

Mozambique

Agência Francesa de Desenvolvimento (AFD) / Aga Khan Foundation
(AKF)



Project AgroVida

No. CMZ 1198 01 T

ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK (ESMF)

[16/07/2025]

A handwritten signature in black ink, appearing to read 'Georgina Maynard', is positioned above a horizontal dashed line.

Submitted to AFD by Georgina Maynard, Partnerships Manager, 16/07/2025

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Abbreviations and Acronyms

AFD	Agência Francesa de Desenvolvimento
AKF	Aga Khan Foundation
AQUA	National Agency for Environmental Quality Control
CBO	Community-based organisations
EIA	Environmental Impact Assessment
ESF	Environmental and Social Framework
ESMF	Environmental and social management framework
ESMS	Environmental and Social Management System
ESS	Environmental and Social Standards
FNS	Food and nutrition security
MITADER	Ministry of Land, Environment, and Rural Development
PESS	Environmental and Social Sustainability
SSFP	Small-scale food producers

Executive Summary

The Agência Francesa de Desenvolvimento (AFD) will be supporting the Aga Khan Foundation (AKF) in implementing the project, AgroVida: Strengthening Food Production Systems in Cabo Delgado, Mozambique (AgroVida). This three-year (tentatively 1 March 2025 until 28 February 2029) farming system development project has the overall goal to improve food and nutrition security (FNS) for 9,800 small-scale food producers (SSFPS) covering an area of 7,600 hectares in Montepuez district of Cabo Delgado province, Mozambique. Specific locations (i.e. communities) of subproject activities are not known at this stage, because the project is not yet signed. When signed, the project team will select the communities to be supported. This will be known within the first six months after contract signature. The project will ultimately contribute to improved FNS for 49,000 people. Partners under AFD financing include the Aga Khan Foundation (consortium lead), Gapi, SmartFarming and Associação h2n.

This Environmental and Social Management Framework (ESMF) has been prepared to identify the potential environmental and social risks and impacts of proposed Project activities and propose suitable mitigation measures to manage these risks and impacts. It maps out the Mozambican laws and regulations relevant to this project, and describes the principles, approaches, implementation arrangements, and environmental and social mitigation measures to be followed.

Risks identified include the following: The potential environmental risks are considered to be moderate to low. Environmental load, as a result of the intensive agriculture, and food processing, together with the negative impact on water, soil and air quality, is manageable, can be prevented and in case of impact, reversible. This is because the project is designed with regenerative farming methodologies and therefore inherently seeks to create positive environmental impact in the region by creating opportunities for farmers to sustainably increase their production and mitigate/adapt to climate change. There is some small risk of potential involuntary resettlement due to land use change, restrictions on usage, etc. as host farmers produce more and become ready to produce on large amounts of land. This may cause them to request their land back from Internally Displaced Persons (IDPs) currently residing on that land. The mitigation measures for this are outlined in the main report below. **Under no circumstances will this project implement activities in protected areas.** Regarding social risks, again the risks are low in that this project was designed to be inclusive of diverse and vulnerable groups (women, youth and internally displaced persons). The project is designed to address current barriers to competitiveness among small producers in Cabo Delgado, including limited access to finance, knowledge and information. The financial services activities will increase access to capital. This design will particularly benefit groups, such as women and youth, that have limited collateral (assets and land). Recognizing that vulnerable groups, such as women, youth and producers living in disadvantaged areas have multiple barriers to engagement in the agricultural sector, the project has elaborated a gender strategy and integrated gender affirmative actions into the project work plan. The Project is expected to improve beneficiaries' livelihoods, on farm production, and value chain and market linkages. The Project is expected to have positive impacts on beneficiary income through enhanced sales of agricultural products and handicrafts, and business sustainability through improved productivity and competitiveness of small scale producers. Nevertheless, social risks have been identified and include things such as marginalization, patronage, and gender discrimination. Responses have been elaborated in the framework below.

The implementation arrangements and responsible parties for different components or activities, at different levels if relevant (site, district, region, national, etc.) are elaborated in the main document. Training will be provided to all parties responsible for implementing the ESMF.

