao-en-nicaragua/es/>

FAO has specialized staff in producer organizations, cooperatives and rural institutions, and its materials and methods used to support POs in other countries. As a result, FAO is able to combine its broad global knowledge on the subject with its in-depth knowledge of the country to adapt these materials to the conditions of producers in rural Nicaragua and in particular in the DC.

FAO's Office of Partnerships, Advocacy and Capacity Development (OPCD) houses the expertise and tools needed to strengthen UNAG's capacities, including its unit dealing with civil society organizations.

It is important to highlight that the CoRe is aligned with key national policies and strategies being implemented by the National Production, Consumption and Commercial System (SNPCC)<sup>26</sup>, with its National Strategy for the Promotion of Family Farming for Food and Nutrition Security 2019 - 2021<sup>27</sup>. The Strategy is linked to lines of action that aim to promote crops rich in iron and zinc (rice, beans, maize, cassava and sorghum) in rural areas; the use of native and improved seeds resistant to drought, pests and diseases; and the recovery of nutritious ancestral crops; this alignment will continue to strengthen FAO's collaborative work in the country.

### 1.3 Context analysis

#### 1.3.1. Target population and targeting strategy.

The area of intervention of CoRe is the Nicaraguan Dry Corridor (CS)<sup>28</sup>. The criteria used to establish its exact extension is based on areas whose dry season is longer than four months per year (Rojas, O., 2020)<sup>29</sup>. The Dry Corridor covers 21% of the national territory and is administratively divided into 64 municipalities (42% of the 153 nationally), in which 37% of the total rural population lives. Of these, about 60% live in extreme poverty (MEFFCA, 2018)<sup>30</sup>. There are about 67,000 farms in this territory, 46% of which have less than two hectares<sup>31</sup>.

The activities aimed at strengthening UNAG's capacity will indirectly benefit more than **10,000** small producers living in the Nicaraguan Dry Corridor who are active members of UNAG. The direct beneficiaries will be 4,369, members of 192 producer organizations affiliated to UNAG, of which 43% are women, 27% youth and 13% indigenous (see Table 1 and Annex 6.2: Target Group UNAG). These small producers live in 143 communities in 14 municipalities in four Departments (see Annex 5.1: Geographic Area of Intervention).

---

<sup>26</sup> See more about National Strategies <https://www.economiafamiliar.gob.ni/websitemefcca-mvc/documentos/>

<sup>27</sup> See more about the National Strategy for the Promotion of Family Farming for Food and Nutrition Security <https://www.economiafamiliar.gob.ni/backend/vistas/doc/estrategia/documento669635.pdf>

<sup>28</sup> Nicaragua's Dry Corridor is part of the Central American Dry Corridor, which extends from the Pacific Coast of Guatemala to Costa Rica and the so-called Arco Seco in Panama.

<sup>29</sup> Rojas, O. Assessment of global agricultural extreme drought using the FAO Agricultural Stress Index System (ASIS). Weather Climate. Extreme, 2020.

<sup>30</sup> Ministry of Family, Community, Cooperative and Associative Economy (MEFFCA), Climate Resilient Agriculture Project in the Dry Corridor of Nicaragua, 2018.

<sup>31</sup> World Bank, Dry Corridor Strategic Framework, 2018.

The targeting process of the project consists of two stages, the first geographical targeting and the second where families will be selected. A multi-criteria analysis was used for geographic targeting, as follows:

- **Municipalities with the highest drought indices in the last decade:** The average annual rainfall in the Dry Co is usually less than 800mm and in some places it reaches 500mm. This project prioritizes municipalities that have had irregular rainfall seasons, with dry seasons of more than six months<sup>32</sup>.
- **High levels of food insecurity on the FIES scale<sup>33</sup>:** Using data from the March 2021 FAO household survey, the CS municipalities with the highest rates were selected<sup>34</sup>. The results show that 56% of respondents at some point did not have enough food to eat. The municipalities with the highest FIES score were selected whose classification is moderate to severe food insecurity.
- **Women are the most vulnerable:** The FAO survey found that about 70% of respondents had seen or heard of violence perpetrated against women in the community. The majority of women (62 percent) earn less per month than men and 86 percent have never had any technical training. Only 14% had ever received a means of production from a project. Again, the municipalities with the highest percentages in the above criteria were selected.
- **Presence of UNAG:** This peasant organization with national coverage has been in the area of influence of the project for more than forty years. This ensures that it has a solid social base, knows the environment well and has direct relations with community leaders.

The targeting of the project was defined by crossing the criteria mentioned above. Table 2 shows the results of the multi-criteria analysis.

**Table 2. Direct beneficiaries of the project**

Department	Municipality	M	F	Total	Young people	Indigenous	No Communities
<b>Matagalpa</b>	Dario	528	559	<b>1087</b>	310		21
	San Dionisio	445	187	<b>632</b>	208		9
	Terrabona	271	294	<b>565</b>	164		10
		1244	1040	<b>2284</b>	682	0	40
<b>Madriz</b>	Totogalpa	138	45	<b>183</b>	32	183	9

<sup>32</sup> FAO, Characterization Study of the Central American Dry Corridor, 2012. [Access here](#)

<sup>33</sup> More about the Food Insecurity Experience Scale [Access here](#)

<sup>34</sup> The survey shows that 47% of respondents have not been able to eat healthy and nutritious food due to lack of money or resources. This situation is more frequent among women over 45 years of age, particularly if their schooling is at the elementary school level. Approximately the same percentage perceives the COVID-19 pandemic as one of the causes of this situation. Finally, 35% of the households surveyed reported feeling hungry at some point, but had not eaten due to lack of resources or money.

Department	Municipality	M	F	Total	Young people	Indigenous	No Communities
	Telpaneca	70	42	<b>112</b>	11	112	4
	San Lucas	29	15	<b>44</b>	4		4
	Las Sabanas	20	23	<b>43</b>	4		4
	Palacagüina	40	28	<b>68</b>	10		5
		297	153	<b>450</b>	61	295	26
<b>Esteli</b>	Pueblo Nuevo	360	300	<b>660</b>	157		30
	Condega	174	147	<b>321</b>	89		14
	San Jose de Limay	84	49	<b>133</b>	34		9
		618	496	<b>1114</b>	280	0	53
<b>Nueva Segovia</b>	Santa Maria	32	23	<b>55</b>	13		3
	Macuelizo	135	78	<b>213</b>	61		9
	Mozonte	166	87	<b>253</b>	75	253	12
		333	188	<b>521</b>	149	253	24
<b>Total</b>	<b>14</b>	<b>2492</b>	<b>1877</b>	<b>4369</b>	<b>1,172</b>	<b>548</b>	<b>143</b>

The direct beneficiaries of the project have been selected based on an identification process carried out by UNAG among its partners in each of the municipalities of the intervention area. This was done using information recorded on: farm size (smallholders owning less than 3.5 ha); people belonging to the least favoured/most vulnerable groups (women and young adults actively working the land); and farms located in indigenous territories and farms where crops are most exposed to the impacts of climate change and there is potential for crop diversification/adaptation to alternative technologies to reduce climate vulnerability. The next step during project implementation will be the holding of community assemblies in which the results of the identification process will be shared and a call for proposals from the residents of the selected municipalities will be made, thus ensuring that the work to be done reflects the needs and desires of the beneficiaries. FAO will provide technical assistance for this process.

### 1.3.2. Gender and empowerment of women and families

Some of UNAG's member organizations are women's organizations with more than 20 years of experience in promoting women's economic and ideological development and empowerment. UNAG, through its Women's Secretariat, will promote the replication of the best results of previous projects to develop processes of this type with other organizations and areas benefited by **CoRe**. Specific actions to contribute to women's empowerment will be incorporated in the three project components and their strategies, for example, in the training and knowledge management program, in the investment strategy, in the climate change adaptation plans and in the value chains to be promoted.

The Project proposes to work with UNAG and its member organizations, which are of two types: i) legally constituted cooperatives, and ii) various forms of community-based associations, organized around socio-productive interests, such as community seed banks, networks of promoters, youth groups, women's groups, water interest groups, entrepreneurship groups, among others. Based on these forms of organization, it is proposed:

- A minimum quota of 80% of the total number of women participating in the implementation of the project will receive direct benefits (equipment, inputs, training, financing). At least 40% of the investment resources (financing and inputs) of the project will be specifically earmarked for women.
- To increase the participation of women and young people in decision-making in their organizational structures and local agendas. To this end, the project will support the establishment of a baseline for the 14 intervention municipalities, in order to know the level, quality and current forms of participation of women in their structures and local agendas. From this baseline, concrete actions will be derived to increase the participation of women and youth.
- Establish processes to develop female and youth leadership, create self-help networks to promote social empowerment and promote investments for income generation and economic empowerment, with the aim of reducing existing inequalities in access to productive resources and services, in terms of the burden of household chores and care, and in decision-making in the family and community. This proposal is based on the results of the study on rural women and youth led by FAO in 2021, which includes the municipalities of intervention of the Project (See Annex 6.16. CID GALUP Report Rural women and youth).
- Incorporate time-saving practices and technologies for women and co-responsibility in household chores by addressing new masculinities in the family.

The motivation to participate will be promoted basically by the exchange of experiences among women. UNAG has more than 20 years of experience in women's empowerment processes, which has allowed them to achieve relevant advances in their economic leadership. Knowing these experiences in their own words has motivated women's groups and organizations with less progress in this sense; CoRe will strengthen this dynamic.

The project monitoring system will keep a record of all actions carried out, separated by sex, age and ethnicity, to measure the participation of rural and indigenous women and youth, assets acquired, profits obtained and access to financing.



### **1.3.3. Stakeholder engagement**

The implementation of the CoRe will be in the hands of UNAG, who will hire a person for its coordination, as well as technical/administrative personnel for this purpose. A central structure for implementation will be UNAG's network of promoters, who will lead the implementation of all components at the community level and will also be beneficiaries. FAO will support the project by providing technical advice, some procurement and accompaniment during implementation.

As part of governance, the project will have a Steering Committee made up of FAO and UNAG representatives, the head of UNAG's Women's Secretariat, a representative of the POs involved and with the possible participation of government entities (INTA, MEFCCA), which will ensure the achievement of project objectives and products, define the project's assessment moments, approve annual operational planning, ensure the implementation of a learning agenda and the transparency of accountability processes.

FAO and UNAG will formulate an operational regulation (ROP) for monitoring, assessing and learning, for the entire project cycle, mid-term reviews and final impact assessment. UNAG will be responsible for safeguarding the means of verification and evidence of the activities implemented, FAO will be able to verify the quality of these means and propose improvement actions, as well as carry out follow-up field visits to verify progress towards the achievement of project objectives and indicators.

Prior to project implementation, a Work Breakdown Structure (WBS) will be constructed in a participatory manner, based on which more detailed implementation plans will be developed. UNAG will be responsible for implementing the annual operational plans and will draft quarterly progress reports, including the respective means of verification. FAO will monitor implementation, especially regarding the strategic areas of the project; as well as drafting the reports required by GAFSP.

### **1.3.4. Consultation with Project stakeholders**

FAO is committed to ensuring meaningful, effective and informed participation of stakeholders<sup>35</sup> in the formulation and implementation of FAO programs and projects.

Stakeholder engagement is understood as an ongoing process that involves, to varying degrees, stakeholder identification, outreach and the establishment of a mechanism through which people can comment on project proposals and performance or lodge complaints.

In August 2021, a consultation process was carried out with the potential beneficiaries of the project (see Annex 5.11: UNAG Grassroots Consultation Report). Four workshops were held with community leaders and representatives of UNAG member organizations in each of the 14 municipalities identified. Ninety-eight (98) producers actively participated in the sessions, of which twenty (20) were women and thirty-seven (37) were young people.

The participating community organizations: mixed and women's cooperatives, mixed, youth and women's groups, as well as community seed banks. The methodology consisted of starting with a presentation of the results framework of the proposal: impact, objective, components, and detail of activities. To begin

---

<sup>35</sup> "Stakeholder" refers to project-affected communities and national and local authorities and, where appropriate, other interested parties.

the presentation of the dialogue, a space was created for the presentation of the participants in the consultation sessions, as well as an introduction to the alliance between FAO and UNAG that has existed for several years. In addition, the objective of the Global Agriculture and Food Security Programme (GAFSP) was explained, as well as the mechanisms foreseen for the coordination and implementation of the project, if approved. Language appropriate to the audience was always used.

At the end of the presentation, a consultation session was initiated based on four questions: i) what are the main problems affecting your municipality? ii) How are they reflected in this project proposal / Does it respond to your current needs? iii) What other elements do you consider necessary to incorporate into the proposal? iv) In what areas can UNAG's work (and services) with your organizations be further strengthened?

The consultation process allowed for the adjustment of several actions proposed in the project design, especially those related to the construction of more resilient productive systems, income generation and the participation of women and youth. It is planned to continue with a systematic process of broad feedback, involving universities, government entities and the private sector, as well as a process of Free, Prior and Informed Consent (FPIC) with the indigenous communities of the northern region in the departments of Nueva Segovia and Madriz.

#### **1.3.4.1. Stakeholders**

One of the key stakeholders will be the indirect target population of the project (10,000 producers)<sup>36</sup>, organized in cooperatives and associations affiliated to UNAG, who live in the departments of Matagalpa, Estelí, Nueva Segovia and Madriz, specifically in 14 municipalities. The project's actions will directly benefit 4,369 people, of which 43% are women, 27% are young people and 13% are indigenous; FAO is another highly relevant stakeholder in the project.

The other key stakeholders will include: (i) entrepreneurs and companies working with UNAG along their respective value chains (e.g. input suppliers, collectors, buyers, local distributors and exporters); (ii) financial service providers; (iii) providers of training services, technical advice and technological innovations such as INTA, the National Agrarian University (UNA), INATEC and MECCA and; (iv) telecommunication companies that can assist in providing information related to climate change adaptation technologies and content.

#### **1.3.4.2. Disclosure**

Information of the project and its approval has been disseminated to the representatives of the intended beneficiaries in two stages, the first in August 2021 through a territorial consultation process with potential project beneficiaries, four workshops were held with community leaders and representatives of UNAG member organizations. In August 2022, the second phase was carried out through three studies led by FAO with the participation of UNAG leadership and project beneficiaries. During this period, three consultancies were developed with the purpose of providing inputs for the final design of the project, in each of the following consultancies the leadership and the bases of the UNAG have been counted on:

- Feasibility study to build or rehabilitate multipurpose community water / irrigation systems (See annex 6.13).

---

<sup>36</sup> Indirect Beneficiaries: Total membership of UNAG and people who will be reached with the campaigns; as well as family members of direct beneficiaries).

- Analyse the microcredit program "Sembrando Esperanza" and propose an implementation strategy for the CORE-GAFSP project (See annex 6.14).
- Document and design the methodology of the agroecological field school model (AFS) implemented by UNAG and its member organizations and associative groups (See annex 6.12).

Likewise, the Project Proposal has been discussed with governmental entities such as INTA and MEFCCA, whose institutional offer can support the project in various ways. These entities are in contact with UNAG and the rural communities where the project will develop actions, this will contribute to widespread access to project information for stakeholders with potential linkage.

The disclosure of relevant project information helps stakeholders to effectively participate. In this regard FAO will disclose information in a timely manner, before appraisal formally begins, that is accessible and culturally appropriate, placing due attention to the specific needs of community groups which may be affected by project implementation (such as literacy, gender, differences in language or accessibility of technical information or connectivity).

Also, all the results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums. The project will be able to identify, analyse and share lessons learned that may be beneficial for the design and implementation of future similar projects.

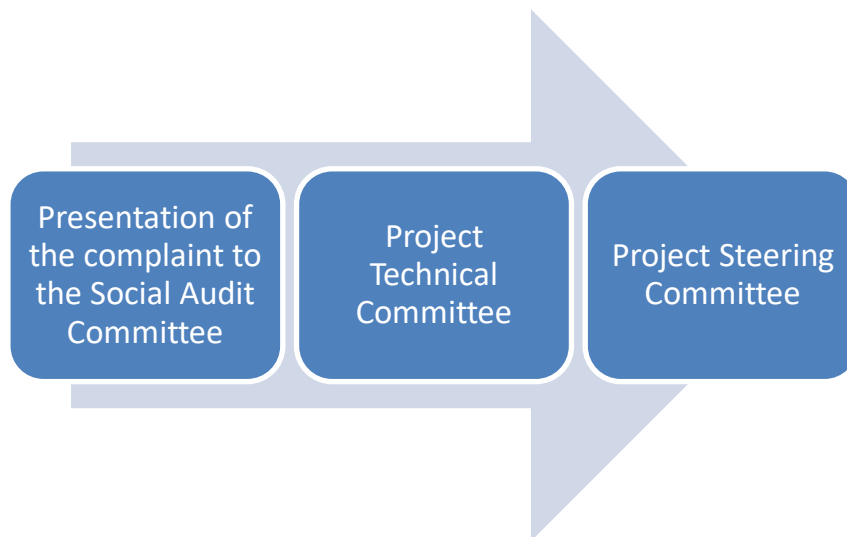
#### **1.3.4.3. Complaint Mechanism**

A grievance mechanism has been included in the project design to resolve concerns, worries, complaints and suggestions from intended beneficiaries or project stakeholders regarding situations that may arise during project implementation that could be related to the social and environmental commitments made by FAO and UNAG.

As an inclusive mechanism, each UNAG departmental headquarters participating in the project, will prepare a Regional Action Plan (RAP) during the inception phase. This RAPAP is a participatory exercise where all PO members will participate to: (i) identify potential risks associated with project implementation; (ii) impact of identified risks that may turn into grievances among members; (iii) intensity of risks; (iv) protective measures; and (v) responsible person(s)/committee for grievance management. This will be exercised on a quarterly basis in each Department, initially with the facilitation of FAO specialists.

A PGRA will reduce the causes of grievance during project implementation. In addition, a Social Audit Committee (SAC) will be formed within each departmental UNAG headquarters, composed of three members, selecting those who are not related to the Boards of Directors or Administrative Councils. Within each departmental UNAG, this CAS will be the first to process complaints. If a grievance could not be mitigated within the CAS, then the Producer Organization would seek guidance from the Project Technical Committee (PTC) to resolve it. The Project Steering Committee will be the final authority for handling grievances if there are unresolved issues at the PTC.

**Figure 1. Flowchart with the description of the spaces for attending to complaints.**



Procedures for registering complaints directly to the FAO Office of the Inspector General (OIG) regarding fraud and corruption will be posted in Spanish on a project website and on the national FAO.

### **1.3.5. Problems to solve.**

The year 2020 was one of the three warmest years on record in Central America. Temperatures were 1.0°C above the 1981-2010 average<sup>37</sup>. As noted above, Nicaragua's Dry Corridor is a highly vulnerable territory, where drought, poverty and fragile livelihoods have been exacerbated by hurricanes and the COVID-19 pandemic.

During the consultation process for this proposal, carried out between August 2021 and August 2022, participants reported having experienced in their communities a significant increase in the number of cases of COVID-19 infection, the likes of which had not been seen since the pandemic officially began in the country almost a year and a half ago. They expressed fear, uncertainty and precariousness, as the effects of the pandemic have led to an increase in the price of inputs for production, medicines and food. Another effect of the pandemic and the global crisis is the significant drop in family income, which has stimulated the migration of thousands of young people from the northern region to other Central American countries, with the United States and Panama as the main destinations. In recent months, according to the producers participating in the workshops, there have been waves of migration, mainly of young people travelling alone, facing multiple dangers.

In agro-ecological terms, 50.5% of the soil in the DC area is classified as affected by the effects of severe drought. Most of the population lives in conditions of food insecurity and malnutrition. According to the FIES scale applied in 15 municipalities of the SC in 2021, 69% of the population suffers some level of food insecurity, being 25% severe, 20% moderate and 27% mild.

For the most part, traditional production models in the Dry Corridor have limited capacity to adapt to climate change (CC) and external events. This has prevented them from increasing resilience, a situation

---

<sup>37</sup> World Meteorological Organization, the State of the Climate in Latin America and the Caribbean, 2020.

exacerbated by the COVID-19 pandemic, the main effect of which has been to further undermine already precarious household incomes. This is in addition to the increase in agricultural input prices resulting from the global crisis. Forcing the population to reduce demand for healthy (more expensive) food.

An FAO study conducted in May 2021 on the vulnerability conditions of rural families in the Dry Corridor provided data on the current state of local enterprises, markets, income, and financing (See Annex 6.17 Vulnerability Diagnostic Report with rural families in the DC). Forty-seven percent (47%) of respondents reported a reduction of more than 50% in their income, with the main reasons being low production and natural disasters. Eighty-five percent (85%) were unable to save money in the last six months. Ninety percent (90%) said that lack of financial resources was the main cause of their vulnerability. Twenty-two percent (22%) have some type of business venture underway, of which 19% are self-funded. Less than five percent (5%) have access to loans, only one percent (1%) receive grants, and more than seventy (70%) live in highly vulnerable conditions in terms of physical capital (i.e., they reported having no assets such as corrals, chicken coops or warehouses, or technologies such as an irrigation system). The majority of those consulted stated that the most significant damage caused by the hurricanes was the loss of their crops.