In line with the AKF Policy on Environmental and Social Sustainability (PESS), AKF (UK) and AKF Mozambique will conduct a site-specific or class Environmental Assessment once sites/villages are selected at the start of the project, which will enable the identification of specific risks and mitigation measures. This will result a more comprehensive risk register to be developed, but more robust than just a risk register using the AKF template risk register tool will be developed to assess and manage risks associated with the project. The Risk Register serves as a central repository for recording and tracking potential risks throughout the project lifecycle and helps project managers and stakeholders understand the potential threats and uncertainties that could impact project objectives and outcomes. The risk register records details of all the risks identified at the beginning and during the life of the project, their grading in terms of likelihood of occurring and seriousness of impact on the project, initial plans for mitigating each high-level risk, the costs and responsibilities of the prescribed mitigation strategies. After completing steps 1-5, the grant manager has developed the project risk register [See Annex 1: Risk Register].

Monitoring. This ESMF and the project risk register will be internally reviewed on an ongoing (quarterly) basis to update the existing and new emerging risks and action plan and progress. The AgroVida Project Manager is responsible for this and will coordinate with relevant partners and field level staff to do so. The AgroVida Project Manager is responsible to track and monitor the risks at a minimum on a quarterly basis and note whether they are decreasing, increasing or remain unchanged in light of the effectiveness of the mitigation strategies. As new risks emerge, they are added to the risk register. The AKF Mozambique Partnerships and Grants Manager will then review this and ensure provision to the donor on a semi-annual basis in line with narrative reporting requirements. The risk assessment and management plan is seen as an organisation-wide exercise in that all key stakeholders are involved.

1. Introduction

This Environmental and Social Management Framework (**ESMF**) is developed to support the environmental and social due diligence provisions for activities financed by the AFD in the project, AgroVida: Strengthening Food Production Systems in Cabo Delgado, Mozambique (**AgroVida**). This three-year (tentatively 1 March 2025 until 28 February 2029) farming system development project has the overall goal to improve food and nutrition security (**FNS**) for 9,800 small-scale food producers (**SSFPS**) covering an area of 7,600 hectares in Montepuez district of Cabo Delgado province, Mozambique. This will ultimately contribute to improved FNS for 49,000 people. Partners under AFD financing include the Aga Khan Foundation (consortium lead), Gapi, SmartFarming and Associação h2n.

This ESMF follows the World Bank Environmental and Social Framework (**ESF**) as well as the national laws and regulations of Mozambique. The objective of the ESMF is to assess and mitigate potential negative environmental and social risks and impacts of the Project consistent with the Environmental and Social Standards (**ESSs**) of the World Bank ESF and national requirements. More specifically, the ESMF aims to (a) assess the potential environmental and social risks and impacts of the proposed Project and propose mitigation measures; (b) establish procedures for the environmental and social screening, review, approval, and implementation of activities; (c) specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring environmental and social issues related to the activities; (d) identify the staffing requirements, as well as the training and capacity building needed to successfully implement the provisions of the ESMF; (e) address mechanisms for public consultation and disclosure of project documents as well as redress of possible grievances; and (f) establish the budget requirements for implementation of the ESMF.

2. Project Description

The **general objective of AgroVida is to improve food and nutrition security (FNS) for 9,800 small-scale food producers (SSFPS) covering an area of 7,600 hectares in Montepuez district of Cabo Delgado**. The project will ultimately contribute to improved FNS for 49,000 people. To achieve this, the project has four interconnected outcome areas:

- Outcome 1: Small-scale food producers adopt regenerative farming practices in diversified farming systems.
- Outcome 2: SSFPs and agri-MSMEs have increased economic empowerment, especially women and youth.
- Outcome 3: SSFPs, agri-MSMEs and community institutions apply or share good nutrition practices.
- Outcome 4 Enabling environment at the community, district and provincial level leverage the potential of local food systems.

To increase adoption of regenerative farming practices in diversified farming systems (Outcome 1), farmers will be grouped together into Producers Clubs (50 members each) (**Output 1.1**). These groups will provide a platform for collective action, learning, innovation, advocacy and empowerment. Producer groups will also facilitate access to information, aggregation, markets, inputs, services and (digital) technologies that can improve the productivity, profitability and sustainability of smallholder farming. Once grouped, a series of innovative community-led and market-driven extension services will be established and expanded to train SSFPs to adopt regenerative farming practices, across a series of diverse and in-demand foods and products (**Output 1.2**). To deliver extension services, the project will identify

and train a cadre of “Green Champions” – youth extension workers. These extension workers will be paired with a “champion actor” in the farming system, either a commercial farmer, a (informal) middleman, or AKF. Green Champions will deliver AKF’s Regenerative Farming Curriculum to train farmers to increase crop productivity, enhance soil fertility, and improve water retention. Besides agricultural knowledge, the Producers’ Clubs will also receive trainings and we will facilitate dialogues on gendered topics like access and control over resources, and decision-making power in the Club, the *machamba* and the household to work on local gender equality. To respond to the historic challenge of limited access to and use of quality inputs, the project will support and/or establish community-based input supply models and networks in the short-term and in the long-term train farmers on how to produce their own quality inputs, ensuring that SSFPs have access to inputs. **(Output 1.3)**. Here, the project will facilitate direct relationships between seed suppliers, rural retailers and financing institutions, facilitate the formation and training in seed production and storage to local seed groups, and work with local institutions to develop an inventory of available local heirloom seed varieties and their propagation. Special attention will be put to identify opportunities and overcome challenges towards farmer-led irrigation development **(FLID) (Output 1.4)**. Following a FLID and hydrology diagnostic, farmers will be supported through investments and access to knowledge and locally embedded innovations to initiate, improve and or expand their irrigated agriculture. Acknowledging the challenges identified with post-harvest handling, AKF will deliver trainings to SSFPs on post-harvest management techniques **(Output 1.5)**. AKF will review and prepare a specific package of tools, materials and techniques that will improve post-harvest management in Montepuez.

To ensure that SSFPs and agri-MSMEs, particularly women and youth, are economically empowered **(Outcome 2)** the project will need to implement a range of financial, business and market solutions tailored to each actor within the food system. The combination of knowledge and finance is crucial for any successful enterprise. For small-scale subsistence farmers with limited/no access to financing, the project will establish or rehabilitate community-based savings groups **(CBSGs)** within Producers’ Clubs **(Output 2.1)**. This will ensure that SSFPs have access to savings, assets, and financial knowledge necessary to invest in their farms and livelihood, as well as have savings available to withstand climate and economic shocks. For both subsistence farmers who become able to produce and sell surplus, and for small-scale commercial farmers that further increase their productivity, market linkages will be facilitated, and they will be supported on basic business skills like planning, staggering and negotiation to ensure they can profit the most of their production efforts. **(Output 2.2)**. And finally for the commercial farmers, MSMEs and entrepreneurial minded actors in the food system, business and financial services will be provided **(Output 2.3)**. The financial services will arrive in the form of blended loan-grant packages that not only enhance incomes, but also plug in gaps to the existing food system (e.g. loans can be used to invest in supporting small-holder producers with inputs on credit to be deducted in the buying stage, access irrigation and processing equipment and more) and with continuous business support (e.g. coaching) to farmers and MSME before and after receiving the financing.

Through consumer awareness and knowledge of good nutritional practices, SSFPs apply good nutrition practices, and agri-MSMEs process and sell locally nutritious food while joining the community institutions in sharing knowledge on these practices **(Outcome 3)**. AgroVida will ensure that SSFPs and processors are trained in good nutrition practices, for example through cooking classes and promotion of nutritional crops and food conservation. **(Output 3.1)**.

Finally, a strengthened and more effective enabling environment at the community and district level will leverage the potential of the local food systems **(Outcome 4)**. AKF will utilise key community-based organisations **(CBOs)** and train them in key topics related to this project – regenerative farming, social cohesion and community governance, positive nutrition practices, and more. AKF will then encourage

these CBOs to pass on this information in public awareness campaigns and other contextually relevant activities. As well as this, AKF will work with CBOs to conduct community disaster risk assessments and provide training to CBOs in disaster risk management. **(Output 4.1)**. These existing (digital) innovations can harness technology to expand knowledge, facilitate linkages between food system actors and support decision making and coordination through data collection and analysis **(Output 4.2)**. To further amplify awareness of these good practices (nutrition, agriculture, gender equality) among Cabo Delgado's communities, we will reach communities through public radio campaigns **(Output 4.3)**.