The limited economic and social participation of women and youth on equal terms is a structural factor that further weakens the status quo in the DC, a situation exacerbated with the advent of COVID-19. The recent FAO study conducted in 2021 in the DC (See Annex 6.16 CID GALUP Report Rural women and youth) indicated that the main challenges faced by women and young adults are unemployment (54%), poverty (50%), high cost of living (28%), drought (28%), and COVID-19 (21%).

The same study identified other factors that limit the economic and social participation of women and young people, such as the fact that only 39 per cent of women completed primary school; only 14 per cent received training or technical assistance, a figure that drops to 11 per cent among young people. In addition, 85% have not had access to a loan in the last 12 months, 86% have not benefited from a project, 70% have no income diversifying ventures and 66% of women have no access to markets (77% in the case of young women and 63% in the case of indigenous women). The use of ICTs in marketing continues to be a challenge, as it is not enough just to strengthen capacities to promote better use of these tools.

In terms of access to natural resources such as water, most families (71%) have wells, but these no longer cover basic needs, let alone water for irrigation, which further limits their opportunities to produce food beyond the amount needed for self-consumption. The rest obtain water from natural sources, but due to droughts and extreme weather events, these are scarce and polluted. The remaining forests are under enormous pressure, as 88% of rural households use firewood for cooking and need to fetch it from further and further away. Carrying water and firewood are responsibilities that fall mainly on women, increasing the number of hours spent on reproductive work and leaving little time for income-generating activities. Regarding the impact of COVID-19, these were one of the main sources of concern for all, noting its adverse effect on production (high cost of inputs and seeds), commercialization (closing of businesses) and the general welfare of families (hoarding of medicines, fear of leaving home).

Most of the actions proposed in this project are the result of the analysis of the various studies referenced and of the qualitative experience accumulated by UNAG as an organization with a presence in all the municipalities of SC. Many of the problems mentioned above are systemic, some of which were aggravated by the pandemic, such as reduced demand for products, loss of jobs and increased prices of

agricultural inputs (distributors claim that this is due to shortages, rising prices of raw materials and delays in the supply chain due to COVID-19).

### **1.3.6. Alliances**

In its more than 40 years of existence as a trade organization, UNAG has developed multiple relationships with actors in the private, financial and governmental sectors, as well as with international NGOs and universities. Within the framework of this project, the following strategic alliances are considered:

- **Banco de Fomento a la Producción (BFP)**<sup>38</sup>. FAO will be able through CoRe to support UNAG in forging a partnership with BFP (component 3) to create an alternative financing mechanism that will serve as a complement to UNAG's "Sembrando Esperanza" program by providing a way to scale up the program in terms of quality and quantity. CoRe will offer technical assistance to small projects that will potentially receive loans and grants.
- **Agricultural input companies:** During the implementation phase of the project, commercial alliances will be sought with distributors of agricultural products.
- **Telecommunications companies:** FAO has previous experience of working with telecommunication companies in the Dry Corridor developing initiatives through the provision of technology and agro-climatic content on climate change adaptation. Partnerships with these companies will be promoted by CoRe.
- **Gathering and/or exporting companies:** during the project implementation phase, alliances will be sought to establish prices and possible advance sales of bean and coffee harvests, which are exportable products with longer value chains. UNAG already has experience working with collection, processing and exporting companies.
- **Local public and private actors:** It is planned to work with ten municipalities on community climate change plans and climate-resilient agricultural solutions, a process in which FAO will provide advice and will seek to invite local private actors.
- **Nicaraguan Institute of Agricultural Technology (INTA)**<sup>39</sup> : INTA is a relevant partner to mainstream research, knowledge, validated technologies and key tools along key Project activities particularly on those related to training, extension, adoption and innovation. INTA and CoRe will promote agricultural technologies that have been validated in the Dry Corridor (basic grain seeds, drip irrigation systems, training for promoters through the AFSs), as well as the provision of strategic inputs (by means of certified seeds and bio-inputs enterprises linked to the Project). INTA's Directorates will provide technical support in implementing climate-smart technologies, integrate farmers into agricultural innovation initiatives and applied research actions, especially through agroecological field schools. INTA will also facilitate ICT use through TELECENTRES, which are learning sites using equipment and digital technologies. The CoRe is expected to promote

---

<sup>38</sup> See more in <https://www.bfp.com.ni/>

<sup>39</sup> UNAG has worked in coordination with INTA before. Within the framework of the present initiative formulated for GAFSP, collaboration will be expanded in those pillars of work that are strategic for UNAG: i) applied research and exchange of experiences in agroecological production; and ii) promotion and best practices for the establishment and management of community seed banks. Nicaraguan Institute of Agricultural Technology home page: <https://inta.gob.ni/>

INTA's AGROINNOVACION initiative aimed at the identification and promotion of innovations from UNTAG's members.

- **Ministry of Family Economy (MEFCCA)**<sup>40</sup>: Two areas of work are identified between the CoRe and MEFCCA: (i) training entrepreneurs in value generation processes, safety and market access and (ii) leveraging the project's credit fund with a financing fund that the Government has provided to promote the family economy, called "**Adelante**" **Program**, to the effect that the CoRe delivers a determined amount to the enterprises in concept of promotion (non-refundable money) and the MEFCCA complements the financial requirements with a determined amount of financing in soft conditions, the amounts will be defined from the design of the respective business plans.

Likewise, UNAG has institutional relationships that will be key for the implementation of CoRe activities with the National Agrarian University (UNA)<sup>41</sup>, the Nicaraguan Institute of Territorial Studies (INETER)<sup>42</sup> and the National Technological Institute (INATEC). With INTA, these partners will support the integration of cutting-edge and validated knowledge and technologies into the Project implementation.

### **1.3.7. Knowledge**

#### **1.3.7.1. Exchange Experiences**

In order to add value to the project's key interventions, FAO will implement its institutional knowledge management system, which will make it possible to retrieve and make visible all data, information and knowledge (lessons learned) generated during project implementation. All knowledge produced (e.g., publications, videos, presentations, images) will be stored in electronic format and uploaded into an FAO repository to be shared and preserved with internal and external audiences.

Similarly, as part of the strategy of participation, dialogue and exchange of experiences, a learning agenda will be built with the participation of stakeholders and the systematization of project experiences that will give greater visibility to the field work developed; likewise, the approach of exchange of experiences will be strengthened through the sessions of the Steering Committee of the Project, Technical Committee and assessments that will be done to the project.

#### **1.3.7.2. Lessons Learned**

For the development of this project, a rigorous analysis of primary and secondary information has been carried out, as well as the recovery of lessons learned from previous interventions, which allows providing documented support and empirical data to the proposed approaches. Likewise, more than four decades

---

<sup>40</sup> The project will plan the participation of UNAG's economic enterprises in promotional fairs held by the Ministry in different parts of the country. Ministry of Family, Community, Cooperative and Associative Economy Home Page: <https://www.economiafamiliar.gob.ni/websitemefcca-mvc/>

<sup>41</sup> UNAG has worked with UNA for decades on research and development initiatives. Within the framework of the CoRe, research and dissemination of good agroecological practices in the CD will continue. In addition, modules will be developed with UNA for Component 2 training programs. National Agrarian University Home: <https://www.una.edu.ni/>

<sup>42</sup> A working agreement will be reached with the institute within the framework of the agro-climatic strategy currently being developed by FAO, in particular to promote access to climate information issued through its agro-climatic bulletins. This will enable the network of UNAG promoters working with the project to provide climate-based technical assistance. Home page of the Nicaraguan Institute of Territorial Studies: <https://www.ineter.gob.ni/> More information on FAO's agroclimatological strategy: <https://www.fao.org/3/i5956s/i5956s.pdf>

of UNAG operation and more than 40 years of FAO presence in the country have been used as a basis for the design of this project.

The design of the CoRe has mainly taken into account lessons learned and evidence generated over the last ten years through participatory research, the implementation of cooperation projects, specific studies in the area of intervention and the Campesino a Campesino promoter program using the learning-by-doing and discovering approach, a methodology developed by UNAG and FAO (see Annex 6.7 "Campesino a Campesino Analysis"). In addition, evidence from FAO studies in the Nicaraguan Dry Corridor was used (see previous sections, above)

UNAG has worked with the National Agrarian University (UNA), the National Technological Institute (INATEC) and the National Council of Universities (CNU) for more than 15 years and has actively participated in different academic spaces (training, research and academic extension) that have contributed to the development of agriculture and livestock in Nicaragua. Some of these are used as references in this project, among them: Agro ecology and Agribusiness: Foundations for Rural Development in Nicaragua<sup>43</sup>. *Agro ecological evaluation of two coffee agroecosystems with Arabica L. coffee in San Ramon and two in Condega*<sup>44</sup>. *Agro ecological Evaluation of Two Agroecosystems with Livestock in Boaco*<sup>45</sup>. *Agro ecological evaluation of two agroecosystems with staple foods in Diriamba and two in Chinandega*<sup>46</sup>. *From agro ecological practices on farms to political advocacy*<sup>47</sup>. *Systematization of the Economic Experience of Women Beneficiaries of UNAG, Estelí*<sup>48</sup>. *And two in Chinandega*<sup>49</sup>. *From agro ecological practices on farms to political advocacy*<sup>50</sup>. *Systematization of the Economic Experience of Women Beneficiaries of UNAG, Estelí*<sup>51</sup>.

In addition, the UNAG is an important association in the Nicaraguan agricultural sector, producing evidence, data and participating in platforms created to improve decision-making in the sector. In recent years, the following studies and systematizations have been carried out and are under consideration for

---

<sup>43</sup> National Council of Universities. *La Agroecología y Agroindustria. Bases para el Desarrollo Rural en Nicaragua, 2021.*

<sup>44</sup> European Union, UNAG, *Evaluación Agroecológica de dos Agro ecosistemas con Café en San Ramón y Dos en Condega*, 2017. <https://cenida.una.edu.ni/documentos/NF08U58ea.pdf>

<sup>45</sup> European Union, UNAG, *Evaluación Agroecológica de Dos Agroecosistemas con Ganado Bovino en Las Lagunas, Boaco*, 2017. <https://cenida.una.edu.ni/documentos/NF08U58ev.pdf>

<sup>46</sup> European Union, UNAG, *Evaluación Agroecológica de Dos Agroecosistemas con Granos Básicos en Diriamba y Dos en Chinandega*, 2017. <https://cenida.una.edu.ni/documentos/NF08U58ev.pdf>

<sup>47</sup> Alliance for Agroecology, *From on-farm agroecological practice to policy advocacy*, 2016.

<http://alianzaagroecologia.redelivre.org.br/files/2017/04/Nicar%C3%A1gua-Seis-experiencia-agroecologicas.pdf>

<sup>48</sup> National Agrarian University, *Systematization of economic experiences of women beneficiaries of UNAG*, 2005. <https://repositorio.una.edu.ni/785/1/tne14c961.pdf>

<sup>49</sup> European Union, UNAG, *Evaluación Agroecológica de Dos Agroecosistemas con Granos Básicos en Diriamba y Dos en Chinandega*, 2017. <https://cenida.una.edu.ni/documentos/NF08U58ev.pdf>

<sup>50</sup> Alliance for Agroecology, *From on-farm agroecological practice to policy advocacy*, 2016.

<http://alianzaagroecologia.redelivre.org.br/files/2017/04/Nicar%C3%A1gua-Seis-experiencia-agroecologicas.pdf>

<sup>51</sup> National Agrarian University, *Systematization of economic experiences of women beneficiaries of UNAG*, 2005. <https://repositorio.una.edu.ni/785/1/tne14c961.pdf>



the formulation of projects: Community Seed Banks: Sowing Food<sup>52</sup>. *Agroecological Technical Manual*<sup>53</sup>. *Field methodologies to determine depth, bulk density, organic matter, soil water infiltration, soil texture and pH*<sup>54</sup>.

In addition, four FAO studies and diagnoses carried out in the Dry Corridor were used in the formulation of this project. These have been very useful in analysing the problem and designing an intervention strategy:

1. Characterization and Socioeconomic and Cultural Analysis of Women, Rural and Indigenous Youth in eight (8) Departments of the SC (See Annex 6.16).
2. Diagnosis of the conditions of vulnerability of rural families affected by COVID-19 and hurricanes ETA and IOTA in the area covered by the AGRIADAPTA and RELEVA projects in the DC of Nicaragua (See annex 6.17).
3. Study on technology and digital marketing plan for the promotion of Rural Entrepreneurship in the CD, conducted in preparation of a project, in response to the emergency due to the impact of COVID-19 on rural livelihoods and the food system (see Annex 6.18).
4. Diagnosis of the status of existing economic enterprises in the area covered by the AGRIADAPTA and RELEVA projects in the CD of Nicaragua (See annex 6.19).

Finally, experiences and lessons learned from relevant international cooperation projects were taken into account:

- The IFAD-funded NICAVIDA Project<sup>55</sup> in the Dry Corridor municipalities indicates that the main barriers limiting the adaptation of farming families to CC are droughts that affect their crops, poor access to water for human consumption, irrigation and watering places. Also limited capacity to implement sustainable land management practices that worsen soil degradation and erosion due to loss of forest cover and inadequate agricultural practices. Finally low productivity, low levels of schooling and few training opportunities.
- The PAIPSAN<sup>56</sup> GAFSP-funded project showed that the provision of agricultural technology training and technical assistance to organized farmers, as well as the creation and promotion of income-generating activities is a good strategy in the Nicaraguan context. The project also supported nutrition training, aiming to change behaviours and increase awareness and knowledge about nutrition and the role of agriculture in improving nutritional outcomes.

---

<sup>52</sup> Plataforma Zona Alta de Matagalpa, Community seed banks: planting and feeding, 2012.

[https://simas.org.ni/media/1339431618\\_Web%20Banco%20semillas%20revista.pdf](https://simas.org.ni/media/1339431618_Web%20Banco%20semillas%20revista.pdf)

<sup>53</sup> Movement of Agroecological and Organic Producers and Producers of Nicaragua. *Agroecological Technical Manual*, 2019. [http://www.maonic.org/files/publicaciones/MANUAL%20webMAONIC%20FINAL-19\\_1.pdf](http://www.maonic.org/files/publicaciones/MANUAL%20webMAONIC%20FINAL-19_1.pdf)

<sup>54</sup> National Agrarian University, UNAG, *Manual: Metodologías de campo para determinar profundidad, densidad aparente, materia orgánica, infiltración del agua, textura y Ph en el suelo*. <https://cenida.una.edu.ni/documentos/NP33G216m.pdf>

<sup>55</sup> Government of Nicaragua, IFAD. *Proyecto de Desarrollo Sostenible de las Familias Rurales en el Corredor Seco de Nicaragua*. 2016. <https://www.ifad.org/es/web/operations/-/dry-corridor-rural-family-sustainable-development-project-nicavida->

<sup>56</sup> World Bank, GAFSP, *Caribbean Coast Food Security Project (PAIPSAN)*, 2015. <https://www.gafspfund.org/projects/caribbean-coast-food-security-project-paipsan>

- Projects implemented by FAO: AGRIADAPTA, financed by COSUDE, and RELEVA, financed by COSUDE and the Canadian Cooperation respectively; and executed by FAO in the Dry Corridor, benefiting 14 thousand families. Both projects have allowed the generation and validation of integral models through the strengthening of the social fabric, the adaptation of agriculture to climate change, economic recovery, the restoration of natural resources and the emphasis on women and youth. The main lessons learned are focused on developing more comprehensive projects, including anticipatory action, the use of agro-climatic information, nutrition-sensitive production and nutrition education, conflict management, as well as the use of information and communication technologies as part of sustainability actions.

### ***1.3.7.3. Communications and Visibility***

FAO defines communication as process to promote sustainable rural development, and approach that has been applied for more than 40 years, as well as by other development agencies. This approach integrates various participatory processes and methods of communication, information, knowledge management and the integrated use of local and global media. Thus, from rural radio to new information and communication technologies are central to this task.

The Communication for Development (CfD) is a social process based on dialogue, using wide range of tools and methods. CfD is about to change at different levels including listening, building trust, sharing knowledge and skills, creating policy, debating and learning for sustained and meaningful change.

Within the framework of the CoRe, a communication and visibility plan will be designed, based on the CfD; part of the plan will be the design of banners, brochures, publications, videos, presentations, images, among others; including the design and visibility of the key actions of the project. Another important action of the communication and feasibility plan will be the dissemination of the contents in the following spaces: FAO and UNAG websites, social media (Facebook, Whatsapp, Instagram and Twitter) and internal and public events.

### ***1.3.8. Summary of the Project's Theory of Change (ToC)***

The Theory of Change for CoRe Project is summarized in Table 3, taking into account the context analysis, the strategic alignment with GAFSP objectives and comparative advantage of the Project counterparts and FAO, as implementing partner.

**Table 3. CoRe Theory of Change**

Problem	Component - Activities	Outputs	Outcome	Impact
Weak management and governance by UNAG and affiliated PO's to plan, implement and communicate action towards improved climate resilience and food security, with special attention to women and most vulnerable groups	<b>Component 1: UNAG and its producer organizations have good management and governance.</b>	UNAG and its POs improve their management and governance capacity.	UNAG and its producer organizations provide their affiliates with sustainable access to climate resilient services, technical knowledge, markets and finance.	The main objective of CoRe is to increase agricultural incomes and food security of smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor.
	1.1. Conduct an assessment of the organizational maturity of UNAG and affiliated POs.			
	1.2. Develop a participatory strategy for strengthening UNAG's institutional capacity, including the definition of a training and mentoring plan, and update UNAG's membership registry.			
	1.3. Design and implement a training program in organizational development for all participating POs.			
	1.4. UNAG Women's Secretariat implements a training program on women's economic rights and access to means of production designed for the network of UNAG promoters.			
	1.5. Design and implement the Communication Plan for the Development of UNAG, based on the use of Information and Communication Technologies.			
Lack of technical knowledge and assets that are strategic to support the recovery from COVID19 multi-variate impact, build climate resilience (particularly to droughts and storms) and improve food security	<b>Component 2: Farmers affiliated to producer organizations produce in a sustainable and climate resilient manner.</b>	Farmers organized in cooperatives and other associative forms affiliated with UNAG produce in a sustainable and climate resilient manner.	UNAG and its producer organizations provide their affiliates with sustainable access to climate resilient services, technical knowledge, markets and finance.	The main objective of CoRe is to increase agricultural incomes and food security of smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor.
	2.1. Develop a training program on Climate-Smart Agriculture in the conditions of the Dry Corridor, based on the Agroecological Field School methodology.			
	2.2. Establishment of ICT-driven Agroecological Farmer Field Schools (including inputs for family replication).			
	2.3. Establishment of bio-intensive gardens and seed banks for household and community food production.			
	2.4. In alliance with INTA's AGROINNOVA program, identify and develop innovations from AFS farmers.			
	2.5. Execute an investment plan to build or rehabilitate multipurpose community water systems, establish irrigation and drainage systems.			
	2.6. Develop training on healthy eating habits and nutrition, as well as a broader campaign to promote healthy living habits.			
Limited capacity of UNAG's farmer organizations to help their members access information, financing and market services aimed at increasing their incomes, building climate resilience and improving food security	<b>Component 3: Producer organizations able to help their members' access information, financing and markets.</b>	UNAG farmer organizations are able to help their member's access information, finance, and markets.	UNAG and its producer organizations provide their affiliates with sustainable access to climate resilient services, technical knowledge, markets and finance.	The main objective of CoRe is to increase agricultural incomes and food security of smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor.
	3.1. Adapt UNAG's credit policy and improve its financing mechanism to provide small seed capital loans to PO's economic ventures and grants for most vulnerable groups, based on the experience of "Sembrando Esperanza" Program.			
	3.2. Implement a technical assistance program to support small projects financed by the CoRe improved financial mechanism and/or Banco BFP especially in their market access process.			
	3.3. Map and diagnose the situation of small-scale enterprises, formulate marketing and sales plans based on the assessment of challenges and opportunities for improved performance in priority value chains.			
	3.4. Facilitate linkage to MEFFCA programs and strategies related to the promotion and development of entrepreneurial initiatives in order to increase their competitiveness and capacity to generate decent jobs.			
	3.5. Formulate and implement sanitary protocols for the management of the safety of the value chain, especially to prevent the spread of COVID-19 in the markets.			
<b>Key assumptions:</b> absence of extreme events; strategic Alliances are forged to support Project implementation; knowledge exchange and integration of lessons learned facilitated by development partners and stakeholders; Project implementation capacities and enabling environment for Project implementation are in place; strong participation and ownership from UNAG's affiliated POs and smallholders, particularly women and most vulnerable groups through enhanced communication and application of safeguards.				

## 2 SECTION 2 – FEASIBILITY

### 2.1 Implementation Arrangements

The implementation and management arrangements in the CoRe ensure the correct implementation of the work plan and budget, for the achievement of the agreed objectives and components, as well as the proper management of resources.