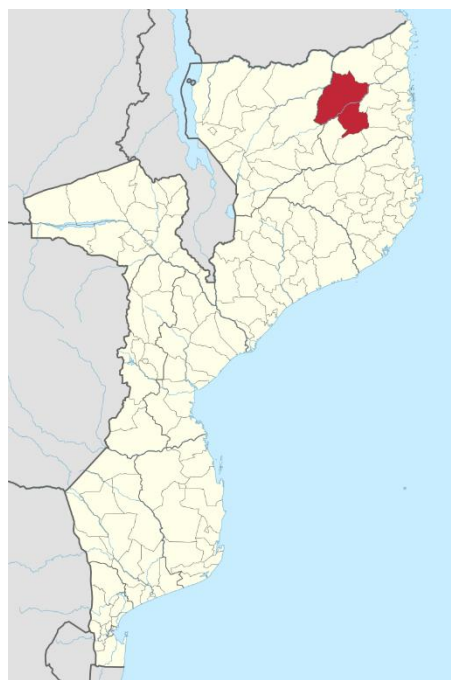


Figure. Location of Montepuez district in Mozambique

AFD contributions to AgroVida will target Montepuez district in Cabo – home to approximately 272,000 people as well as 15,000 IDPs.¹² The number of communities will be decided in the inception phase. Montepuez covers an area of 17,721 km² and spans two of Mozambique’s ten agro-ecological zones - “R7. Mid-altitude areas of Zambezia, Nampula, Tete, Niassa and Cabo Delgado” and “R8. Coastal areas of Zambezia, Nampula and Cabo Delgado” – in which three livelihood zones outline the broad farming systems (see table below).³ Cotton and sesame were the main cash crops, however this was hugely disrupted with the exit of Plexus Cotton Company from the district due to business challenges during the covid-19 pandemic. During consultations and site visits in July 2024, community members cited that their only source of livelihood was the machamba with a majority only growing produce for a subsistence lifestyle.

Table 1: Description of livelihood zones in Montepuez

Livelihood Zone	District overlap	Farm system composition		Additional information
		Poor	Better-off	
02 Northern Highland Forest and Tourism	Northern parts of Montepuez	Maize, cassava, boer beans, vegetables, rice	Same + cow peas, cattle, timber/trees.	<ul style="list-style-type: none"> The area has a low population density averaging 2 people per km² and an average land holding of 2.7ha per household. The poor consume their own crops but need to purchase food during the lean period. The ones who are better off are typically self-sufficient all year. Market access is very limited.
04 Northern Cassava, Maize Forest*	Eastern parts of Montepuez	Maize, cassava, beans, vegetables, ground nuts	Same + cattle, sesame, soy, rice, fish	<ul style="list-style-type: none"> Small-scale food producers (SSFPs) may have >1ha; Small-scale commercial farmers (Produtores Comerciais Emergentes) may have between >5ha & >15ha, and in exceptional cases over 20ha.
05 Northern highland with mixed cropping*	South / West parts of Montepuez	Goats, poultry, maize, cassava, sorghum, sweet potatoes, vegetables, beans	Same + cattle, sesame, soy, rice	<ul style="list-style-type: none"> SSFPs may have >1ha and better-off between >10 and >30. Suitable agro-ecological conditions result in heavy reliance on rainfed agriculture. Poor consume own production year-round with supplements of maize or rice in lean season. Chief determinants of wealth are land size cultivated, land area under cash crops, livestock and assets (e.g. truck) ownership

¹ 2017 Population Census of Mozambique.

² IOM (2024). Mobility Tracking Assessment Report 20 (January 2024).

³ 2014 FEWS Net Livelihood Zones Descriptions

AKF, the consortium lead, will coordinate project activities, including day-to-day implementation, coordination, supervision, and overall management of project activities. AKF is joined by three additional partners to form its consortium. Description of partners roles are available in the table below.