#### 2.1.1 Institutional framework and coordination

The implementation of CoRe by UNAG will be the responsibility of a team hired for this purpose. In addition, there will be a Project Steering Committee (SC) with representatives from FAO and UNAG, a representative of the POs involved and eventually with the participation of government entities (INTA,

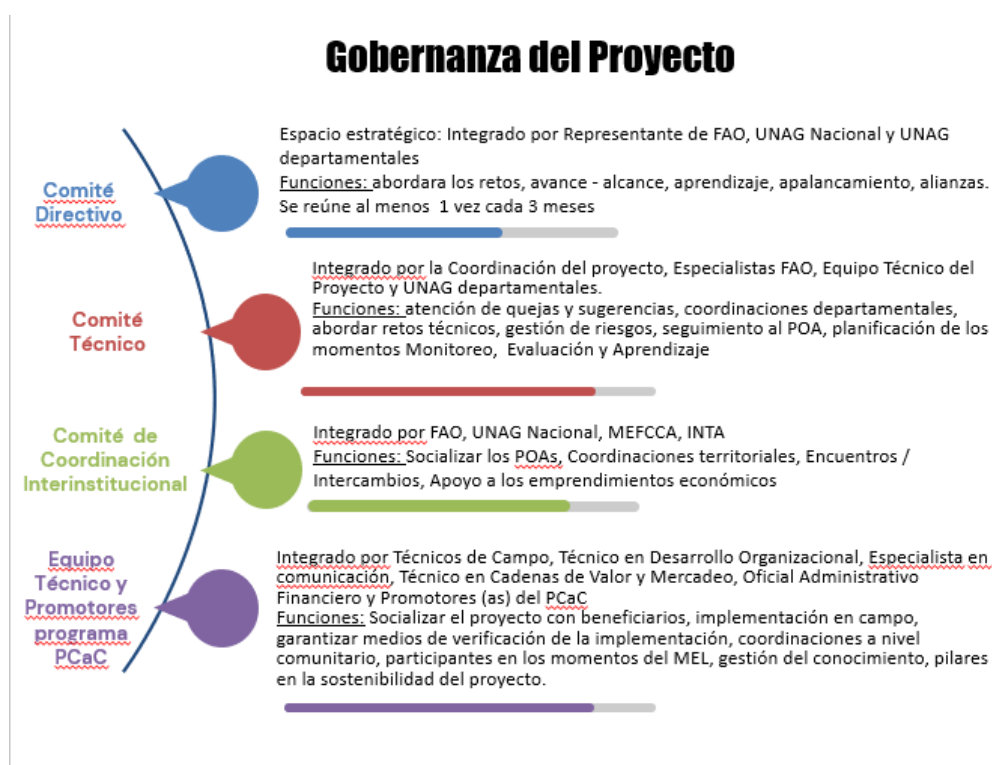
MEFCCA). The Steering Committee will serve to provide overall oversight of the project work, including review of project work plans and project progress reports, as well as risk analysis, context analysis and support on the learning agenda. The Steering Committee will also help build relationships and trust between parties while serving to coordination with ongoing government and private sector initiatives.

The Steering Committee (SC) will be composed of the UNAG President, the FAO Representative for Nicaragua, project coordination (SC secretariat) and UNAG departmental presidents (Matagalpa, Estelí, Madriz, Nueva Segovia); as the project consolidates, representatives of institutional partners or other relevant actors may participate as guests. The CD will be formally constituted and will have terms of reference for its operation, designed by the participants themselves, with the facilitation of the project coordination.

Similarly, the project will form a Technical Committee (TC), to follow up and support the most operational aspects of the project, such as methodologies, learning, progress of activities and complaints that have not been resolved in a timely manner; this committee will be chaired by the Project Coordination and will include specialists from FAO, the Project Technical Team and national and departmental UNAG; also participating will be promoter leaders (at least 2 women) from the departments of Matagalpa, Estelí, Madriz, Nueva Segovia. This committee will meet on a quarterly basis and will have its own terms of reference of operation designed by the participants themselves, with the facilitation of the project coordination.

The Inter-institutional Coordination Committee will be integrated by FAO, National UNAG, MEFCCA, INTA; the functions of the committee will be the Socialization of the POAs, Territorial Coordination, Meetings / Exchanges, linkage to public programs and strategies, support to innovation processes and support to economic entrepreneurship.

Figure 2. Project Structure and Supporting Committees



#### 2.1.2 FAO Contributions (Co-financing)

FAO will provide technical assistance through national and international experts in the different disciplines, tools, instruments, and methodologies developed by the Organization that can be adapted to the context of the project's area of impact during implementation. At the international level, there will be specialists based in the Subregional (SLM), Regional (RLC) and Headquarters (HQ) offices in the following areas: rural investment, nutrition, crop production and protection, food security, agrifood systems, markets, gender, and indigenous peoples.

For its part, the FAO Representation in Nicaragua will provide national technical support from senior specialists (resilient production, gender, rural investments) and technical experts (nutrition, communication for development, strategic planning) who will provide advice during implementation and quality assurance of products. It will also provide operational support in logistics, monitoring and follow-up, procurement, financial management, as well as strategic communication. Table 4 shows the estimated contribution.

FAO will only report on the monetary contributions received from the GAFSP and not on its own non-monetary contribution.

**Table 4. Description of FAO Non-Monetary Contributions**

Description of non-monetary contributions	Estimated value <sup>57</sup> USD
<b>Multidisciplinary Technical Specialists-National and International SLM, RLC HQ.</b>	<b>75,000</b>
<p><b>FAO Representation in Nicaragua Infrastructure of the Representation, administrative and financial equipment, procurement and programs that will provide support during the entire time of project implementation.</b></p> <p>(Facilities, logistics, networks, etc. Technological and IT infrastructure that will provide support throughout the project execution and closure).</p>	<b>182,000</b>
<p><b>Planning, Monitoring and Follow-up:</b></p> <p>Tools of the Planning, Monitoring and Follow-up System of the representation:</p> <ul style="list-style-type: none"> <li>*Annual Operational Plan (POA) progress, to measure percentage of progress in the fulfillment of tasks.</li> <li>*Early warning monitors on activities that may generate delay.</li> <li>*Technical and financial monitoring dashboard of POAs.</li> </ul>	<b>18,000</b>
<p><b>Communications:</b> Communication actions in addition to those funded by the project:life stories, press releases, social media strategy.</p> <p>Assistance of the FAO communications officer and the communications team in training activities and events and for the planning and development of the virtual workshops required in the framework of capacity building.</p>	<b>15,000</b>
<b>Total Value</b>	<b>290,000</b>

**2.1.3 Contributions from UNAG (Co-financing)**

UNAG, through its own funds in its branches in Estelí, Madriz, Matagalpa and Nueva Segovia, will contribute a cash counterpart in the amount of US\$180,000.00 to the project, in component 3. This fund will be used to facilitate small production credits to its members so that they have access to financing and can improve their food security and income.

<sup>57</sup> The value of FAO's contribution is estimated and may vary according to the development and requirements of the project during its implementation.

Similarly, UNAG, through its members that make up the producer organizations, will contribute to the project with a counterpart in kind (labor) of USD 321,200.00 dollars, which together total USD 582,000.00, as shown in Table 5. The network of promoters will play a key role in the implementation of activities, replication and technical assistance to producers participating in the project.

**Table 5. Description of UNAG's contributions by activity and component**

<b>Components</b>	<b>Activities</b>	<b>UNAG's Contribution (US\$)</b>
<b>Component 1:</b> "UNAG and its POs improve their management and governance capacity."	Activity 1.2. Develop a participatory strategy for strengthening the institutional capacity of UNAG, including the definition of a training and mentoring plan, and update the register of UNAG members.	\$47,000.00
	Activity 1.4. The UNAG Women's Secretariat implements a training programme on women's economic rights and access to means of production, designed for the network of UNAG Promoters, which will be replicated at the community level.	\$24,000.00
	Activity 1.5. Design and implement the Communication Plan for the Development of UNAG, based on the use of Information and Communication Technologies (oriented, among others, to market access, climate change adaptation and COVID-19 prevention).	\$20,000.00
	<b>TOTAL, COMPONENT 1</b>	<b>\$91,000.00</b>
<b>Component 2:</b> "Farmers organized in cooperatives and other associative forms affiliated with UNAG produce in a sustainable and climate resilient manner"	Activity 2.1. Develop a training program on Climate-Smart Agriculture in the conditions of the Dry Corridor, based on the Agroecological Field School methodology.	\$20,000.00
	Activity 2.2. Establishment of ICT-driven Agroecological Farmer Field Schools (including inputs for family replication).	\$18,000.00
	Activity 2.3. Establishment of bio-intensive gardens and seed banks for food production at family and community level.	\$180,000.00
	Activity 2.5. Implement an investment plan to build or rehabilitate multipurpose community water systems, establish irrigation and drainage systems, and strengthen the capacities of community networks for self-management, administration, and protection of water.	\$12,000.00
	<b>TOTAL COMPONENT 2</b>	<b>\$230,000.00</b>
<b>Component 3:</b> "UNAG farmer organizations are able to help their	Activity 3.1 Adapt UNAG's credit policy and improve its financing mechanism to provide grants and small seed capital loans to PO's economic ventures, based on the experience of "Sembrando Esperanza" Program	\$180,000.00

member's access information, finance, and markets."		
	<b>TOTAL COMPONENTE 3</b>	<b>\$180,000.00</b>
<b><u>Administrative Costs</u></b>	Office rentals Estelí, Madriz, Jinotega, Matagalpa and National Headquarters	\$ 81,000.00
	<b>TOTAL OFFICE RENTAL COST</b>	<b>\$ 81,000.00</b>
	<b>GRAND TOTAL</b>	<b>\$582,000.00</b>

#### **2.1.4 Contributions from GAFSP**

The GAFSP's contribution to the project is \$3,210,000 (See Table 6), and its budget will focus on addressing the following areas:

- ✓ FAO will provide technical assistance through a team of specialized consultants who will provide support to the project in areas such as operational planning, finance, training methods, organizational development, communication for agricultural development, and credit management. Furthermore, the costs associated with the delivery of technical support services are included.
- ✓ Acquiring seeds and inputs for the establishment of biointensive orchards, as well as materials and equipment for the implementation of irrigation systems and the installation or restoration of water harvesting technologies.
- ✓ Logistics and resources for capacity building of producers, promoters, and technicians in areas such as organizational development, establishment of agroecological field schools, technology transfer, climate change adaptation, management, governance, and market access.
- ✓ Office equipment, vehicles, IT equipment, as well as the project operating costs.
- ✓ A Letter of Agreement (LOA) with UNAG for the implementation of technical and operational activities in the project's 14 intervention municipalities.
- ✓ Services from a private firm for fiduciary administration of the credit fund.



**Table 6. Description of GAFSP's contributions by activity and component**

Component/ activities	Budget				
	Year 1	Year 2	Year 3	Year 4	Total Budget
<b>Component 1: "UNAG and its POs improve their management and governance capacity."</b>	<b>141,401</b>	<b>140,212</b>	<b>137,172</b>	<b>101,847</b>	<b>520,633</b>
Activity 1.1. Assess the organizational maturity of UNAG and affiliated POs.	12,200	-	-	-	12,200
Activity 1.2. Develop a participatory strategy for strengthening the institutional capacity of UNAG, including the definition of a training and mentoring plan, and update the register of members.	38,877	40,365	36,865	4,400	120,507
Activity 1.3. Design and implement an organizational development training programme for all participating POs (training includes an introduction to the principles and practices of responsible investment in agriculture and food systems, as well as to the features and potential applicability of FAO Rural Invest Toolkit.	48,748	48,748	49,208	48,748	195,451
Activity 1.4. The UNAG Women's Secretariat implements a training programme on women's economic rights and access to means of production, designed for the network of UNAG Promoters, to be replicated by them at the community level.	8,450	30,000	30,000	30,000	98,450
Activity 1.5. Design and implement the Communication Plan for the Development of UNAG, based on the use of Information and Communication Technologies (oriented, among others, to market access, climate change adaptation and COVID- 19 prevention).	33,126	21,100	21,100	18,700	94,025
<b>Component 2: "Farmers organized in cooperatives and other associative forms affiliated with UNAG produce in a sustainable and climate resilient manner"</b>	<b>231,469</b>	<b>397,184</b>	<b>534,426</b>	<b>230,201</b>	<b>1,393,279</b>
Activity 2.1. Develop a training program on Climate-Smart Agriculture in the conditions of the Dry Corridor, based on the Agroecological Field School methodology.	59,000	59,000	59,000	-	177,000
Activity 2.2. Establishment of agroecological field schools for farmers (AFS), driven by the use of ICT (including inputs for family replications)	75,786	55,386	55,386	-	186,558
Activity 2.3. Establishment of bio- intensive gardens and seed banks for food production at family and community level	96,683	85,569	71,533	50,127	303,912
Activity 2.4. In alliance with the AGROINNOVATION Program of the Nicaraguan Institute of Agricultural Technology, design and implement a special mechanism to promote the inventiveness of producers and the dissemination of low- cost climate change adaptation technologies, led by young people.	-	3,500	12,625	5,464	21,589
Activity 2.5. Implement an investment plan to build or rehabilitate multipurpose community water systems, establish irrigation and drainage systems, and strengthen the Capacities of community networks for self-management, administration, and protection of water.	-	175,829	335,881	156,710	668,420
Activity 2.6. Develop training on healthy eating habits and nutrition, as well as a wider campaign to promote healthy Lifestyles.	-	17,900	-	17,900	35,800
<b>Component 3: "UNAG farmer organizations are able to help their member's access information, finance, and</b>	<b>174,228</b>	<b>293,919</b>	<b>169,985</b>	<b>41,081</b>	<b>679,214</b>
Activity 3.1. Adapt UNAG's credit policy and improve its financing mechanism to provide small seed capital loans to PO's economic ventures and grants for most vulnerable groups, based on the experience of "Sembrando Esperanza" Program	154,200	195,000	120,000	-	469,200
Activity 3.2. Implement a technical assistance program to support small projects financed by the CoRe improved financial mechanism and/or Banco BFP, especially in their market access process.	14,228	16,729	19,155	16,617	66,729
Activity 3.3 Map and diagnose the situation of small-scale enterprises, formulate marketing and sales plans based on the assessment of challenges and opportunities for improved performance in priority value chains.	-	51,862	7,867	1,500	61,229
Activity 3.4. Facilitate the linkage to MEFCCA programs and strategies related to the promotion and development of entrepreneurial initiatives in order to increase their competitiveness and capacity to generate decent jobs.	-	24,528	17,164	17,164	58,856
Activity 3.5. Develop and implement sanitary protocols for safety management in value chains, especially to prevent the spread of COVID-19 in markets.	5,800	5,800	5,800	5,800	23,200
<b>Project management, monitoring and supervising</b>	<b>209,564</b>	<b>57,480</b>	<b>55,532</b>	<b>84,299</b>	<b>406,874</b>
<b>Sub-Total</b>	<b>756,662</b>	<b>888,796</b>	<b>897,115</b>	<b>457,428</b>	<b>3,000,000</b>
Sub-Total: Project Support Costs	52,966	62,216	62,798	32,020	210,000
<b>Grand-Total: Project Budget</b>	<b>809,628</b>	<b>951,011</b>	<b>959,913</b>	<b>489,448</b>	<b>3,210,000</b>

### 2.1.5 Strategy/ Methodology

The main objective of CoRe is to increase agricultural incomes and food security of smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor. The main outcome of the Project is that UNAG and its producer organizations provide their affiliates with sustainable access

to climate resilient services, technical knowledge, markets and finance. Therefore, the Project strategy focuses on reducing livelihood vulnerability, increasing the resilience and productivity of agricultural and livestock systems, and promoting economic opportunities and income for members of UNAG's affiliated producer organizations, with an emphasis on women, young adults and indigenous people. To achieve its expected objective and main outcome, the Project would rely on the following approaches:

- *Climate Smart Agriculture (CSA) mainstreaming, based on FAO, INTA and UNAG experiences.* There will be support for identification and implementation of climate change (CC) adaptation measures, based on CSA technologies contained in the INTA and FAO technology catalogues (Annex 6.20). Climate-smart agriculture (CSA) is an approach that helps guide actions to transform agri-food systems (AFS) towards climate resilient and sustainable development pathways. In this sense, it aims to tackle three main objectives: sustainably increasing agricultural productivity and incomes; adapting and building resilience to climate change; and improving environmental performance, including potential contribution to reducing and/or removing greenhouse gas emissions, where possible. For CoRe, mainstreaming CSA along key Project activities (training, planning and investment related activities in particular) seeks to ensure the sustainable management of agricultural and natural resources and increase household incomes to alleviate poverty and strengthen the resilience of target population, with special attention to women, youth, and indigenous people. In addition to the technical assistance provided by the project, it will be linked to INTA's coverage in the project areas to support initiatives contained in national strategies such as community seed banks, participatory plant breeding processes, applied research and training of innovative farmers.
- *Information and Communication Technologies and Communication for Development.*<sup>58</sup> These tools will be applied to support CSA knowledge management and market access (components 2 and 3). FAO's recent experiences with COVID-19<sup>59</sup> impact response and climate<sup>60</sup> adaptation projects will be the basis for these efforts<sup>61</sup>.
- *Agroecological Field Schools (AFS).* As a differentiating element in terms of technologies and practices extension, adoption and sustainability, the Project will strengthen the sustainable rural development approach of the "Campesino a Campesino" community program, implemented by UNAG since 1987. Campesino a Campesino is a Farmer Field Schools approach, where local promoters are key actors to support knowledge development and management among farmers (see Annex 6.7: Campesino a Campesino Analysis, Key Elements of the process). Today, UNAG has more than 300 promoters in the different rural communities of the country. The Promoters will also be central actors in the CoRe Project implementation. Promoters will benefit from capacity building activities under the three components of the Project. Based on improved knowledge and other assets provided by the Project, UNAG's network of Promoters will support the implementation of actions at the community level. Promoters' capacity building and the AFS implementation, in general, will benefit from cutting-edge

---

<sup>58</sup> FAO's work in Communication for Development: <http://www.fao.org/communication-for-development/en/>

<sup>59</sup> See Video [Resiliencia de los hogares rurales del Corredor Seco de Nicaragua ante el impacto del COVID-19 \(Releva\)](#)

<sup>60</sup> See Video [Resultados 2020 Proyecto AGRIADAPTA](#)

<sup>61</sup> See information of AGRIADAPTA Project: <https://www.fao.org/home/search/es/?q=agriadapta> and <https://www.youtube.com/watch?v=dNsSuJRL04I>

knowledge and validated technologies and tools shared by partner institutions, such as INTA, UNA, INETER and INATEC, as highlighted in the Alliances section (section 1.3.6).

- Community-driven Climate Change Action Plans (Planes de Adaptación al Cambio Climático, PACC). FAO has developed a methodology for the participatory definition of climate change adaptation priorities and planning for implementation (including technical and financial considerations). See Annex 22 for further details. The PACCs will be applied by CoRe Project as a tool to guide the integration of scientific and local knowledge in the delimitation of challenges, barriers to action and adequate measures at farm and community level. The PACCs development is anchored in the AFS process. Nonetheless, it serves as a tool to guide CSA planning and investment activities / inputs along the three Project components.
- *Financial inclusion to ensure access to markets and income generation for families.* Actions and investments will be promoted so farmers and cooperatives have improved access to sources of financing and technical support for business development and implementation (component 3). The CoRe Project would support the revision of UNAG credit policy, establish an improved financial mechanism and develop associated technical services. The proposed financial mechanism is based on a thorough assessment of UNAG's financial services - 'Sowing Hope' microcredit Program ("Sembrando Esperanza"<sup>62</sup>), additional needs from UNAG's members and key challenges in the provision of and access to financial services, as well as other associated services to ensure adequate performance, climate resilience mainstreaming and general sustainability. The assessment highlighted unmet demand for financial services from UNAG members, lack of inclusion of most vulnerable groups and sustainability issues. In this sense, the proposed financial mechanism comprises two modalities of financing: improved agricultural credit line and a dedicated fund to support food production and climate resilience enhancing for most vulnerable groups. Both are based on strengthened institutional and operational schemes with technical, administrative and governance capacities and mainstream climate resilience, social inclusion, and sustainability. See Annex 6.14 for more details about assessments conducted to define the Project approach regarding improved financial services and inclusion.
- *Economic empowerment of women, young adults, and indigenous groups.* Women and youth will be at the center of all Project Components. Previous experiences from UNAG and FAO in the Dry Corridor will be taken as a reference, such as the Adapt Youth Network promote by FAO and the Swiss Development Cooperation (SDC)<sup>63</sup>, as well as the post-COVID economic and entrepreneurial reactivation processes undertaken by FAO and the Canadian International Development Agency (CIDA)<sup>64</sup>. Lessons learned from the implementation<sup>64</sup> of UNAG's Campesino a Campesino program will also be considered.

---

<sup>62</sup> See Annex 5.14 Study UNAG Microcredit Program, Annex 6.8.1: Revolving Fund Credit Regulations and Annex 6.8.2: UNAG Madriz Credit Policy.