Table 2: Description of consortium partner scopes of work

Organisation	Type	Scope of work
AKF	International NGO	<ul style="list-style-type: none"> • Consortium lead and responsible for overall project management. • Lead production activities in Montepuez • Agriculture & social cohesion technical lead. • Community economic empowerment lead (e.g. community-based savings groups)
Gapi	Mozambican Development Finance Institution	<ul style="list-style-type: none"> • Private sector development initiatives (micro- and small business establishment; business formalisation; business skills and growth for existing enterprises; access to finance).
SmartFarming	Dutch private company	<ul style="list-style-type: none"> • Resource partner (Part of the Resilience BV network) – digitalisation lead and impact advisory, on catalysing farmer-led initiatives and gender and youth
h2n	Mozambican NGO	<ul style="list-style-type: none"> • Mass media messaging relating to good agricultural practices, market information and nutrition.

It is not possible to summarise procurement plans at this stage. The procurement plan will be developed post contract signature.

3. Environmental and Social Policies, Regulations, and Laws

3.1 Mozambique Legal Framework

Relevant laws are elaborated in the table below.

Table 3. Mozambique Relevant Legal Framework

Law	Description and Relevance to Project Activities
Resolution No. 5/95 Environmental Policy	This policy forms the foundation of environmental legislation, aiming to ensure sustainable development by balancing socio-economic growth with environmental protection (Article 2.1). It requires managing natural resources and the environment to preserve their capacity for current and future generations. Compliance with this law is essential for the environmental sustainability of any project.
Law 20/97 Environmental Law	The Environment Act establishes the legal framework for the use and management of the environment and its components, applying to all public and private activities that may impact the environment. Article 9 prohibits any form of pollution and environmental degradation, while the Act overall emphasizes the importance of environmental protection and damage prevention. Article 14 specifically prohibits the implementation of infrastructure projects that could cause significant negative environmental impacts, particularly in areas prone to erosion, desertification, wetlands, protected areas, and ecologically sensitive zones. The law underscores the importance of preventing harm to the environment from project development.
The Forests and Wildlife Law (Law nº 10/99, of 7 of June) and specific regulations	Among other aspects, the law defines the protection and conservation of specific biodiversity components as well as certain flora and fauna species found in certain places.

<p>The Land Law (Law nº 19/97, of 1 of October)</p>	<p>The law and its Regulation 66/98, provide the basis to define access rights, land use rights and procedures for the acquisition and use of land title by the communities and individuals. The same law and the regulation embodies key aspects defined in the constitution in relation to the land such as the maintenance of the land as state property and that land cannot be sold as well as the absence of a "land market" per se in the country. Among other aspects it defines “areas meant to meet public interest” as belonging to public domain. It also protects customary and community rights over land.</p>
<p>National Water Law in 1991 and the National Water Policy from 1995</p>	<p>The water law and policy in Mozambique is based on three principles: (i) water supply and sanitation services should align with users' demand and economic capacity; (ii) tariffs should cover operational and maintenance costs, eventually supporting investment and sustainability; and (iii) services should be decentralized to autonomous local agencies. Water and sanitation are managed together, but sanitation remains less developed. The National Water Policy (PNA), adopted in 2007 for the 2015-2025 period, sets goals in two main areas:</p> <ul style="list-style-type: none"> - Water: ensuring safe and reliable water access in urban, peri-urban, and rural areas to meet basic human needs. - Sanitation: improving sanitation to prevent water-related diseases and protect the environment, focusing on services from latrines to urban sewer systems. <p>The policy also addresses:</p> <ul style="list-style-type: none"> - Economics: water use for development (e.g., irrigation, hydropower, industry). - Conservation: ecological flows, pollution control, and water quality standards. - Disaster risk reduction: mitigating floods and droughts through better planning, structural measures, and community training. <p>There is a separation of roles in the water sector between water resource management, water supply, and services. A regulatory body balances government and private sector roles while giving consumers a say. Despite this progress, the government still plays a dominant role in policy, regulation, and management, reflecting an ongoing transition.</p>
<p>Pesticides Regulation (Ministerial Diploma nº 153/2002, of 11 of September)</p>	<p>This is a joint regulation between the ministries of agriculture, health and environment aimed at regulating the importation, distribution, production, disposal and use of agrarian pesticides for the protection of animal and public health purposes. It requires all operators active in the importation, distribution, production of pesticides to be registered. It also classifies the various pesticides in three major categories, where those of Class III and II are the least lethal and those of Class I are the most lethal. It also regulates the labeling and packaging of pesticides, as ways of facilitating identification and protecting the environment and particularly public health.</p>
<p>Occupational Health and Safety</p>	<p>Occupational health and safety in Mozambique is governed by various legal frameworks, including the Constitution, Labor Law, and older colonial-era legislation. Relevant International Labour Organization (ILO) conventions, such as Convention 17 on workplace accident compensation and Convention 18 on occupational illness compensation, also apply. The Constitution (Article 85) guarantees workers the right to a fair wage, rest, vacation, and a safe work environment. The Labor Law (Articles 216–236) mandates that employers provide hygienic and safe working conditions, inform workers of specific risks, and provide protective equipment. Both employers and workers must collaborate to ensure workplace safety, with high-risk industries required to establish safety committees including both employer and worker representatives. Industry-specific health and safety regulations may be issued by the Ministers of Labor, Health, or other relevant sectors. In 2008, the Ministry of Health issued specific guidelines on workplace safety. Companies with over 100 employees or those involved in hazardous activities must have on-site health units and conduct regular medical checkups, though HIV/AIDS tests are excluded. For certain sectors, such as food and beverages, regular health checks are mandatory.</p>