<sup>63</sup> See press release: Red Adapta Youth strengthen communication skills for the development and use of ICTs. <https://www.fao.org/nicaragua/noticias/detail-events/en/c/1412996/>

<sup>64</sup> See information on social networks about RELEVA project [07/13](#); [07/27](#); [08/05](#); [08/06](#); [08/10](#); [08/11](#); [08/25](#)

The long-term impact of CoRe is to increase agricultural incomes and food security of smallholder farmers and recover from the impact of COVID-19 in selected areas of Nicaragua's dry corridor. The main Project outcome is that UNAG and its producer organizations provide their affiliates with sustainable access to climate resilient services, technical knowledge, markets, and finance. In order to achieve the Project's development objectives, the following outputs are required: 1) UNAG and its producer organizations improve their management and governance capacity. 2) Farmers organized in cooperatives and associations affiliated to UNAG produce in a sustainable and climate resilient manner. 3) UNAG farmer organizations are able to support their members in accessing information, finance, and markets. The selected approaches interact to contribute with the Project expected outputs, main outcome, and development objective. The following sections detail the implementation strategy of key Project instruments / investments: i) Agroecological Field Schools, ii) CoRe Project improved financial mechanism, iii) community drinking water systems; and iv) irrigation and drainage systems.

#### ***2.1.5.1 Implementation of Agroecological Field Schools***

For the implementation of the AFSs, and following GAFSP's recommendations to the project's concept note, a specialized consultancy has been carried out during the formulation of this project. The aim of this consultancy was to build, in a participatory manner, the best approach to implement farmer field schools in contribution to the Project objective. The assessment defined an innovative model that is feasible and relevant for the context and Project objective, called Agroecological Field School. See Annex 6.12: Study on the methodology of the Agroecological Field School -AFS- model implemented by UNAG and its member organizations.

The selected CSA technologies and practices, to be mainstreamed through the AFS, correspond to INTA's research programs (INTA's catalogue of technologies). INTA's strategy for agricultural research and development is based on addressing the main problems and needs of farmers, informed by recurrent dialogue platforms at municipal and departmental levels. CORE will also contribute to these dialogue and participatory process for the prioritization of knowledge, technologies and innovations required by the Project. Additionally, the CoRe will also strengthen the link with academia (CNU, including UNA) and other key partners (such as INETER and INTAC), adding technical value to the research, transfer, adoption and innovation processes aimed by the Project. Universities and scientific partners have territorial offices/representations in most of the territories covered by CORE which facilitate their participation in key Project activities.

AFS implementation require capacity building and operational support for three principal actors: i) technicians, ii) promoters and iii) farmers. These are supported by UNAG, FAO, INTA and benefit from knowledge and collaboration from other key research and development institutions – UNA, INETER and INTAC. The pedagogical model applied in farmer-farmer training is based on constructivist paradigms, favored by the exchange of experiences between local agents of change and the transmission of intergenerational ancestral knowledge complemented by other relevant knowledge and validated technologies / tools from key development institutions with ample experience in the territories covered by CoRe.

The proposed model of Agroecological Field School follows four levels of training. This approach seeks local empowerment and knowledge development through the active participation of multiple local stakeholders. The first and second level cover capacity building of technicians and promoters, aiming at graduating a first cohort of AFS promoters (first level, 100 promoters) who will then identify and train new promoters (second level, additional 400 promoters). After these two first levels of AFS application are

completed, CoRe will count on 500 promoters that will be supported by the Project to implement farmer-to farmer trainings (level 3), develop 24 technology transfer parcels, and prepare 500 investment profiles eligible for financing through the enhanced financial mechanism (agriculture credit line and dedicated food production support fund), in line with climate action priorities. The third level of AFS application will lead to the deployment of 400 field schools. Each AFS comprises, one Level 2 Promoter and 10 farmers. AFS are accompanied by field technicians and more experienced Level 1 Promoters from UNAG. In total, 4,000 farmers will be trained by AFS. Finally, the four level of AFS implementation facilitates the participation of eligible trainees in INTA's AGROINNOVA Program. It is expected that 700 farmers will take part in AGROINNOVA and develop 14 innovation sites. See Figure 3.

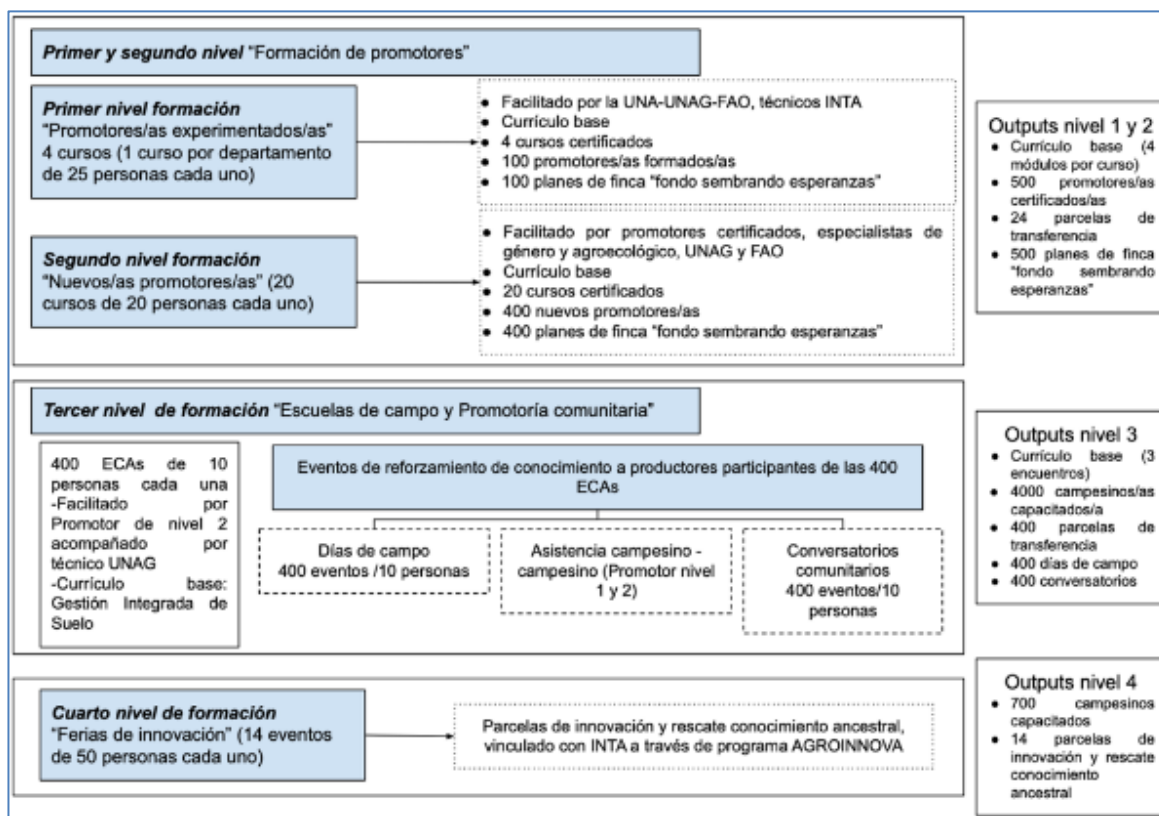


Figure 3. Levels of training in the FFS model

The implementation of the AFS model would result in a comprehensive training and knowledge development process, aimed to support the adoption of climate-smart technologies and contribute with the restoration of ecosystem services and ultimately with the food and nutrition security. The model makes it possible to include crucial elements in the rural training process, such as learning by doing on highly participatory methodologies, with a cross-cutting component of women's empowerment and communication for development. See Annex 6.12: Study on the methodology of the agroecological field school model (AFS) implemented by UNAG and its member organizations). This process is supported by the application of ICT tools. These will be facilitated to Project beneficiaries by means of UNAG's AFS

promoters, INTA's TELECENTRES and other means already implemented by UNAG, FAO and other Project partners.

Taking advantage of the AFS process and stakeholders, the Project will support the development of community driven Climate Change Action Plans (PACCs). FAO has defined a methodology for PACCs development (see Annex 6.22) that is adapted to the needs and resources available for CoRe. The intention of the PACCs, as a by-product of AFS implementation and complemented by other planning and investment activities / inputs foreseen by the Project (under Component 1 and 3), is to prioritize and delimit investments for climate change adaptation in target communities. These are climate-smart investments that will be supported by CoRe under Component 2 and 3. In this sense, PACCs will build on scientific and local knowledge about climate change impacts, barriers for action and feasible solutions. Regarding the integration of scientific knowledge, as already noted above, CoRe will facilitate the interaction of local stakeholders with key research and development partners that have extensive work experience in the territories and target population covered by the Project, namely INTA, UNA, INETER and INTAC. In terms of climate change adaptation measures, besides prioritizing farm level actions, informed by AFS farm investment profiles, the PACC will guide investments at community level on key areas of Project support – i.e. seed banks, bio gardens, multi-purpose water systems (water points and irrigation and drainage systems).

#### ***2.1.5.2 Implementation of the “Sembrando Esperanza” Program***

Following GAFSP TAC recommendations to the project concept note, a specialized consultancy has been carried out to assess UNAG's Sowing Hope (Sembrando Esperanza) Program and propose activities to improve UNAG's financial services, with particular attention to overcoming challenges and covering unmet demand for financial services from most vulnerable groups (See Annex 6.14: Study on the analysis of the microcredit program "Sembrando Esperanza" and implementation strategy in the CORE-GAFSP project).

According to the analysis, UNAG is a nonprofit trade association regulated by Law 849 "General Law of Chambers, Federations and General Business Confederations" under which it has the authority to promote, represent and favor the collective development of the sectors it represents, placing the public interest above the private or particular interest. Based on UNAG's legal status and the provisions of its articles of incorporation, it is concluded that it has the authority to execute loans directly.

The “Sembrando Esperanza” Program was created as a US\$21,236 loan fund to benefit producers affiliated to UNAG in the Department of Madriz. The fund aimed at financing working capital for productive initiatives, leading to higher income, increased capacities, and reduce poverty of beneficiaries. Under different financing funds and even operation modalities, the program expanded its portfolio to reach a global capital of USD 695,060.00 and to cover four delegations (Estelí, Ocotol, Madriz, and Matagalpa). The Program has been implemented through three cooperatives and a rural savings bank.

Following the study and consultations conducted to support the Project design, the Program confirms the relevance of access to finance for UNAG's members. Nonetheless, the assessment identifies multiple challenges faced by stakeholders. These provide justification for Project support to improve financial and associated services, based on the lessons learned and the need to mainstream climate resilience considerations.

#### ***Challenges related to the Program Operation:***

- The Program provides financial services to segments not served by commercial banks, with a commitment to serve the agricultural sector. However, they offer loans mainly for working capital and not for fixed investment.
- There is a disparity in the distribution of financing in the delegations, which limits meeting the demands of affiliated producers in some areas.
- There is a need to strengthen the capacity of personnel working in the management and supervision of credits and business performance.
- The program does not have a standardized credit policy that can be applied to all UNAG delegations.
- There are different credit operation schemes in the delegations, evidencing the need to standardize organization, administrative, financial, and monitoring procedures that allow for an adequate portfolio management and eligibility for national / international financing.
- The executing organizations need to develop a risk policy and manual that will contribute to the creation of early warning systems and other measures that reduce the perceived risks in the agriculture sector.
- The fiduciary guarantee system requires property deeds, which limits the participation of women, young people and indigenous peoples, who historically do not have legal documents for their properties.

### ***Challenges at Producers level***

- Producers lack the knowledge to prepare business plans and required technical assistance during implementation.
- The amounts of financing granted to producers are lower than the value required to carry out productive activities, because credit applications are based on technological charts that do not contain real costs of agricultural inputs, which have increased in recent years.
- The credits granted are short term, which limits the possibility of making relevant climate-smart investments.
- The terms and forms of payment are linked to the agricultural cycle of each crop, which limits the possibility of storing and waiting for a better price for their products.
- There is a need to diversify the credit portfolio to serve women and young people with business initiatives and small-scale rural enterprises.

Based on the above, the CoRe Project will support the improvement of UNAG's financial services and associated capacities. First, CoRe will enhance UNAG's technical and operational capacities by designing a standardized credit policy to increase the number of producers with access to financing and at the same time to manage the credit portfolio appropriately - including better guidelines and instruments for fund management.

The second objective is to capitalize on the experience of the Sembrando Esperanza Program with the addition of financial resources to be executed through an improved financial mechanism, implemented with Project support. The intention of this improved financial mechanism is to overcome current and

future challenges faced by Sembrando Esperanza Program and cover unmet demand for financial services from UNAG's members, with particular attention to most vulnerable groups. The financial mechanism includes two modalities of financing: i) Agricultural Credit Fund and ii) Food Production Support Fund, based on grants. It is estimated that 600 producers will have access to financing and technical assistance to develop business plans, of which 43% are expected to be women, 17% men, 13% indigenous producers and 27% young people.

The operating mechanisms of each fund are described below:

**a) Agricultural Credit Line:**

Through this fund, financing will be granted for profitable productive investments that support climate smart and sustainable agricultural activities and improve the income and food security of beneficiaries, with a special focus on women, young people, and indigenous populations.

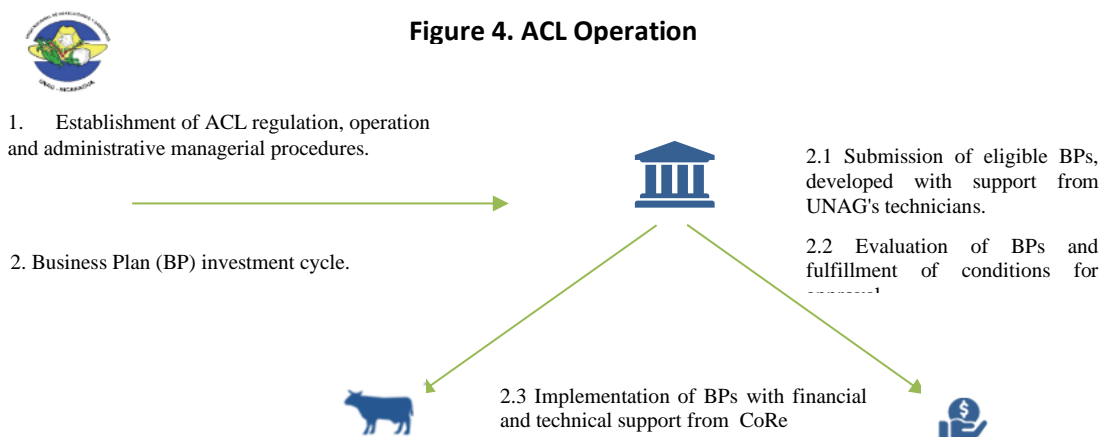
Orientation of the ACL:

- i. Adopt climate-smart agriculture technologies and practices.
- ii. Reactivate production of agricultural inputs, irrigation systems, grain storage equipment, etc.
- iii. Establish bio-intensive vegetable gardens, integrating the agroecological approach to food production systems.
- iv. Strengthen economic enterprises that increase agricultural incomes,
- v. Implement productive investments that support sustainable agricultural and livestock activities, in line with climate-smart agriculture.
- vi. Support investments by small-scale rural enterprises aimed at improving production, post-harvest management, agro-processing, and value addition, which mainstream climate resilience considerations.

Operation of the ACL

The ACL will be operated by a private entity called the "operating entity", which will be responsible for managing the financial resources in accordance with the credit rules and regulations defined with Project support. The entity will act as a first-tier body, establishing financial intermediation relations with the direct beneficiaries and stakeholders.

FAO will be responsible for advising, contracting the operating entity, and supervising the execution of the ACL. The selection process will be carried out jointly with UNAG, which will prepare the terms of reference for the scope of services and the eligibility criteria to be met for financial intermediation. Figure 4 depicts ACL operation.





For the effective implementation of the ACL, the following actions will be carried out: improve UNEG credit policy, establish ACL regulations, delimit operating and administrative procedures, ensure the readiness of the BPs investment cycle, including effective delivery of resources / services as well as overall monitoring and supervision. An executive and technical-operational coordination structure will be established with defined roles and responsibilities to ensure compliance with the improved credit policy and ACL regulations.

In parallel to the operation of this fund, UNAG and FAO will select a Cooperative from the network of affiliates with the highest level of development and maturity to implement a capacity building plan to strengthen its competencies in the application of good governance, administrative and financial practices or standards. This will also further contribute with a better alignment of policies and practices in the provision of financial services.

**b) Fund to support food production that contributes to household food resilience.**

This will be a non-reimbursable grants Fund aimed to support investment initiatives for livelihoods recovery and increased climate resilience by women, young people and indigenous populations. Investment initiatives include the financing of a technological package consisting of 0.5 Mz (1 Mz = 3,500 m<sup>2</sup>) of corn and 0.5 Mz of beans per beneficiary. For implementation of these technology packages, bonds will be granted to procure the following inputs: 1 qq (46 kg) of complete fertilizer (15-15-15), 1 qq of Urea, bioinputs, 11 pounds of corn seed (NB 6, HS5G, Catacama), 40 pounds of bean seed (NTA Sequia, INTA Norte)<sup>65</sup>.

This fund will be dedicated to small-scale producers who meet the following basic conditions:

1. Vulnerability in terms of food security, due to climate change impacts.
2. Affected by Hurricanes Eta and Iota.
3. Affected by Covid-19.

**Operation of the Food Production Support Fund (Grants Fund)**

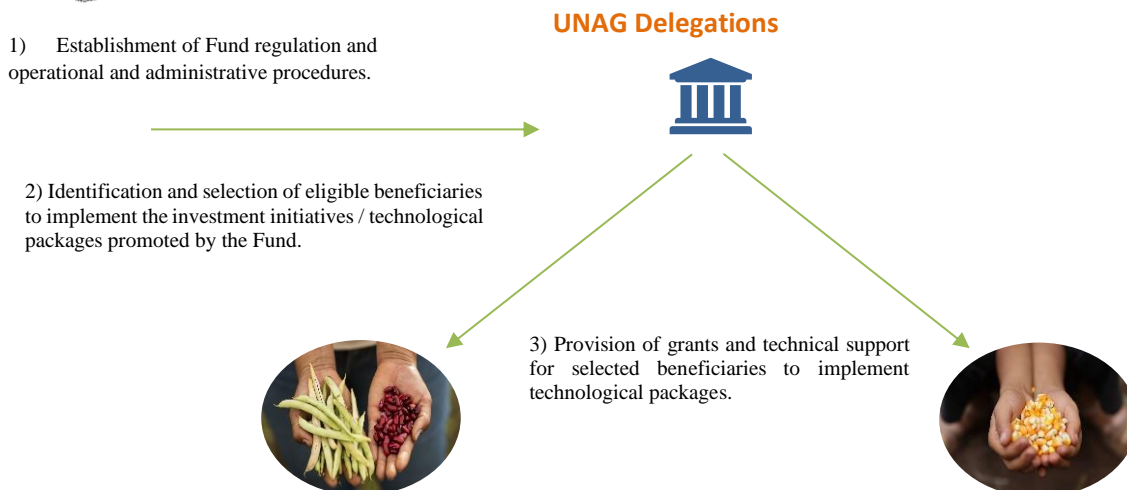
UNAG and FAO will prepare the regulations of the grants Fund to further define the criteria for selecting and prioritizing the producers who will receive the Fund support in the form of production grants (i.e intervention areas, productive technologies, materials and inputs, delivery procedures, training, supervision and technical assistance mechanisms, among others). Through its delegations in the territories, UNAG will be responsible for identifying target beneficiaries, preparing plans for the acquisition of the bonds and monitoring the implementation of the grants. FAO will provide technical assistance throughout the process and will be responsible for the procurement of materials and inputs for the production grants and will coordinate with the UNAG delegations for their delivery in target communities. Figure 5 depicts the operation of the grants Fund.

---

<sup>65</sup> The inputs presented here are for reference only and may vary during the years of project implementation.



**Figure 5. Food Production Support Fund (Grants) Operation**



**Common Elements in the Implementation of ACL and Food Production Support Fund (grants Fund)**

The following common elements have been identified in both financing mechanisms:

- FAO technical assistance is required to support the definition of policies, procedures and instruments that will enable operation, monitoring and supervision.
- Component 2 activities provide the technical basis for the definition of investment proposals to be implemented through the Project financial mechanism in both modalities – ACL and grants Fund.
- Communication and dissemination activities and tools are fundamental to inform all producers about the regulation and operation of the project financial mechanism in both modalities – ACL and grants Fund.
- Relevance of Project support to define, implement and strengthen the governance structure of ACL and the Food Production Support Fund (grants Fund).

The Governance structure of the he Project financial mechanism in both modalities – ACL and grants Fund – is detailed in Table 7.

**Table 7. Governance Structure**

Description	Development Fund	Credit Fund
<b>Executive Committee</b>	Establishes the strategies and procedures for the operation of the fund.	Guide the credit policy and its regulations.

<b>Technical Committee</b>	Responsible for approving the purchase of seeds and inputs. Prioritize the communities where the fund will be executed.	Responsible for reviewing the technical relevance and compliance with eligibility criteria of the producers' proposals.
<b>Operative Committee</b>	Responsible for reviewing and approving applications according to the allocations defined for each community and the eligibility criteria. Deliver the productive bonus to the selected producers.	Identify producers with the potential to receive financing. Supervise in the field the activities that received financing.