3.2 National Environmental and Social Assessment and Permitting

In Mozambique, the public authority responsible for managing environmental assessments and permitting is the Ministry of Land, Environment, and Rural Development (**MITADER**), specifically through the National Agency for Environmental Quality Control (**AQUA**). This agency oversees the Environmental Impact Assessment (**EIA**) process and ensures compliance with environmental regulations.

Projects that are likely to have significant environmental impacts must undergo the EIA process. Examples include:

1. **Infrastructure Projects:** Large-scale road construction; Airports, ports, and railways; Power generation plants (including hydroelectric and thermal); Mining and extractive industries (oil, gas, minerals); Waste treatment plants and large-scale waste disposal facilities
2. **Industrial Projects:** Large manufacturing plants; Chemical processing industries; Heavy industries (cement production, metallurgy)
3. **Energy Projects:** Hydropower, solar farms, and wind energy projects; Power transmission lines
4. **Water Management Projects:** Large-scale irrigation systems; Dams and reservoirs; Water supply and wastewater treatment plants
5. **Agriculture and Forestry Projects:** Large-scale commercial agriculture (e.g., monoculture plantations); Deforestation or conversion of natural habitats for agricultural purposes; Livestock farms or aquaculture on a large scale
6. **Tourism and Real Estate Projects:** Development of resorts, hotels, and other tourism facilities in sensitive ecological areas; Urban development and large residential complexes

For agriculture projects such as AgroVida, the requirement to undergo an EIA depends on the scale and potential environmental impact of the activity. MITADER uses a **categorization system** to assess whether an EIA is required. Here's how it works for agricultural projects:

- **Small-scale or simple agriculture projects:** These are typically categorized as **Category C**, meaning they have **minimal or negligible environmental impacts**. In such cases, a full EIA is not required, and the proponent may only need to submit an **Environmental Screening Form** to confirm that the project poses low environmental risk. Examples include smallholder farms or community-based agriculture projects.
- **Large-scale or commercial agriculture projects:** These may be classified as **Category B** or **Category A**, depending on the scale and location. If the project involves significant land clearing, use of fertilizers and pesticides, or impacts on water resources or biodiversity, an **Environmental Impact Study (EIS)** may be required. For example, a large monoculture plantation or a project involving the clearing of forests would typically fall into Category A or B.

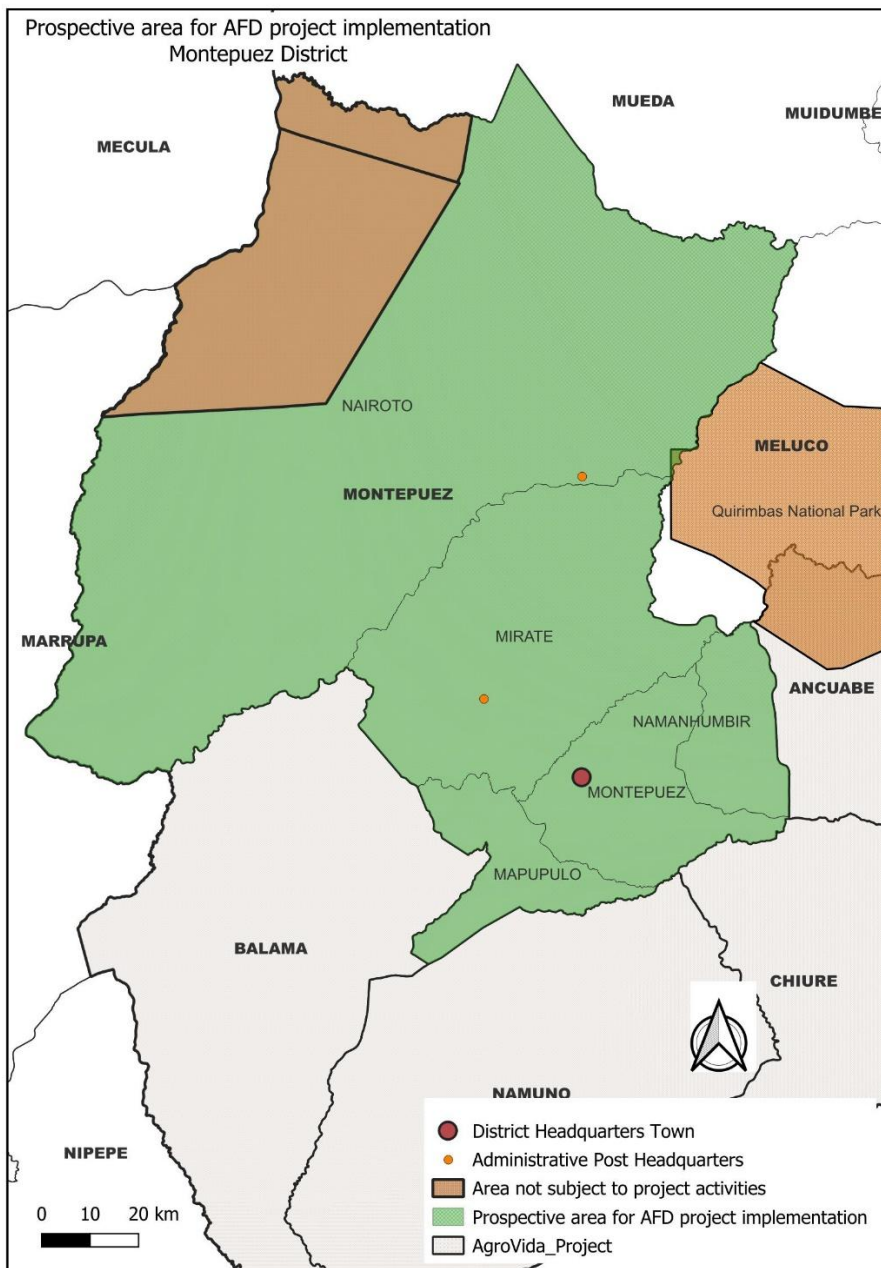
AgroVida is classified as a Category C project and typically would not require a full EIA but may need to submit basic environmental screening documentation to MITADER for confirmation of its low-risk status.

4. Potential Environmental and Social Risk Impacts and Standard Mitigation Measures

The program will build on the strong foundation of the consortium's +50 years of programming in Cabo Delgado which has given an understanding of the contextual risks and appropriate mitigation measures. An initial risk matrix is below and is developed with the involvement of all partners and key departments including programme, finance, administration, HR and logistics. The risk matrix will be further elaborated

into AKF’s standard risk management model based on location specific assessments conducted following site selection. The Risk Management model allows the consortium to track progress against mitigation measures) and periodically reviewed during implementation. New risks will be presented to the Embassy of the Kingdom of the Netherlands. The risks below are deemed to be acceptable in the context of Cabo Delgado for the program to proceed.