### **2.1.5.3 Implementation of community drinking water systems**

For the implementation of the water systems and following GAFSP recommendations, a specialized consultancy was carried out to make the respective feasibility study (See Annex 6.13: Feasibility study to build or rehabilitate multipurpose community water/irrigation systems (pre-feasibility 30 water networks)).

In the communities participating in the Project there are community networks that are more than 20 years old since they were built, causing a deficient operation, a situation that is aggravated by the effects of climate change that directly impacts the population due to water scarcity and the reduction of water flows.

During the formulation stage, UNAG proposed the aqueducts/systems that could be served by the project. For the final selection of the total number of networks to be rehabilitated, the technical criteria must be analysed in detail to determine the relevant characteristics of the current conditions of each system and thus evaluate the technical, social, and financial impact of the systems to be prioritized. These criteria are identified in the technical study carried out by FAO at the project formulation stage (see Annex 6.13).

Due to the different types of water sources, irregular topography of the areas, installed aqueduct systems and location of the population per aqueduct, it is very complex to determine an investment cost per system, so, for budgetary purposes, an investment cost per person was projected in order to define an investment for the drinking water systems to be rehabilitated. The prioritized aqueducts should have an average of 500 inhabitants per system.

Considering the technical study and the financial availability of CoRe, it will be possible to rehabilitate 20 community drinking water systems.

#### **Recommendations that will be incorporated for the implementation of this component, arising from the study:**

- a) Qualified personnel will be available to carry out the population census, source gauging and current operation for each system to be rehabilitated.

- b) Establish Drinking Water and Sanitation Committees (DWSC) or at least organize them by community.
- c) Train the Water and Sanitation Committees before, during and after the work is completed, emphasizing the cost of the work, the benefits it will bring to the community and measures for the conservation of water sources.
- d) Involve and train drinking water and sanitation committees in the operation, maintenance and damage prevention of the systems.
- e) The catchment works already established will be reused as pre-filters; the filtering material (gravel) will be changed for one of greater volume, which will allow handling a greater flow and of better quality.
- f) The treatment plant increases the investment costs, however, the types of sources such as wells and springs are generally good quality water, so this type of investment can be avoided; however, in streams or rivers, investment will be required due to the high rate of exposure to contamination.
- g) In this type of initiative, in general, families do not use meters, they have their rules where they establish the forms of payment, we propose not to invest in meters and thus lower the cost of investment in aqueducts.
- h) If the properties where major project works such as storage, catchment and source tanks will be located are not community properties, alternative mechanisms to support community investment will be promoted, based on past experiences of successful FAO projects in the area (donation from municipalities, donation from private landowners, long-term easement agreements, etc.).
- i) Collect official national information on Environmental Impact Assessment (EIA) studies in the communities before implementing rehabilitation.
- j) Citizens will be trained in health, hygiene, sanitation, and environmental issues, emphasizing the importance of changing habits or attitude towards certain actions that affect the environment, as is the aspect of public health.
- k) Community organizations will be promoted to exercise social control and raise awareness for the promotion of sustainable practices and habits in the use of water.
- l) Establish an integrated management and protection plan for the potential water recharge zones of each community.

#### **2.1.5.4 Implementation of irrigation and drainage systems**

For the implementation of the irrigation systems and following GAFSP recommendations, a specialized consultancy was carried out to make the respective feasibility study (See Annex 6.13: Feasibility study to build or rehabilitate multipurpose community water/irrigation systems (pre-feasibility 30 water networks).

Drip irrigation is an effective alternative to the loss of very high volumes of water due to infiltration and evaporation. If we add to these losses those caused by the mismanagement of traditional irrigation by furrow, sprinkling, flooding and borders, with which the land is saturated unnecessarily, it becomes evident the need to adopt systems that allow saving this precious resource.

Currently, the departments where CoRe will be implemented, Madriz, Nueva Segovia, Esteli and Matagalpa are being affected by the impact of climate change and the high costs of inputs, the economic level of families in the communities, the risk presented by climate variations and the low knowledge or access to adaptation technologies. Despite these difficulties and barriers, producer families grow basic grains to ensure food and income generation, the main ones being:

- a) **Beans:** it is characterized for being an activity of small and medium producers. This crop is important for human nutrition due to its high protein content and apart from guaranteeing self-consumption, it can generate income for rural families.
- b) **Corn:** is an item that is produced in small and large scales. It is of vital importance in the diets of families, because it is a very complete food that contains many vitamins and minerals that promote metabolism.
- c) **Sorghum:** is a crop that, in rural areas, consumption tends to be higher in poorer regions with greater food insecurity.

The departments covered by the project have shown notorious changes in the last 3 years in water sources (generally predominantly springs and rivers), which have significantly lowered their levels and some of them stop flowing in the summer season. In the municipality of Dario the situation is more critical, there are no temporary or permanent water sources, forcing the implementation of water harvesting technologies in winter in order to promote productive areas in this dry area of the country.

The irrigation areas that will be supported by the project will be those destined to the sowing of seeds through the Community Seed Banks<sup>66</sup>, looking for a double impact, increasing the productivity and quality of the seeds that are then the basis for the sowing of each family, and on the other hand the irrigation systems and technologies to be implemented in these spaces will serve as a demonstrative model that can be replicated at the farm level by the producers.

According to the feasibility study carried out and based on the budgetary availability of the project, the following criteria have been analysed in detail to identify and select the areas to be covered with irrigation systems to be established:

- I. Main income generating crops: beans, sorghum and corn were identified.
- II. Planting season: 20% of the producers' plant in the "first" season (May to July) and 80% plant in the "postrera" season (August to November).
- III. Soil types: The productive areas where the project will be implemented are clay soils that have a large amount of clay, are moldable to the touch, have water retention capacity, very fine particles, and a dark reddish colour. This type of soil tends to have poor drainage, so they generally become waterlogged, although not all clay soils drain poorly. We therefore opt for technological systems that apply water slowly and frequently, such as drip irrigation.

---

<sup>66</sup> See publication ["Bancos Comunitarios de Semillas y Uso de Insumos Biológicos, La experiencia de Nicaragua"](#)

- IV. Environmental criteria: topography of the terrain, climatic conditions, water sources, precipitation, evapotranspiration.
- V. Water-efficient technologies that are easy for producers to accept.

Based on these technical criteria and the systematization of the previous experiences of UNAG and its producer organizations, geo-hydraulic models were designed, and irrigation kit accessories were identified in detail to facilitate the implementation of irrigation systems. This assessment also includes cost estimates. See Annex 6.13 for more information.

It is planned to install irrigation systems to cover 46 hectares of plots that meet the technical conditions for establishing community Seed Banks. Also, a training plan will be developed to ensure the efficient operation and maintenance of the systems and strengthen the capacities of community networks (activity 2.5).

With FAO's technical support, UNAG will monitor the implementation of the investment plans to establish irrigation and drainage systems, and protection of strategic water catchment areas (activity 2.5). UNAG will also implement a methodology for the recovery of the annual depreciation value of irrigation systems, calculated to sustain the useful life of the systems over time.

#### **2.1.5.5 Alignment with national priorities**

The activities proposed in the CoRe, are aligned with the new National Plan against Poverty 2022 - 2026<sup>67</sup>, as well as its link with the following policies: food security and improved nutrition for all through the transfer of value-added technologies that strengthen household economies; the establishment of integrated gardens for the cultivation of vegetables, fruits, climbers, tubers, medicinal and ornamental plants, both for self-consumption and for the commercialization of surpluses; a gender policy aimed at increasing the conscious protagonist of women in sustainable human development, through education and training processes, and practices to empower their leadership and develop their own businesses and enterprises; and a youth policy to foster their knowledge and support them as they generate innovative and creative ideas and ventures.

CoRe is also aligned with key national policies and strategies being implemented by the National Production, Consumption and Commercial System (SNPCC)<sup>68</sup> with its National Strategy for the Promotion of Family Farming for Food and Nutrition Security 2019 - 2021<sup>69</sup>. The Strategy is linked to lines of action aimed at promoting crops rich in iron and zinc (rice, beans, maize, cassava, and sorghum) in rural areas; the use of native and improved seeds resistant to drought, pests and diseases; and the recovery of nutritious ancestral crops.

CoRe is also aligned with the principles and guidelines of the National Climate Change Policy, which focuses on ensuring gender equity and the incorporation of youth and vulnerable groups (women, indigenous

---

<sup>67</sup> Read more about the National Development Plan 2022 – 2026 <http://www.pndh.gob.ni/descargas.aspx>

<sup>68</sup> See more about National Strategies <https://www.economiafamiliar.gob.ni/websitemefcca-mvc/documentos/>

<sup>69</sup> Read more about the National Strategy for the Promotion of Family Farming for Food and Nutrition Security <https://www.economiafamiliar.gob.ni/backend/vistas/doc/estrategia/documento669635.pdf>

peoples and afro-descendants, rural communities) in actions, measures, plans and strategies on climate change at all levels<sup>70</sup>.

#### ***2.1.5.6 Links between proposed Project activities and strategic priorities relevant to the PO's involved***

CoRe is directly at the core of the strategic priorities of UNAG and its POs, specifically in four of its strategic lines of work. i) Food security based on sustainable productive systems that ensure food of high nutritional value by promoting agroecology through biointensive gardens. ii) Adaptation and mitigation of the effects of climate change through the promotion and diversification of production, with an agroecological approach; agroforestry systems and the protection of natural resources (soils in particular). iii) Biodiversity conservation - UNAG has pioneered the creation and strengthening of Community Seed Banks at the national level, thus promoting local production of domesticated native and foreign seeds, as well as the cultivation of perennial crops in combination with semi-perennial crops, crop rotation, with adequate soil cover, including leguminous species, which is crucial to increase productivity and soil sustainability. iv) The development of knowledge management capabilities, the main pillar of the Campesino a Campesino program implemented during the last decade (See Annex 6.6.1 UNAG Institutional Document).

#### ***2.1.5.7 Project response to COVID-19 in the mid and long term and the recovery of the agricultural and food sectors in the face of climate change***

CoRe's response to the reactivation of the agricultural and food sectors in a changing climate is to develop recovery and resilience building activities, given the double vulnerability to which households in the SC are subject: (i) drought risk, which affects agricultural systems, particularly productivity; and (ii) the impact of COVID-19, which mainly leads to a decrease in household incomes. Added to the above is the recent food and fertilizer price crisis.

These situations have led families to seek survival strategies, such as consuming the food they have in reserve and/or reducing the use of some of the most expensive inputs in their sowing-harvesting cycles, although this will further depress already low productivity. In other words, there is an acute situation of household decapitalization at a time when climate change is not letting up.

CoRe will be effective to the extent that it implements short-term responses (focused on food access and availability) and makes efforts to strengthen medium- and long-term resilience (income through market access, increased productivity, dissemination of climate change adaptation technologies). It will improve food security, support economic reactivation, and strengthen social capital (UNAG promoter network), while generating opportunities, especially for women, youth and indigenous people. CoRe also strengthens the knowledge, management, and governance capacities of UNAG and its affiliated organizations. The use of ICTs in all components of the project will be central both to increase access to information and markets and to decrease the spread of COVID-19.

---

<sup>70</sup> National Assembly of the Republic of Nicaragua, Presidential Decree (15-2021): Creation of the National Climate Change Management System and Establishment of the Principles and Guidelines of the National Climate Change Policy <http://legislacion.asamblea.gob.ni/Indice.nsf/9499521c0e9c358b06256ff80049dd33/d85a8e19533693df0625703500527004?OpenDocument&ExpandSection=-1>

As mentioned earlier in this document, concrete actions include: 1) providing financing to reactivate production, agricultural inputs, technical assistance, irrigation systems, grain storage equipment, among others, to farmers; 2) promoting and adopting climate-smart practices; 3) establishing biointensive gardens, integrating the agroecological approach to food production systems; and 4) accessing financing to strengthen economic enterprises that increase agricultural incomes. These actions will facilitate medium-term rehabilitation and long-term resilience building, based on the principle of 'building back better'."

With regard to the management of COVID 19, UNAG will implement the following actions through this project: 1) Capacity building of UNAG network promoters in the use of telecommunications tools for the virtual management of certain institutional processes. FAO itself has had recent experience in the use of telecommunications to provide rural services. There is currently a partnership with an ICT company, which may be useful for the project; 2) Define biosafety protocols for the implementation of organizational activities (measures to be taken in the different governance spaces have been established); and 3) Identify critical junctures in the production and distribution chain where biosafety practices can be implemented and thus protect farmers, as well as any other actor in the chain.

#### ***2.1.6 Technical supervision and support arrangements.***

FAO as the supervising agency, is responsible for ensuring technical quality during project implementation. To this end, it has a multidisciplinary technical team (headquarters, regional, sub- regional and national offices) that will provide specialized assistance and ensure that all implementation processes comply with the quality standards set by the Organization. Specifically, the CoRe project will have the following support teams:

At headquarters level, the Investment Centre (CFIE) will collaborate in the supervision and quality control of the progress reports submitted to the GASFP. In addition, the FAO Regional Office in Chile has the support of specialists in gender, indigenous peoples and sustainable agricultural production.

The FAO Sub-regional Office in Panama (SLM) is the headquarters of the Lead Technical Officer (LTO) of the project who is responsible for the technical supervision of the annual operational plans (AOP), validating the technical requirements of the procurement plan, reviewing the training plans, guiding the methodological design, as well as providing follow-up to the implementation of the main activities (strengthening of UNAG, use of ICTs, inter-institutional coordination, establishment of bio-intensive gardens, educational campaigns, mainstreaming of gender issues, etc.); as well as monitoring the implementation of the main activities (strengthening of the UNAG, use of ICTs, inter-institutional coordination, establishment of bio-intensive gardens, educational campaigns, gender mainstreaming, youth and indigenous peoples, drinking water system, installation of irrigation system, implementation of the credit fund and processes to support entrepreneurship). LTO's technical assistance will be carried out remotely and in person with missions to the project intervention areas.

It will also be complemented by technical support on specific issues of responsible investment in agriculture and food systems, value chain work in business planning and production issues, for example in certified seed production or the implementation of climate-smart practices.



The FAO office in Nicaragua will have a team of senior program specialists in the areas of rural investment, resilient production and sustainable ecosystems that will be linked according to project planning and demand. Likewise, exchange spaces will be promoted with: (i) ongoing FAO projects working with farmers' organizations; and (ii) partners that support at national and regional level (INTA, MEFCCA).

**2.1.6.1 Management and operational support arrangements**

The operational mechanism agreed upon for the project has a governance model with defined separation of roles, where FAO is the implementing entity in charge of technical and financial supervision, while UNAG is the executing entity for the operational activities planned according to the project's results framework.

The administration of financial resources will be governed by the policies and regulations established by FAO for project implementation, which has operational legal instruments and procedures for the management of human resources, travel, procurement of goods and contracting of services, as well as the signing of Letter of Agreement (Contract) with qualified entities to execute activities, complete products and deliver results that are part of the project.

As part of the operational procedures, FAO, through an external auditing firm, conducted a capacity assessment of UNAG to evaluate organizational procedures and systems in seven areas: implementing partner, Programme/project management, organizational structure, accounting policies and procedures, fixed assets and inventories, financial reporting and monitoring, and procurement. The results of the assessment give an overall rating of moderate risk, with 4 areas having a significant risk category (program management, organizational structure, procurement, and fixed assets and inventories).

Based on the conclusions of the capacity assessment report, the operational management of the project will be carried out according to the following:

FAO and UNAG will sign a Letter of Agreement (LOA) to carry out the technical-operational activities of specific project outcomes. This legal instrument will establish a work plan, budget and disbursement schedule subject to the presentation of progress. It will also include the delivery of quarterly technical and financial reports based on the products or deliverables agreed between the parties.

FAO will assume the procurement of inputs, equipment, irrigation systems, the contracting of a financial service provider for the implementation of component 3 and specialized technical consultancy contracts to support the organizational strengthening of UNAG.

The operational implementation cycle of the project will be assisted by the areas of the FAO Nicaragua Representation.

**Table 8. Areas of FAO Representation in Nicaragua**

Programs	Planning and Monitoring	Finance
It is responsible for coordinating with UNAG the technical and operational planning for the implementation of the project.	Responsible for facilitating operational planning instruments and follow up actions, review and recording of means of verification, overseeing the generation of reports.	They will be in charge of supporting all financial aspects of the project, including report development and expense tracking.

In a complementary way, an operational regulation will be elaborated that will establish the norms, procedures, and criteria for the technical, operational, administrative and financial functioning according to the legal agreement that will be subscribed between the parties.

## **2.2 Operational mode**

Two key elements have been considered for the selection of this modality: i) FAO's technical and operational experience and ii) the results of the capacity assessment carried out on UNAG, which defines a mixed modality of direct implementation in which FAO is responsible for providing technical assistance, coordinating operational planning, guaranteeing the delivery of programmed goods and services, as well as the delivery of technical and financial reports. UNAG, through the signing of a Letter of Agreement, will assume the operational execution of activities in the project intervention areas. This legal instrument is subject to audits during its validity and five years after the end of the agreement.

## **2.3 Statistics and Data**

During the implementation of the project, a baseline survey will be carried out, in which data disaggregated by sex, age and ethnicity will be collected and processed. This data will allow the establishment of project progress markers; the different reports prepared by UNAG and FAO during the project cycle will present the progress of the project in a qualitative and quantitative manner, and the data will also be disaggregated.

The data will be disseminated in the different spaces of governance of the project: Steering Committee, Technical Committee, Inter-institutional Coordination Committee, with the Technical Teams and Promoters of the Campesino a Campesino Program.

The baseline and final assessment of the project will be carried out by an external consultant team with expertise in the subject, so the project does not include capacity building activities for technical teams or beneficiaries, in aspects of statistics or data analysis.

The management of project statistics is closely related to the system of Monitoring, Evaluation and Learning (MEL), which will provide tools and methodologies to ensure: (i) a standard and minimum process of data collection, and (ii) standardized analysis and reporting on the project's contribution to the achievement of objectives, components, and indicators.

During the implementation phase of the project, the MEL system will focus on capturing quantitative data and aspects related to observable changes in the target groups and approaches developed from the implementation strategy, ensuring comparability of data at key points in the project cycle.

At all times a participatory approach will be adopted to identify and evaluate results and thus improve ownership of the process, working with project stakeholders, as well as promoting an interactive, continuous and reflective feedback approach to determine what is happening in the different processes and why they are happening, thus ensuring credibility and reliability of the data for all stakeholders.

## **2.4 Information Technology**

UNAG in previous years has had an information system, which was dedicated to generating content related to markets and good agricultural practices; using dissemination channels such as the institutional web page, printed material, WhatsApp and Facebook; the CoRe will enhance these efforts to print updated content on access to markets, finance, weather information, agroecology, climate-smart practices, women's rights and healthy food consumption habits.

FAO also has extensive experience in dealing with information technologies, linked to the concept of communication for development. Within the framework of the CoRe, FAO will provide technical advice to scale up the project's actions; FAO will also support the dissemination of key information using its communication channels and media.

The generation of data will be the property of the project, FAO will ensure that the information reaches the target groups and is shared in an efficient and agile manner; likewise, the project will develop capacity building processes for technical teams and promoters through the FFS so that ICTs contribute to the development of families and their communities.

One barrier that the project will face in this area of work is internet access and navigation capacity, although it is recognized that in recent years Nicaragua has made progress in rural connectivity, the project will make efforts to make information available in various formats for all types of audiences and promote partnerships with organizations that are better able to communicate and share information with farmers and other members of the rural population, such as the MEFCCA, INTA, UNA.

FAO, through its experience, understands that technology is only a means of accessing information, yet many development initiatives have been overly focused on connectivity and computers. Undoubtedly, lack of familiarity with the computer is a huge obstacle, but efforts are required for the generation of relevant content. Recent experience has shown that when rural communities have access to reliable sources of information using new technologies, most user groups quickly become accustomed to the medium. The agent of change is the provision of previously inaccessible content, particularly where the material relates to financial security in the form of market information (inputs and outcomes), peer-to-peer networking (small farmer interest groups) and information on technical aspects of primary production. In addition, the resolution of conflicts related to land and water use<sup>71</sup>.

## **2.5 Risk Management**

### ***2.5.1 Potential Risks that Project may face.***

While CoRe builds on previous experiences gained by UNAG and FAO in projects funded by different donors, a few risks have been identified, with potentially negative impacts on the objectives. The total risks identified are described in Annex IV. Risk management with their respective level of impact.

#### **Institutional capacity for implementation**

- Lack of process planning by UNAG: There is a low possibility of this risk occurring, but it would have a strong impact on the project. Mitigation measures are described in Annex IV. Risk Management
- Communication between internal stakeholders and other key actors, whether public, private or from the Nicaraguan State. Mitigation measures are described in Annex IV. Risk management
- Misconduct of those in charge of the farmers' organizations; mismanagement of funds by members of the farmers' organization, by someone acting as treasurer or other person in charge of project finances. Mitigation measures are described in Annex IV. Risk management

---

<sup>71</sup> FAO. Rome (2019). Digital technologies in agriculture and rural areas. Guidance document. 26 pp.

### **2.5.2 Social and environmental risks that the Project may face**

Negative Externalities Assessment: The risks identified are environmental, social, and political in nature; all risks are described in detail in Annex IV. Risk Management

- Climate-related extreme weather events, such as floods, droughts, storms, hurricanes: These events could lead to a decision to temporarily suspend project activities or could cause significant damage in the communities where the project is implemented, affecting programming and expected achievements. They could also imply a redefinition of objectives and a reorientation of the strategies to be followed, thus affecting the proposed outcomes and outcomes. Mitigation measures are described in Annex IV. Risk management
- Socio-political instability: In 2018 Nicaragua went through a social and political crisis, which negatively impacted the country's economy and the relations between different social sectors. UNAG refrained from playing an active role in this situation, on the understanding that the organization's peasants have different political positions, and that its mission is to promote social development. Municipal elections will be held in 2022 and the risk of a crisis like that of 2018 is low. Mitigation measures are described in Annex IV. Risk management

## **2.6 Monitoring, performance analysis and reporting**

### **2.6.1 Monitoring Arrangements**

Project monitoring and evaluation activities will serve a dual purpose: (i) learning; and (ii) accountability. As part of accountability to GAFSP and FAO, the scope of the project's M&E system activities will serve for monitoring, tracking, performance assessment and reporting on project implementation using the project's annual work plan and budget and the logical framework.

The M&E system will follow GAFSP and FAO guidelines. A baseline survey will be undertaken at the beginning of implementation as a basis to measure project results. The impact assessment will be performed at the end of the project through the contracting of an external third party (firm or consultant) and compared to the baseline situation. It will aim to assess the impact of the indicators validated during the baseline. This will be supervised by CFI. The results will be public, and the processes will be participatory.

The project will track physical and financial progress against the annual work plan and budget. It will monitor its results by tracking the indicators identified in the logical framework shown in Annex I. The indicators in the logical framework were specifically selected to monitor the Success Factors of the GAFSP Monitoring and Evaluation Plan Guidelines and to reflect the characteristics of this project. The project will also use the Risk Register to monitor and respond to risks that may be affecting project implementation.

### **2.6.2 Performance Analysis**

It is proposed that the performance management of the project is carried out under four areas of competence: Technical, Interpersonal Leadership, Personal / Self-Management and Specific Development; where the coordination of the project is fundamental, so it is recommended that this person has the skills to lead and manage the following actions:

- Identify key project activities and assign priority and sequencing.

- Adhere to schedule/POAs
- Identify and implement procurement processes (of materials and consultants)
- Set and implement stakeholder communication standards.
- Anticipate and monitor risks;
- Implement monitoring, tracking and control tools to ensure that the project meets acceptable quality standards (implementation of approved physical targets and budget per year).
- Monitor and analyze the context, and if necessary, propose to the Steering Committee processes of change and adjustments to strategies.

**The areas of competence that should be addressed for the success of the project are as follows:**

**Technical:** Proactively manage scope, fully identify activities necessary for project success: Manage overall schedule to ensure work is on time, define and collect metrics to measure project progress, identify, track, manage and resolve project issues, proactively disseminate project information to all stakeholders, identify, manage and mitigate project risks, establish logistics systems and ensure project Outputs/Outcomes are of high quality.

**Interpersonal Leadership:** Visualize the "big picture" of the project within the UNAG portfolio and mission, champion the project (promote buy-in), communicate the vision (set reasonable and challenging expectations), provide team members with timely and useful performance feedback, facilitate a productive team environment, communicate proactively (verbally and in writing) including active listening, motivate team members to voluntarily follow direction and achieve goals.

**Personal / Self-Management:** Organizational skills, attention to detail, ability to multi-task, logical thinking, analytical thinking, and self-discipline and time management.

**Development Specific:** Understand the values and paradigms of the development sector, understand the different stakeholders involved in the project, understand, and navigate complex development environments, work effectively with a range of partners and allies, and cope with the unique pressures of development environments, and exhibit cultural, generational and gender sensitivity.

**The performance assessment should focus on QUARTERLY monitoring of the following areas and indicators that are integral to the components:**

**a) UNAG's management and governance capacity strengthened:**

- I1C1. Number of UNAG members who are in the membership registration systems.
- I2C1. Number of people from Producer Organizations affiliated to UNAG receiving capacity development support.
- I3C1. Number of UNAG promoters trained in gender issues.
- I4C1. Number of UNAG promoters using ICTs to provide technical assistance and knowledge management.

**b) Sustainable and climate-resilient production:**

- I1C2. Number of farmers receiving inputs or service on climate resilient or sustainable agriculture practices (disaggregation by gender).
- I2C2. Agricultural/land area where climate resilient or sustainable agriculture practices are implemented.
- I3C2. Number of community drinking water systems build or rehabilitate by project action (restored, expanded, improved).
- I4C2. Area /Ha) provided with new or improved irrigation systems.
- I5C2. Number of people sensitized and more knowledgeable about nutrition and healthy habits.

**c) Access to information, financing and markets:**

- I1C3. Number of members (persons) supported by project in rural areas accessing financial services.
- I2C3. Number of agreements or alliances established with the private sector to increase access to financing and/or means of production for UNAG members.
- I3C3. Number of enterprises (individual, family and/or collective) that are supported in accessing improved marketing opportunities.

To measure CoRe performance, it will be very important to establish a culture of measuring indicators, as these will show the extent to which the project is achieving its planned activities, components, objective, and impact. In specific and measurable terms, these indicators will communicate the performance being achieved at each level of change and help to eliminate vague and imprecise statements about

### **2.6.3 Reports**

Project progress report formats will be prepared by the FAO Monitoring Officer in collaboration with the project coordinator and will be updated for internal learning and use throughout project implementation, all relevant information will be disaggregated by sex, age and ethnicity.

Project coordination will conduct staff meetings at least once a month to review and discuss management and performance issues. The meetings will be especially important to determine FAO technical support needs and technical assistance to be scheduled. They will also be used to cancel or add activities to the work plan in response to what staff are learning as implementation unfolds.

Progress report formats will be compiled and submitted to the FAO Representative, the Assistant FAO Representative Programme, the Steering Committee, Technical Committee, and Inter-Agency Coordination Committee and GAFSP every six months. The Steering Committee will meet prior to the project launch event and then meet twice a year to review progress and the proposed work plan for the following year.

### **2.6.4 Evaluation Provision**

The project outcomes will be assessed at the end of the four-year implementation period, as reflected in the GAFSP Guidelines, which also align with FAO's parameters for this type of project. This will feed into the FAO terminal report, along FAO procedures.

In accordance with FAO's evaluation policy, and considering the budget, the project is thematically driven and contributed to by the FAO Office of Evaluation (OED) and will potentially be evaluated through a

cluster approach, together with other projects that share one or more of the following characteristics: theme and/or approach, geographic area of intervention and/or resource partner.

A midterm review will be organized under the responsibility of CFI and fully funded by the project. At the end of its implementation, the project team will conduct an internal assessment, based on data collected throughout its implementation as part of the monitoring system. This will include an analytical reflection to draw lessons on factors contributing to achievements or lack thereof, with a focus on outcome indicators. The results of this assessment/MTR will be presented at a lesson learned workshop with stakeholders.

The project will produce a Terminal Report to FAO and the GAFSP no more than 6 months after project closure; as FAO is the supervising entity for this project, in addition to being the direct executing agency, it will monitor the project itself. This will include monitoring the outcomes of the MEA system. FAO will prepare a summary of the status of the project with respect to the identified success factors to accompany the semi-annual progress reports issued by the project to be sent to GAFSP.

### **3 SECTION 3 - SUSTAINABILITY**

#### **3.1 Development of capabilities**

Since its design stage, the CoRe has paid a lot of attention to capacity development, as well as to the identification of capacities and previous experiences of UNAG and FAO that will strengthen the implementation of the project; likewise, the CoRe considers a close relationship with government institutions (MEFCCA and INTA) that will contribute to the development of the capacities of UNAG and its members.

During the formulation stage, after a rigorous analysis of the problems that afflict the population of the Dry Corridor, as well as through a highly participatory consultation process, in which the communities have proposed solutions based on their experiences (see Annex 6.11: Report of the Grassroots Consultation Process), the project has established that the strengthening of UNAG and its affiliated organizations are the fundamental pillars for the sustainability of the actions to be promoted.

Similarly, to ensure sustainability, actions will be carried out to strengthen cohesion among members, accountability, inclusion of women and youth, and the Farmer-to-Farmer Program, already institutionalized in UNAG.

Strengthening social capital in the communities where the project will be implemented will contribute to the sustainability of the processes. The network of promoters will receive technical training on the maintenance of project equipment, as well as on agroecology, climate-smart practices and ICTs. The technical team, UNAG leadership and entrepreneurs will be strengthened by FAO staff in negotiation and business management techniques, to continue generating income and maintaining the business models supported by the project. The costs of these activities have been included in the project budget, and UNAG will create a fund to monitor and support the farmer groups after the end of the project.

There will be a local contribution to all activities included in the project design, especially in the form of labor from the project beneficiaries themselves, as a factor that enhances empowerment and ownership of the project. Community climate adaptation plans and climate-resilient agricultural solutions will be built in a participatory manner and will include activities aimed at strengthening the capacity of communities

to minimize exposure to shocks (early warnings, equipment with assets, protection of water sources, improved incomes, food reserves, inclusion, strengthening social cohesion, public-private partnerships). In addition, the ability to adapt and make informed decisions on alternative livelihood strategies (community planning and management, crop and income diversification, access to weather and market information through ICTs) are all key aspects of building resilience.

One of the outcomes of the project is that UNAG and its member organizations will have undertaken a series of activities to acquire and internalize the skills necessary to manage their organizations and resources, create community self-management mechanisms, identify business opportunities, prepare business plans, obtain technical advisory services from the government, and mobilize financial resources. In addition, they will have developed an economic activity that will generate an income stream to cover basic operating costs that the organization could have without external support.

The elements described above ensure that the products that will be generated throughout the implementation of the project will be affordable for farmers at the end of the project, thus the benefits of the project will be maintained in contexts of economic variability as it will promote collaboration, organizational strengthening, access to markets, social fabric, partnerships, alignment with public policies, strengthening of the Farmer to Farmer Program and a model of environmentally friendly production based on the principles of agroecology, this will build empowered and resilient communities; with a high participation of women and youth.

### **3.2 Decent rural employment**

The context in which the CoRe will be implemented we find that rural and indigenous women, men and youth living in the project's area of operation are poor areas that depend on their work to make a living. However, rural employment opportunities are often precarious and poorly paid; the project design promotes self-employment through the development of economic ventures and increased food production that will generate sales by accessing local and national markets, thus preventing project beneficiaries from being trapped in a vicious cycle of hunger and poverty.

Specifically, the project contributes to the pillars of the Decent Work Agenda promoted by FAO, as follows:

1. **Job creation and business development:** pro-poor economic growth will be promoted through the program of access to credit, strengthening of economic enterprises, market access strategies, business partnerships, investments to stimulate food production and strengthening of livelihoods such as the installation of irrigation systems; similarly the project will promote productivity through technical assistance and access to inputs; plans will be developed to strengthen skills and entrepreneurship, partnerships to promote an enabling environment for business. A strategic axis of the project will be the inclusion of young people (27% of the target group will be young people); they will have access to entrepreneurial opportunities and connect to markets.
2. **Social Protection:** In the economic enterprises supported by the project, plans for protection against occupational hazards will be formulated to ensure the integrity and health of the members of the enterprises; likewise, equitable working conditions will be promoted among men, women, youth and indigenous people.
3. **Norms and rights at work:** In the economic enterprises that are supported by the project, operating regulations will be formulated in a participatory manner that establish rules aimed at promoting equality and non-discrimination, as well as not allowing child labor and forced labor



and the prevention of harassment, abuse and sexual exploitation (PSEA) according to the FAO's ZERO TOLERANCE regulations against any form of violence.

4. **Governance and social dialogue:** The project does not envisage actions aimed at promoting changes or impact on labor legislation and institutions; nor does it envisage the strengthening and active participation of the social partners or the promotion of social dialogue.

### 3.3 Environmental sustainability

Environmental sustainability refers to the maintenance of factors and practices that contribute to the quality of the environment in the long term. To this end, the project plans to implement efficient processes in the use of resources through the implementation of climate-smart practices in combination with the agroecological approach that UNAG is already working on, which will allow for the conservation, protection and improvement of natural ecosystems.

The climate resilience strategy to be implemented by the CoRe will contribute greatly to the conservation, protection and improvement of ecosystems; it will support the implementation of climate change adaptation measures, boosting food production in selected areas by improving soil health, increasing productivity in harmony with nature, building resilience to climate change, thus ensuring the sustainable development of agricultural and natural resources.

Likewise, through an investment plan, community drinking water networks will be improved/rehabilitated, ensuring the protection of water sources and bodies of water through reforestation, community cleaning and environmental education; the project will also promote the installation of low-pressure irrigation systems, carrying out the necessary analysis of the potential environmental impact in those cases that require it.

### 3.4 Gender situation analysis:

An analysis of the situation of rural and indigenous women and youth conducted by FAO in 2021 used the Food Insecurity Experience Scale (FIES), finding that 65% of households had some degree of food insecurity, 25% are exposed to severe levels, with less likelihood of being able to acquire enough food to meet their food energy needs. Another 20% were moderately food insecure, i.e. they did not have regular access to sufficient nutritious food. Women in particular were forced to reduce the number of meals per day, the size of portions served and the consumption of various types of food, thus reducing their protein intake. On the other hand, FAO's application of the Diet Diversity<sup>72</sup> tool applied in 80 SC communities indicated that there was poor access to healthy foods such as fruits, vegetables and/or animal products (eggs, poultry and fish). These foods were replaced by the consumption of high-energy foods such as cereals, vegetable oil, sugar and coffee, among others.

In addition, it has been documented that the impact of climate change is greater on rural women and other vulnerable groups, particularly in terms of access to water sources and food/nutritional security, a situation that is exacerbated by gender inequalities and stereotypes, the division of labor and the high

---

<sup>72</sup> FAO, *Study of diversity of household diets, RELEVA and AGRIADAPTA projects*. 2021. 80 DC communities were visited. It is a qualitative measurement of food consumption, that uses a points system to reflect the diversity and quality of foodstuffs consumed by the family in a particular household; as well as access to their diet, based on income. For data analysis purposes, the period of reference used was the 24-hour dietary recall.

burden of unpaid work, including care and domestic work<sup>73</sup>. Women spend three times as many hours as men on household chores, a ratio that is even higher for indigenous women.

In the project consultations during the design phase, women and men have had equal rights to express their opinions and recommendations; the methodological design used in the consultation sessions was gender sensitive, as the position and roles of women in the production units and in UNAG's member organizations were analysed.

The mission found that a very important transformation is taking place in the rural areas of the Dry Corridor where UNAG has interventions, the word "producer" no longer means "man", but more and more women are involved in the productive and commercial chains, which includes: the decision to select the crops to be planted, purchase of inputs, activities related to production, post-harvest activities; and most importantly, marketing; this situation found will be scaled up and strengthened by the CoRe procuring double or triple days for women and promoting empowerment processes.

### **3.5 Project Approach**

The project design has considered the needs, priorities and constraints of both women and men, paying attention to gender-based differences among stakeholders and intended beneficiaries. While women are increasingly active in civil society and market-related agricultural production activities, affirmative action in favor of women's participation in farmers' organizations and entrepreneurship is still desirable to achieve full equality of opportunity and access to benefits.

Some of UNAG's member organizations are women's organizations with more than 20 years of experience promoting women's economic and ideological development and empowerment. UNAG, through its Women's Secretariat, will promote the replication of the best results of previous projects to develop processes of this type with other organizations and areas benefited by CoRe. Specific actions to contribute to women's empowerment will be incorporated in the three project components and their strategies, for example, in the training and knowledge management program, in the investment strategy, in the climate change adaptation plans and in the value chains to be promoted.

CoRe proposes to work with UNAG and its member organizations, which are of two types: i) legally constituted cooperatives, and ii) various forms of community-based associations, organized around socio-productive interests, such as community seed banks, networks of promoters, youth groups, women's groups, water interest groups, entrepreneurship groups, among others. Based on these forms of organization, the project aims to:

- A minimum quota of 80% of the total number of women participating in the implementation of the project will receive direct benefits (equipment, inputs, training, financing). At least 40% of the project's investment resources will be earmarked specifically for women.
- Increase the participation of women and youth in decision-making in their organizational structures and local agendas. To this end, the project will support the establishment of a baseline

---

<sup>73</sup> CANADA. Rural Women, Key to Sustainable Development. An analysis in the socio-productive context of the Dry Corridor, 2019.

for the 14 municipalities where it will be implemented, in order to know the level, quality and current forms of women's participation in their local structures and agendas. From this baseline, concrete actions will be derived to increase the participation of rural and indigenous women and youth.

- Based on the results of the study on rural women and youth led by FAO in 2021, which includes the municipalities covered by the project, some recommendations will be incorporated in the implementation of CoRE: processes to develop female and youth leadership, creation of self-help networks to promote social empowerment and promotion of investments for income generation and economic empowerment, with the aim of reducing existing inequalities in access to productive resources and services, in terms of the burden of household chores and care, and in decision-making in the family and community.
- Time-saving practices and technologies will be incorporated for women, such as wood-saving stoves, water systems for various uses near the house, and co-responsibility in household chores by addressing new masculinities in the family.

The motivation to participate will be promoted basically by the exchange of experiences among women. UNAG has more than 20 years of experience in processes of ideological empowerment of women, which has allowed them to achieve relevant advances in their economic empowerment. Knowing these experiences in their own words has motivated women's groups and organizations with less progress in this sense; CoRe will strengthen this dynamic.

The project follow-up system will keep a record of all actions carried out, separated by sex, in order to be able to measure female participation, assets acquired, profits obtained and access to financing.

During the process of identification of beneficiaries and consultations with the communities, it was found that in 3 of 14 municipalities indigenous people live (548 people); however, no communities were identified where only indigenous people live, but they are mixed with "mestizo" people, but the field mission during the consultations ensured that the people who identified themselves as indigenous, expressed themselves freely, expressed their needs and priorities, respecting at all times their knowledge. The people described do not have an independent governance system but are governed by the political and administrative system of Nicaragua, which is implemented in the communities not declared as indigenous peoples, all the people spoke Spanish and culturally they are already influenced by the mestizo people; however, they declared themselves indigenous to the Chorotega ethnic group.

In the actions to be implemented by the project, no interventions are foreseen in areas where the natural resources belong to indigenous peoples. The project will also not work with farmers who have indicated that they would not be interested in joining the project.

Given the above, the CoRe does not require the formulation of an Indigenous Peoples' Plan, which will emerge from the elaboration of the Free, Prior and Informed Consent (FPIC)

### **3.6 Right to Food**

CoRe will support the cultivation of gardens under the biointensive method, which is based on agroecology and focuses on the self-consumption of various healthy and fresh products. This multipurpose strategy will

facilitate the production of food for family consumption in small spaces with low demand of resources (water and soil) that will also serve as a learning space for the validation of low- cost practices and technologies; and will also help to increase knowledge about food conservation. This not only contributes to nutrition, but also to making families more resilient in a changing climate context, as well as in the face of adversities such as COVID-19.

Based on FAO's experience with the Inter-University Council on Food Security and Food Sovereignty<sup>74</sup> the project will launch two information campaigns to sensitize 10,000 people on the importance of improving nutrition, food security and increasing the consumption of nutritious products.

Another line of work will be the reactivation of production and investments (components 2 and 3), raising productivity and the value of marketed goods, so that households receive higher incomes and thus have more money to buy food. Through the Field Schools, farmers will receive agricultural inputs, as well as technical assistance (component 2) to increase by 20% the average yields of the main crops in the area of influence of the project (maize, beans, sorghum), as well as support for access to markets for those who have applied for credit or loans (component 3).

---

<sup>74</sup> Campaigns: CNU (Consejo Nacional de Universidades), CIUSSAN (Consejo Interuniversitario de Seguridad y Soberanía Alimentaria) and FAO launch campaigns for healthy habits in Nicaragua: <https://www.unan.edu.ni/index.php/polisal/cnu-ciussan-y-fao-lanzan-campana-de-habitos-saludables-en-nicaragua.odp> - <https://www.cnu.edu.ni/lanzan-campana-universitaria-estilos-de-vida-saludable-aportando-al-buen-vivir/> and promote these in media networks: [https://www.youtube.com/channel/UCgSWsOVRO3rKg\\_udhuHNdRQ](https://www.youtube.com/channel/UCgSWsOVRO3rKg_udhuHNdRQ)

# ANNEXES

#### 4 Annex I. Logical Framework Matrix

Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
<b>Project development objective:</b>					
Reduce livelihood vulnerability, increase agricultural resilience and productivity, and promote economic opportunities, primarily for women and youth affiliated with the National Farmers Union (UNAG) in Nicaragua's Dry Corridor, to stimulate their recovery from the impact of COVID-19 and improve their food and nutrition security.					
IO1: Farmers that are supported in accessing improved marketing opportunities Disaggregation: Of which female farmers	Number of farmers	N/A	240	Mid-term review reports Terminal report Sales records Success stories	Economic, environmental and market risk management plans are in place. Producers and social enterprises are able to access markets in a fair, sustainable and equitable manner. Absence of extreme natural disasters and economic shocks that affect household yields and the economy. Favorable environments are present to prevent the contagion and spread of COVID-19.
IO2: Reduction in the prevalence rate of undernourishment of households served by the project (FIES scale).	% Of households	56%	Baseline - 10%	Food Insecurity Experience Scale Report (FIES)	Absence of extreme natural disasters and economic shocks that affect yields and household economy. The Biointensive Cultivation Method is a method of ecological agriculture focused on self-consumption of diverse, healthy, fresh products and marketing. There are no delays in the acquisition of inputs required as a result of the lack of suppliers in the country due to the effects of COVID. Producers are interested in the use of new technologies. Digital technologies are implemented, which are becoming a priority for the communities.

Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
IO3: Number of people receiving direct benefits (person) Disaggregation: Of which, the number of females	Number of people	N/A	4369	Mid-term review reports <sup>75</sup> Terminal report <sup>76</sup> Success stories	Stakeholders commit that gender equality is essential to achieve food security and nutrition. Climate change affects the rights of women and youth differently. Equal access to natural and productive resources generates opportunities for women and youth and is a viable way to reduce poverty.
<b>Component level indicators</b>					
<b>Component 1: "UNAG and its POs improve their management and governance capacity."</b>					
I1C1. Number of UNAG members in Membership registration systems.	Number of members registered with UNAG	7600	15,000	Strategy documents Monitoring System Technical Reports Newsletters	There is a favorable environment to prevent the spread of COVID-19. Producers show positive attitude to provide real data. UNAG demonstrates to its membership the usefulness of updated information.
I2C1. Persons receiving capacity development support (person) Disaggregation: Of which, number of females	Number of people trained	To be determined	1,598	Methodological and curricular design Memories of training events Messages disseminated on digital platforms (ICTs)	Leaders who receive training through workshops are committed to share their knowledge with the corresponding memberships. Producers with the attitude and skills to use ICTs to access relevant information on organizational management. The application of information and communication technologies (ICTs) contributes to strengthening UNAG's management and governance.

<sup>75</sup> Information disaggregated by sex, ethnicity and age

<sup>76</sup> Information disaggregated by sex, ethnicity and age

Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
I3C1. PO institution capacity improved measured by capacity index (to be defined by the project)	to be defined by the project	To be determined	To be determined	Index report. Methodological and curricular design. Reports and evaluations of training events. Success Stories.	Producers Organizations committed to the process of strengthening their capacities actively participate in the spaces generated by the project. POs committed that gender equality is essential to achieve food security and nutrition. Climate change affects the rights of women and youth differently. Equal access to natural and productive resources generates opportunities for women and youth and is a viable way to reduce poverty.
I4C1. Number of UNAG promoters using ICTs to provide technical assistance and knowledge management (disaggregated by gender).	Number of Promoters	To be determined	150	Monitoring System Technical Reports System designs Messages disseminated on digital platforms (ICTs)	Producers with the attitude and skills to use ICTs to access relevant information on CSA, agroecology and organizational management. The application of information and communication technologies (ICTs) contributes to the strengthening of the promoter and the CSA program.
<b>Component 2: Farmers organized in cooperatives and/or associations affiliated to UNAG produce in a sustainable and climate-resilient manner.</b>					
I1C2. Number of farmers receiving inputs or service on climate resilient or sustainable agriculture practices. (farmer) Disaggregation: Of which the number of females farmers	Number of people who participated in the project's activities	To be determined	3,000	Technical reports of the Monitoring System Training reports (lists)	An inclusive selection of promoters is made, with the participation of women, youth and indigenous people. The promoters have a good attitude to strengthen and promote capacities at the community level. Community work is based on the experience and platform of the Campesino a Campesino program. Annual training plans are designed for the AFSs (Agroecological Field Schools). Favourable environments are in place to prevent the spread of COVID-19, allowing free circulation and community work.



Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
I2C2. Land area where climate-smart agriculture practices are implemented. (hectare)	Number of hectares	To be determined	2,297 Has	Monitoring System Technical Reports Farm management plans	Absence of extreme natural disasters and economic shocks that affect household yields and the economy. Favourable environments are present to prevent the spread of COVID-19. The Biointensive Cultivation Method is a small-scale sustainable ecological farming method that requires few inputs and is focused on self-consumption of diverse, healthy, fresh products and commercialization. There are no delays in the acquisition of required inputs as a result of the lack of suppliers in the country due to the effects of COVID. Producers are interested in the use of new technologies. Digital technologies are implemented, which become a priority for communities, local and national authorities.
I3C2. Number of farmers whose livelihood has become more resilient to shocks (farmers)	Number of farmers	0	1200	Report of the Resilience Capacity Score (RCS) <sup>77</sup> Report of community drinking water systems build or rehabilitated by project action (restored, expanded, improved).	Favorable environments are in place to prevent the spread and spread of COVID-19. A favorable environment for community collaboration among stakeholders is maintained. The investment required is in line with the budget available for the project. There is a mutual understanding among stakeholders that women and girls are exposed to violence by having to walk long distances in search of drinking water. If communities have access to safe drinking water, waterborne diseases are reduced, especially diarrhea, which is a major cause of morbidity in Nicaragua.

<sup>77</sup> A reference definition is the Resilience Capacity Score (WFP) that measures anticipatory capacity, absorptive capacity, transformative capacity, and adaptive capacity ([Resilience Capacity Score \(RCS\) - Data Analysis - WFP VAM Resource Centre](#)).

Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
I4C2. Land area receiving improved production support (hectare)	Number of hectares that increase the production levels	0	To be determined	Monitoring System. Technical reports. Report of agricultural productivity, using production levels	Agricultural productivity, calculated as a measure of crop production weight (in kg or tons) per area of land under cultivation (in hectares). Absence of extreme natural disasters and economic shocks that affect household yields and the economy. There are favorable environments that do not allow COVID-19 to spread or become contagious. Producers are interested in the use of new technologies. Production systems that have low water pressure irrigation systems are an important source of food production; it is a CC resilience practice that is easy to adopt with the proper technical assistance.
I5C2. People receiving improved nutrition services products (person) Disaggregation: Of which number the number of females	Number of trained Farmers or producers	To be determined	2,000 people	Technical reports on the Monitoring System. Methodological and curricular design. Memories of training events.	There is a positive reaction from the population to play a role in promoting, replicating knowledge, and transferring good food preparation practices in the communities. There is a mutual understanding among stakeholders about the impact of unhealthy diets, which is a major cause of malnutrition. Favorable environments are in place to prevent the spread and spread of COVID-19.

Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
<b>Component3: "UNAG farmer organizations are able to help their member's access information, finance, and markets."</b>					
I1C3. Persons supported by project in rural areas accessing financial services (person) Disaggregation: of which number of females	Number of persons	0	60	Monitoring System Technical Reports List of producers benefiting from credits Business plans Marketing and sales plans	Gender relations in the communities do not impede women's participation in entrepreneurship and access to information. Entrepreneurs show a positive attitude to learn and put into practice the technological tools to which they have access. There is a mutual understanding among stakeholders that the ventures with the highest annual growth are those that are interested in training, learning about management issues and constantly improving.
I2C3. Number of agreements or alliances established with the private sector to increase access to financing and/or means of production for UNAG members.	Number of agreements	To be determined	1	Monitoring System Technical Reports Documentation of agreements Memories of meetings held	The private sector is interested in establishing partnerships with UNAG. There is a mapping of the private sector of interest in the different sectors: finance, distributors, and marketers. Win-win (win-win) agreements are reached.

Indicators	Unit of measure	Baseline	Objective at the end of the project	Data sources (data collection instruments)	Assumptions
I3C3. Volume of agricultural production sold on domestic and regional markets (tons)	Volume of production sold	To be determined	To be determined	Monitoring System technical reports Digital Market Business Plans elaborated and approved Systematized trainings Venture mapping Production reports	There are favorable environments to prevent the spread of COVID-19. Gender relations in the communities do not impede women's participation in entrepreneurship and access to information and resources. Entrepreneurs show a positive attitude to learn and put into practice the technological tools to which they have access. Implementing ICTs for entrepreneurs leads them to expand their scope of action and the profitability of the business or venture. There is a common understanding among stakeholders that the ventures with the highest annual growth are those interested in training, learning about management issues and constantly improving. There are favorable conditions for access to markets and/or expansion.

5 Annex II. Matrix of commitment with the partners

1) Consultation with Project partners

Name of interested party	Type of stakeholder	Stakeholder profile	Consultation methodology	Consultation recommendations	Expected times (For stakeholder engagement plans only)	Comments
MEFCCA	Partner	National Government Institution body	<i>Bilateral meetings with FAO and group meetings with the participation of FAO, INTA and MEFCCA.</i>	<p><i>CoRe can scale and access the expertise of this organization, the following lines of collaboration are identified (component 3, activity 3.4):</i></p> <ol style="list-style-type: none"> <li><i>1. Strengthen UNAG's credit fund mechanism (expand it), enabling the ADELANTE program to expand its coverage.</i></li> <li><i>2. Development of technical training, transformation, and markets.</i></li> <li><i>3. Exchanges of experiences between participants of UNAG and MEFCCA ventures</i></li> <li><i>4. Participation in trade fairs organized by</i> <ol style="list-style-type: none"> <li><i>1. MEFCCA</i></li> </ol> </li> </ol>	NA	<i>Project funds can only be administered by FAO and part of these can only be executed by UNAG according to GAFSP policy.</i>
INTA	Partner	National Government Institution body	<i>Bilateral meetings with FAO and group meetings with the participation of FAO, INTA and MEFCCA.</i>	<p><i>CoRe can scale and access the expertise of this organization, the following lines of collaboration are identified (component 2, activity 2.4):</i></p> <ol style="list-style-type: none"> <li><i>1. Fair of projects that promote producer innovation</i></li> <li><i>2. Dissemination of technologies for adaptation to CC validated by INTA.</i></li> <li><i>3. Inter-municipal competition on climatechange adaptation technologies</i></li> <li><i>4. Municipal discussions on experiences of young</i></li> </ol>	NA	

Name of interested party	Type of stakeholder	Stakeholder profile	Consultation methodology	Consultation recommendations	Expected times (For stakeholder engagement plans only)	Comments
				<i>producers related to climate change</i> <i>1. adaptation technologies.</i>		
<b>UNA</b>	<i>Partner</i>	<i>Other</i>	<i>Bilateral meetings with FAO and group meetings with the participation of FAO, INTA and MEFCCA.</i>	<i>Under Component 2, a partnership is expected to develop Activity 2.1 and Activity 2.2, which have the following purpose: Implement a training model for promoters under the concept of agroecological field school for the project, which will be established under the implementation of four levels of training, seeking local empowerment of knowledge through the farmer-farmer program.</i>		<i>Project funds can only be administered by FAO and part of these can only be executed by UNAG according to GAFSP policy.</i>
<b>INATEC</b>	<i>Partner</i>	<i>National Government Institution body</i>		<i>This process is expected to be an opportunity to certify the promoters that the project will train.</i>		

## 2) Grievance Mechanism<sup>78</sup>

<b>Focal Point Information</b>	FAO Representative in Nicaragua
<b>Contact Details</b>	Address: Representación de la FAO en Nicaragua, km 8 ½ carretera a Masaya, costado oeste del Ministerio Agropecuario, Managua. Mail to: <a href="mailto:FAONI-Salvuardas@fao.org">FAONI-Salvuardas@fao.org</a>
<b>Explain how the grievance mechanism has been communicated to stakeholders</b>	The functioning of this mechanism will be communicated during the project launch and in the initial start-up activities at the PO level. It will also be published in UNAG's territorial offices as a reference during the project implementation period. Procedures for registering complaints regarding fraud and corruption will be published in Spanish on a project website and on the national FAO website in Nicaragua.

## 3) Disclosure (For moderate an high risk projects only)

---

<sup>78</sup> FAO has a zero tolerance policy on Sexual Exploitation and Abuse (SEA), promulgated in a Director-General's Bulletin (DGB) 2012/70 ([https://intranet.fao.org/fileadmin/user\\_upload/FAO\\_Communications/dgb/1\\_dgb12\\_70.pdf](https://intranet.fao.org/fileadmin/user_upload/FAO_Communications/dgb/1_dgb12_70.pdf)) and reinforced subsequently through Administrative Circulars (AC) 2013/27 ([https://intranet.fao.org/fileadmin/user\\_upload/FAO\\_Communications/ac/AC13\\_27.pdf](https://intranet.fao.org/fileadmin/user_upload/FAO_Communications/ac/AC13_27.pdf)) and 2018/02 ([https://intranet.fao.org/fileadmin/user\\_upload/FAO\\_Communications/ac/AC18\\_02\\_21\\_Feb\\_2018.pdf](https://intranet.fao.org/fileadmin/user_upload/FAO_Communications/ac/AC18_02_21_Feb_2018.pdf)) which present the guiding principles, responsibilities, scope and processes for handling cases of SEA. More recently (AC) 21/04 required the SEA screening of **all** FAO personnel to promote safe recruitment ([https://intranet.fao.org/fileadmin/user\\_upload/FAO\\_Communications/ac/AC\\_2021-04.pdf#](https://intranet.fao.org/fileadmin/user_upload/FAO_Communications/ac/AC_2021-04.pdf#)).

SEA screening of all implementing partners is mandatory under the terms of the UN Protocol on Implementing Partners (2018) and in 2021 SEA will become part of FAO country risk logs, which require FAO Programmes to conduct SEA risk analyses and elaborate SEA mitigation strategies at the country level. This process should include categorization of interventions and implementation modalities by risk significance level. FAOR's and Programme Managers are required to integrate SEA considerations into the design of needs assessment and new project proposals, including identification of activity-specific SEA risks and related SEA mitigation measures.

SEA Prevention activities including engagement and communication with beneficiaries, partners and suppliers are mandatory. Regular reviews of on-going projects to ensure that activity-specific SEA risks are taken into consideration and related SEA mitigation measures developed and implemented are required to ensure that the SEA mitigation measures designed are put into practice during the project implementation. FAOR's, Programme Managers and Project Managers for all sectors are required to monitor and regularly review the effectiveness of the SEA mitigation measures designed, and report about any challenge faced in implementation.

<b>Disclosure Means</b>	Workshops and meetings with beneficiaries.	
<b>Disclosure information/document shared</b>	<ul style="list-style-type: none"> <li>• Project proposal.</li> <li>• Technical reports.</li> </ul>	
<b>Disclosure dates</b>	From: 8/9/2021	To: 7/31/2022
<b>Location</b>	4 Departments of Nicaragua's Dry Corridor (Matalpa, Esteli, Nueva Segovia, Madriz)	
<b>Language(s)</b>	Spanish	
<b>Other Info</b>		



## 6 Annex III. Work Plan

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
Component 1: "UNAG and its POs improve their management and governance capacity."	Activity 1.1. Conduct an assessment of the organizational maturity of UNAG and affiliated PO's.	1.1.1. Consultancy UNAG's Organizational Maturity Assessment	Consulting	1				1
		1.1.2. Conduct 4 focus groups to extract information with different UNAG structure and promoters: one group per department, with 8 participants per focus group/department	Participants	32				32
		1.1.3. Conduct 4 sessions for socialization and validation of the results of the organizational diagnosis.	Participants	32				32
	Activity 1.2 Develop a participatory strategy for strengthening UNAG's institutional capacity, including the definition of a training and mentoring plan, and update UNAG's membership registry	1.2.1. Consultation sessions with UNAG's membership and leadership to build the strategy: one per municipality (14)	Sessions	14				14
		1.2.2. Presentation of the strategy for the strengthening of UNAG. one per municipality (14)	Presentations	14				14
		1.2.3 Strategy monitoring and reporting (Annual sessions with the UNAG membership and leadership at the departmental level), one event per department (4)	Participants	4	4	4	4	16
		1.2.4. Increase the national registry of UNAG members in the digital platform,	Persons	6,667	6,667	6,667		20,000
		1.2.4.1. Training of technicians to collect UNAG membership data	Participants	360				360
		1.2.4.2 Survey of trade and production	Persons	6,667	6,667	6,667		20,000

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
		data at the farm by technicians and promoters						
		1.2.4.3 Consultancy of a computer scientist for the systematization and entry of information into the digital data platform	Consulting	0.3	0.3	0.3		1
		1.2.5. Training in skills development for the presentation and defense of projects; 3 persons per department, including technical and administrative personnel.						0
		1.2.5.1. Workshop 1 (Technical and administrative personnel of the territorial offices)	Participants	12				12
		1.2.5.2. Workshop 2 (Technical and administrative personnel of the territorial offices)	Participants		12			12
		1.2.5.3. Workshop 3 (Technical and administrative personnel of the territorial offices)	Participants			12		12
		1.2.6. Personnel						
		1.2.6.1. Organizational Development Technician	Years	1	1	1		3
		1.2.6.2. Communication specialist and community manager (community administrator)	Years		1	1	1	3
		1.3.1. Execute 5 training modules for the Boards	Modules					

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals					
				Year 1	Year 2	Year 3	Year 4	End of Project	
		of Directors of 10 cooperatives: 10 coop X 5 people X 5 days: 50 people. (includes food and travel allowance)							
	Activity 1.3. Design and implement an organizational development training program for all participating PO's (training includes an introduction to the principles and practices of responsible investment in agriculture and food systems)	1.3.1.1. Accounting and financial management	Participants	50				50	
		1.3.1.2. Principles and Cooperative Law	Participants		50			50	
		1.3.1.3. Leadership and Negotiation	Participants			50		50	
		1.3.1.4. Cooperative governance	Participants			50		50	
		1.3.1.5. Introduction to the principles and practice of responsible investment; and introduction to the features and potential applicability of FAO Rural Invest Toolkit.	Participants				50	50	
		1.3.2. Personnel and Administrative Costs						0	
		1.3.3.2. Hiring of a coordinator	Coordinator		1	1	1	1	4
		1.3.3. Use of ICTs to broaden the scale of the topics taught to the leaders	People reached		320	479	479	320	1,598
	Activity 1.4. The UNAG Women's Secretariat implements a training program on women's economic rights and access to means of production, designed for	1.4.1. Recruitment of a gender specialist to providetraining courses on gender issues to the FFSS.	Courses		7	7	6	20	
		1.4.2. AFSs course facilitator (accompanying promoter),local specialist	Courses		7	7	6	20	

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
	the network of UNAG Promoters, to be replicated by them at the community level.	1.4.3. Logistics of Module 4. Gender, strategic farm planning and replication + Other modules of Training level 3	Persons	500	2000	2000	700	5200
	Activity 1.5. Design and implement the communication Plan for the Development of UNAG, based on the use of Information and Communication technologies (oriented, among others, to market access, climate change adaptation and COVID-19 prevention)	1.5.1. To design a communication strategy for the development	Strategy	1				1
		1.5.2. Prepare ICT content and disseminate it in the different media (operating costs/reloads)	Content	0.3	0.3	0.3		1
		1.5.3. Maintain the digital platform updated.	Platform upgrade	0.3	0.3	0.3		1
		1.5.4. Consultancy: Technical maintenance of the digital platform and capacity building at UNAG (2 people to continue the work overtime).	Consulting	0.25	0.25	0.25	0.25	1
		1.5.5 Project Communication and Visibility Plan according to FAO and GAFSP protocol.	Communication plan	0.25	0.25	0.25	0.25	1
		1.5.6. Staff						0
		1.5.6.1. Value Chain and Marketing Technician	Years		1	1	1	3

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
Component 2: Farmers organized in cooperatives and/or associations affiliated to UNAG produce in a sustainable and climate-resilient manner	Activity 2.1. Develop a training program on Climate-Smart Agriculture in the conditions of the Dry Corridor, based on the Agroecological Field School methodology.	2.1.1. Methodology of the agroecological field school model (AFS): Training level 1 Training level 2 Training level 3 Innovation Fairs	People Trained in AFSs	500	2000	2000		4500
	Activity 2.2. Establishment of ICT-driven Agroecological Farmer Field Schools (including inputs for family replication).	2.2.1. Methodology of the Field School Model (FFS) Training level 1 Training level 2 Training level 3 Innovation Fairs Mobile innovation schools Innovation Fairs	People Trained in AFSs	500	2000	2000		4500
	Activity 2.3. Establishment of biointensive gardens and seed banks for food production at the family and community level.	2.3.1. Prepare a technical document on the design of the orchards.	Document	1				1
		2.3.2. Identification and geo-referencing of plots of land	Plots and georeferencing	500				500
		2.3.3. Purchase of inputs	Input package					0
		2.3.3.1. Inputs for mineralized compost, natural	Input package		0.5	0.5		1

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
		repellent, foliage, sulfite broth						
		2.3.3.2 Inputs for making organic insecticides (quicklime, sulfur, rock flour, sea salt, ginger, garlic, onion, vinegar, alcohol 90, molasses).	Input package		0.5	0.5		1
		2.3.3.3. Fertilizer Beans	Pounds of seed		0.5	0.5		1
		2.3.3.4. Bokashi	Input package		0.5	0.5		1
		2.3.3.5. Efficient Microorganisms (EM) and Mountain Microorganisms (MM)	Input package		0.5	0.5		1
		2.3.4. Establishment of orchards	Orchards		500	500		1000
		2.3.5. Technical assistance and accompaniment (technical contracts, per diem and depreciation).	Years	1	1	1	1	4
		2.3.6. Support to Seed Banks: to establish an average of 1 Mz of beans.	Banks / input packages	78	79			157

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
Activity 2.4 In alliance with INTA's AGROINNOVA program, identify and develop innovations from AFS farmers.	2.4.1. Fair of projects that promote the inventiveness of producers and the dissemination of technologies for adaptation to climate change.	Fairs			2	2	4	
	2.4.2. Inter-municipal competition on technologies for adaptation to climate change	Competition			1		1	
	2.4.3. Talks on experiences of young producers related to climate change adaptation technologies (departmental talks).	Discussions			4	4	8	
Activity 2.5. Execute an investment plan to build or rehabilitate multipurpose community water systems, establish irrigation and drainage systems, and strengthen the capacities of community networks for self-management, administration and protection of water	2.5.1. Investment plan to build or rehabilitate 20 community water systems	Documents Investment Plan					0	
	2.5.1.1. Identification and mapping of the communities to be prioritized by the project	Identification study	1				1	
	2.5.1.2. To prepare a technical guidance document for self-management, management, and protection of water at the community level.	Document	1				1	
	2.5.1.3. Training to strengthen Community Self-Management Networks	Persons		200	200	200	600	
	2.5.1.4. Investments to improve drinking water supply networks at the community level	Investment Plans		10	10		20	

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
		2.5.1.5. Reforestation of water sources	Water sources		10	10		20
		2.5.2. Investment plan for the establishment of irrigation systems (46 has)	You have		23	23		46
		2.5.2.1. Advanced and more specific studies for the design and investment of irrigation systems.	Designed systems	1				1
		2.5.2.1. Parcel identification	Plots	92				92
		2.5.2.2. Elaboration of simple and practical designs	Designs	46	46			92
		2.5.2.3. Develop and implement investment plans	Investment Plan	46	46			92
	Activity 2.6. Develop training on healthy eating habits and nutrition, as well as a broader campaign to promote healthy lifestyles	2.6.1 Nutrition and healthy habits program	Program document					
		2.6.1.1. Equipment rental and logistics of the cinema forum	Cinema forums		1		1	2
		2.6.1.2. Equipment rental and play logistics	Theatrical performances		1		1	2
		2.6.2. Launching of a campaign (launched in two years) to inform and raise awareness on nutrition and food safety.	Campaigns		1		1	2



Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals					
				Year 1	Year 2	Year 3	Year 4	End of Project	
Component 3: "UNAG farmer organizations are able to help their member's access information, finance, and markets."	Activity 3.1. Adapt UNAG's credit policy and improve its financing mechanism to provide small seed capital loans to PO's economic ventures and grants for most vulnerable groups, based on the experience of "Sembrando Esperanza" Program.	3.1.1. Develop and implement UNAG's Agricultural Credit Line (ACL)							
		3.1.1.1. Preparation of regulations for the ACL, including a stock-taking exercise to ensure the application of lessons learned and the resolution of current and potential challenges.	Regulation	1				1	
		3.1.1.2. Pre-selection of ventures to be financed: existing or new	Undertakings	12	24	24		60	
		3.1.1.3. Formulating / Improving business plans	Formulate	12	24	24		60	
		3.1.1.4. Submission of business plans to the credit committee	Credit Committees	1	1	1		3	
		3.1.1.5. Provision of financing to ventures	Financing	12	24	24		60	
		3.1.2. Fund to support food production that contributes to the food resilience of families: to establish 0.5 Mz of corn and 0.5 Mz of beans.							
		3.1.2.1. Seed and input package	Packages / Producers		633	633		1266	
		Activity 3.2 Implement a technical assistance program to support small projects financed by the	3.2.1. Hiring of 4 field technicians	Years	1	1	1	1	4
			3.2.2. Establishing market alliances to open business opportunities	Alliances		2	2		4

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
	CoRe improved financial mechanism and/or Banco BFP, especially in their market access process.	3.2.3. Participation in trade fairs (including market,promotion/access to credit)	Fairs	1	2	3	2	8
	Activity 3.3. Map and diagnose the situation of small-scale enterprises, formulate marketing (including digital marketing and use of ICTs) and sales plans based on the assessment of challenges and opportunities for improved performance in priority value chains.	3.3.1. Mapping of economic ventures	Mapping		60			60
		3.3.2. Design of marketing and sales plans incorporating opportunities and challenges of the market and value chains (short consultation sessionsand collective construction). In some enterprises, business plans will be improved as required in 3.1.1.3.	Plans		60			60
		3.3.3. Delivery of cell phones and data for the ventures (only for those ventures that require it).	Plans		60			60
		3.3.4. Socialization of marketing and sales plans (to60 ventures)	People / Undertakings		200 / 60			200 / 60
		3.3.5. Annual evaluation of progress on marketingand sales plans.	Evaluations		1	1	1	3

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
		3.3.6. Develop/adapt materials to analyse opportunities and challenges in the prioritized value chains.	Toolbox (Technical Materials)		1			1
		3.3.7. Training of key personnel in value chain analysis, preparation of marketing and sales plans, and business planning.	Persons		120	180		300
	Activity 3.4. Facilitate linkage to MEFCCA programs and strategies related to the promotion and development of entrepreneurial initiatives in order to increase their competitiveness and capacity to generate decent jobs.	3.4.1. Conduct ICT diagnosis and digital market opportunities, based on the product offer of POs(cooperatives / organizations larger than small enterprises).	Diagnosis document					
		3.4.1.1. Gathering of information in each PO to learn about the services and products offered, as well as sales volumes and knowledge of the marketing methods developed.	Diagnostic		1			1
		3.4.2. Exchanges at the municipal level with MEFCCA undertakings	Exchanges		10	10	10	30
		3.4.3. Municipal Fairs in coordination with the MEFCCA	Fairs		14	14	14	42

Components	Activities	Sub Activities	Unit of Measurement	Cumulative Annual Goals				
				Year 1	Year 2	Year 3	Year 4	End of Project
		3.4.4. Technical training in coordination with MEFCCA (food safety, food processing, labeling, value added): 60 enterprises.	Persons		240	240	240	720
		3.4.5. Participation in Business Roundtables	Business rounds	1	1	1	1	4
	Activity 3.5. Formulate and implement sanitary protocols for safety management in value chains, especially to prevent the spread of COVID-19 in markets	3.5.1. Design and implementation of biosafety protocols for the departmental offices of UNAG: alcohol, masks, etc.	Protocols	1	1	1	1	4
		3.5.2. Design and implementation of biosafety protocols for economic enterprises: alcohol, soap, masks, gloves, etc.	Protocols	5	5	5	5	20

## 7 Annex IV. Budget

### a. Budget based on components and activities, synchronized with the Logical Framework Matrix.

Table 1. Budget by FAO accounts

Accounting Code	FAO Account Description	Total Cost (USD)					
		Year 1	Year 2	Year 3	Year 4	Total (USD)	%
5013	National Consultants	185,006	44,688	26,688	26,688	283,070	9%
5014	Service Contracts	390,842	547,117	492,888	236,629	1,667,476	52%
5021	Travel	10,044	17,044	10,044	10,044	47,176	1%
5023	Training	2,660	5,660	660	660	9,640	0%
5024	Expendable Material	105,062	304,331	364,805	172,610	946,808	29%
5025	Non Expendable Material	34,661	-	-	-	34,661	1%
5027	Technical Support Services	18,260	27,390	13,695	59,875	119,220	4%
5028	General Operating Expenses	10,025	13,205	8,405	8,405	40,039	1%
5050	Common Services	56,258	1,884	1,884	1,884	61,910	2%
	<b>Total</b>	<b>812,818</b>	<b>961,319</b>	<b>919,069</b>	<b>516,795</b>	<b>3,210,000</b>	

**Table 2:** Distribution of annual Budget by component

Budget by Component	Year 1	Year 2	Year 3	Year 4	Total (USD)	%
Component 1.	141,401	140,212	137,172	101,847	520,633	16%
Component 2	231,469	397,184	534,426	230,201	1,393,279	43%
Component 3	186,012	305,703	174,895	45,991	712,602	22%
Project management, monitoring and evaluation	253,936	118,219	72,576	138,756	583,486	18%
Support Cost	-	-	-	-	-	0%
<b>Total</b>	<b>812,818</b>	<b>961,319</b>	<b>919,069</b>	<b>516,795</b>	<b>3,210,000</b>	<b>100%</b>

## 8 Annex V. Risk Management

### Section A: Project Risks

Risk	Probability(L, M, H)	Risk rating	Risk description	Proposed mitigation measures
<p><b>Technical design:</b>The project management triangle is not balanced (time -scope - cost).</p>	L	H	<p>The main objective of the management triangle is to execute projects efficiently and effectively, achieving the objectives and goals set. It consists of a triangle formed by 3 pillars (Time, Scope and Cost). These variables are correlated; the modification of one affects the others. There is a low probability that the risk will occur, and if it does, it will have a high impact on the project.</p>	<p>Manage scope: prioritizing tasks, which will allow for effective planning and resource allocation.</p> <ol style="list-style-type: none"> <li>2. Prior to the start of the project, apply a work breakdown structure (WBS).</li> <li>3. Make a good analysis of the financial and human resources required and estimate costs from detailed calculation reports to have a more accurate approximation of the total budget.</li> </ol> <p>This risk is related to the occurrence of external events that could affect the execution and logical approach of the project, which could aggravate a possible contractual rigidity in the GAFSP donor chain, preventing the adjustment of outcomes and indicators.</p>
<p><b>Technical design:</b> The project lacks flexibility in its design and deliverables.</p>	M	H	<p>This risk is related to the occurrence of external events that could affect the execution and logical approach of the project, which could aggravate a possible contractual rigidity in the GAFSP donor chain, preventing the adjustment of outcomes and indicators.</p>	<ol style="list-style-type: none"> <li>1. Develop plans to mitigate identified risks; based on good context and analysis of the situation.</li> <li>2. Maintain good communication with FAO and donors, based on transparency to ensure the participation of interested parties.</li> <li>3. With FAO support, receive specialized advice on risk management and challenging contexts.</li> <li>4. Maintain a culture of continuous monitoring; be aligned with committed resources and planning.</li> </ol>
<p><b>Technical design:</b> some project innovations are not scalable</p>	M	M	<p>There is a risk that there will be no expansion and scalability of innovations, but we can obtain good results in a small dimension.</p>	<p>To carry out empathy-based exercises to identify the mechanisms and practices that infect producers, we believe that involving young people can have good results.</p> <ol style="list-style-type: none"> <li>2. To take advantage of the experience of the Campesino a Campesino program to achieve a progressive linkage with innovations, through</li> </ol>

Risk	Probability(L, M, H)	Risk rating	Risk description	Proposed mitigation measures
			There is a moderate probability of the risk occurring, and if it does occur, it would have a moderate impact on the project.	<p>Information, simple communication, reflection and comparison of the advantages observed.</p> <p>3. Involve the leadership of UNAG, FAO, Nicaraguan technical entities in the project, highlighting the benefits of these technologies.</p> <p>4. To have external innovation programs or initiatives that are working and have an impact, stimulating the exchange of experiences.</p> <p>5. Communicate in a creative and simple way the progress and experiences among the participants.</p>
<b>Technical design:</b> The design lacks a focus on the inclusion of women.	L	H	<p>If the gender approach is not included in the design, inequality and poverty will be perpetuated in Nicaragua's dry corridor.</p> <p>Other projects developed by UNAG have validated that women are crucial agents of change in the fight against rural poverty.</p> <p>Climate change affects women's rights in different ways.</p>	<p>1. During project design, conduct a broad consultation with the grassroots and include aspects contained in UNAG's gender strategy.</p> <p>2. The coordinator of the UNAG Women and Youth Secretariat was involved during the design.</p> <p>3. A minimum participation quota of 43% of women is being assigned in the design for the implementation of the project components.</p> <p>4. Receive technical assistance from FAO, drawing on its experience, considering the results of the study of rural women and youth conducted by FAO in 2021.</p>

For probability: L (low probability), M (moderate probability) or H (high probability).

For risk rating: L (low risk or impact), M (moderate risk or impact) or H (high risk or impact).



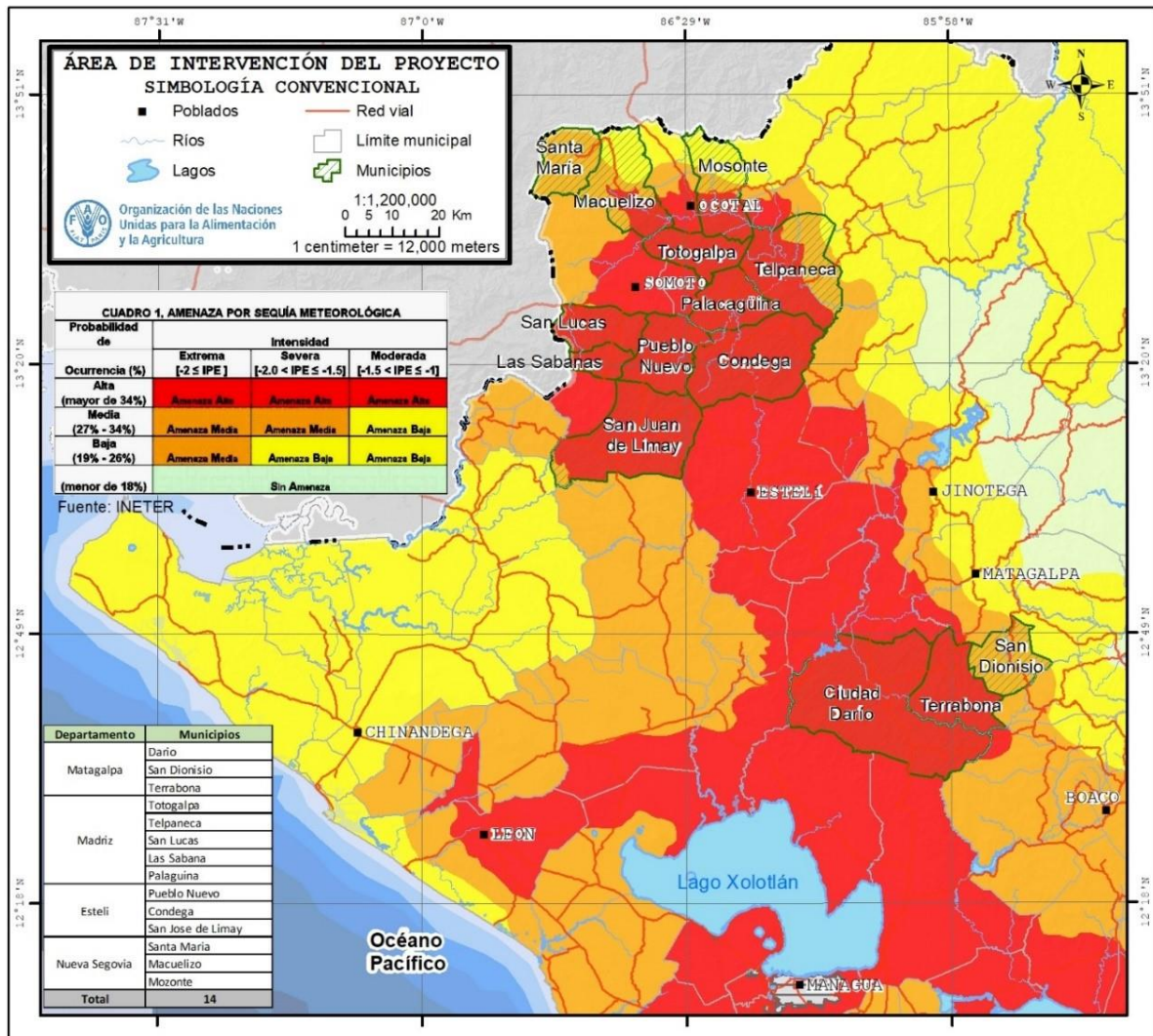
Section B: Potential negative externalities or indirect effects that could arise from project implementation.

Potential negative externalities	Probability(L, M, H)	Risk rating (L,M,H)	Description of possible negative externalities	Proposed mitigation measures
<p><b>Environmental:</b> Irrigation systems cause pressure on water bodies or soil erosion.</p>	L	M	<p>If the project were to promote inefficient irrigation systems, it would demand more water and put pressure on existing water bodies, increasing water consumption.</p> <p>On the other hand, traditional risksystems cause soil erosion on sloping terrain.</p>	<ol style="list-style-type: none"> <li>1. The project will not support water retention works, work will be done in places where these structures already exist, and the main objective will be the improvement and reactivation of irrigation systems.</li> <li>2. Promote actions aimed at protecting and restoring water sources.</li> <li>3. The installation of drip irrigation, which is more efficient and requires less water, will be promoted.</li> <li>4. Before installing irrigation systems, designs shall be made to ensure that the principles of water economy, biological requirements of crops and soil characteristics have been included.</li> <li>5. The irrigation systems to be installed are small, and the pressure on the water table and the flow of the water sources are of very low impact; they will also be activated at critical moments of the crop.</li> </ol>
<p><b>Genre:</b> Resistance of men to get involved or unwilling to change their attitude towards overcoming gender and generational gaps.</p>	M	L	<p>There is a risk of encountering men who show resistance, due to the sexism that may be ingrained in rural society. This situation would prevent rapid progress in the processes of ideological, political and economic empowerment of women and young people.</p>	<ol style="list-style-type: none"> <li>1. Implement UNAG's gender strategy at different levels to ensure a favorable political framework for the participation of women and youth.</li> <li>2. The project will develop actions aimed at developing the human capital of women, indigenous people and young people.</li> <li>3. Plan comprehensive actions, recognizing the difficulty of separating women's economic activities from the roles and responsibilities they have in their homes and communities.</li> <li>4. With men and young people, we will implement processes of reflection and training on new masculinities.</li> <li>5. The project will analyze data disaggregated by sex, to be used in the processes of raising awareness and changing social imaginaries.</li> </ol>

Potential negative externalities	Probability(L, M, H)	Risk rating (L,M,H)	Description of possible negative externalities	Proposed mitigation measures
<b>Political:</b> Manipulation of Community Organizations by political parties	M	M	From a political point of view, there is a risk that political parties may try to exploit or manipulate farmers' organizations for their political objectives or ends.	<ol style="list-style-type: none"> <li>1. The Implementation Support Unit will carefully screen agricultural organizations before including them in project activities to determine the history and functions of the organization to ensure compatibility with planned project activities.</li> <li>2. The project will refrain from using farmers' organizations that receive funds from a political party as service providers.</li> <li>3. The project will exclude any explicit representation of political organizations, in any case, carried out with project resources.</li> </ol>
<b>Administrative:</b> Misconduct on the part of those responsible for producer organizations	L	H	Stakeholder risk of mismanagement of funds by members of producer organizations; by someone acting as treasurer or other holder of the position of managing the project's financial resources.	<ol style="list-style-type: none"> <li>1. The project will train at least two people from each producer organization in the financial management skills and practices necessary to properly manage and account for the use of funds so that more than one person can read and understand all accounting documents.</li> <li>2. The project will introduce procedures for resource management and accounting. Monitoring and review of the financial records of the organizations.</li> </ol>
<b>Health:</b> Increase in COVID-19 cases in the area of influence of the project	M	M	Impact of the project's collaborators or target groups by COVID-19.	<p>Preventive measures:</p> <ol style="list-style-type: none"> <li>1. Initiate the campaign to prevent the risk of contagion and spread of COVID-19 through the agricultural supply chain.</li> <li>2. Implement the FAO sanitary protocol</li> </ol> <p>Attenuation measurements:</p> <ol style="list-style-type: none"> <li>1. Apply the COVID-19 emergency protocol to prevent contagion and spread.</li> <li>2. Alternative modalities will be implemented to guarantee the execution of field activities and minimize risk.</li> </ol>

## 10. Annex VI. Supporting Documents

### Annex 6.1. Intervention Area



Annex 6.2. Target Group UNAG

Annex 6.3. Legal Status and Publication in the Gazette

Annex 6.4. Constancias MIFIC

Annex 6.5. Final Audit Report

Annex 6.6. Institutional Document UNAG and Final Organization Capacity

Annex 6.7. Campesino a Campesino Analysis

Annex 6.8. Revolving Fund Credit Regulations and UNAG Madriz Credit Policy

Annex 6.9. Community seed banks (planting and food)

Annex 6.10. Characterization of UNAG organizations

Annex 6.11. Consultations to UNAG bases

- Annex 6.12. Agroecological Field Schools Study**
- Annex 6.13. \_ Study of water systems (Drinking and Irrigation)**
- Annex 6.14. Study Microcredit Program UNAG**
- Annex 6.15. COVID Survey**
- Annex 6.16. CID GALUP Report Rural women and young people**
- Annex 6.17. Vulnerability Diagnosis Report with rural families of the DC**
- Annex 6.18. Technology and digital marketing plan report for RE promotion**
- Annex 6.19. Diagnostic Report on economic ventures**
- Annex 6.20. FAO Technologic Catalog**
- Annex 6.21. INTA Technologic Catalog**
- Annex 6.22. Methodological Guide for the preparation of PAAC**