It is important to note that **no implementation will take place in protected areas**. The implementation geography selected for AgroVida is Montepuez District in Cabo Delgado province, Mozambique. This district does not have any protected areas within its district limits. Maps demonstrating the project geography and proximity to protected areas are below.



AKF has historically operated in protected areas (namely the Quirimbas National Park in Cabo Delgado), however activities are strictly in line with the National Park and Government of Mozambique policies and regulations relating to conservation and protection.

Table 5. Environmental and Social Risks and Mitigation Measures
(next page)

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
1	Environmental	Natural disasters: Extreme events (drought, floods) could compromise agricultural and fishing production. El Niño has begun which may result in more extreme weather patterns (e.g. short bursts of heavy rain in a shorter period, longer dry periods).	Reduced agricultural and fishing productivity, affecting household food security and incomes. In cases of flooding, this could lead to temporary halts in program implementation if flooding impacts road conditions / destroys bridges - this could cut off communities from field visits, destroy homes, and prompt displacement; delays may limit the ability to complete the program within the agreed timeframe.	H	H	H	<ul style="list-style-type: none"> » Promote regenerative farming; introduce improved technologies (e.g., improved seed varieties such as more drought-resistant seed varieties, small-scale irrigation to prolong main agriculture season); » Diversify Small Scale Food Producer (SSFP) and Emerging Commercial Farmer (ECF) income generation, including promoting a culture of saving (through savings groups); » For AFD activities, a contingency fund is built into the budget in case of emergencies and the need for rapid response. » For AFD activities, disaster risk reduction (DRR) activities have been integrated including the training of communities in climate change and DRR. 			
2	Environmental	Climate change - Increases frequency and intensity of natural disasters.	Alters agriculture season/climate which further impacts production and adaptive capacity of farmers.	M	M	M	<ul style="list-style-type: none"> » Promote regenerative farming; introduce improved technologies (e.g., improved seed varieties such as more drought-resistant seed varieties, small-scale irrigation to prolong main agriculture season); » Diversify Small Scale Food Producer (SSFP) and Emerging Commercial Farmer (ECF) income generation, including promoting a culture of saving (through savings groups); » For AFD activities, a contingency fund is built into the budget in case of emergencies and the need for rapid response. » For AFD activities, disaster risk reduction (DRR) activities have been integrated including the training of communities in climate change and DRR. 			
3	Environmental	Invasive species	Invasive alien tree species can replace valuable indigenous species which are comparatively less aggressive. Many agroforestry systems, particularly those that rely on tree planting in or near treeless landscapes, rely heavily on alien plant taxa. As is	L	L	L	<ul style="list-style-type: none"> » Exclude known invasive alien species (or, ideally, all alien species) from farming. » As much as possible, use only local tree species. 			

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
			<p>the case in all endeavours based largely on non-native species, problems arise when these organisms spread from sites of introduction and cultivation to invade areas where their presence is, for various reasons, deemed inappropriate. In some areas, problems caused by the spread of agroforestry trees from sites set aside for this land use pose a serious threat to biodiversity that may reduce or negate any biodiversity benefit of the agroforestry enterprise.</p>							
4	Environmental	<p>Degradation of soil, watersheds and ground water.</p>	<p>When planning irrigation systems many factors such as, soil type, crop type, water table level, quantity of water, quality of water and land slope must be considered to ensure the most efficient solution is applied. Improper planning is likely to result in poor usage of resources, possibly rendering the project short lived. Implemented field drainage systems may become vehicles for leached nutrients if not properly planned they can also result in waterlogged soil, diminished water sheds and ground water reservoirs. Also, if harmful farming practices are used (chemical fertilizers, pesticides etc.), soil could be degraded therefore impacting productivity.</p>	L		L		L		<p>» Regenerative farming promoted to reduce soil degradation related to use of chemicals. » Promote farmer led irrigated development (FLID), a World Bank approved methodology for agricultural irrigation.</p>

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
5	Environmental	Agricultural expansion and deforestation, consequent loss of biodiversity	As farmers become more productive and sell more crops, they will begin to expand their agricultural practices on additional land available to them. This will result in that land being cleared for agricultural practices, where once it may be left to be bush or forest.	M		M		M		» promoting regenerative and integrated farming ensures that newly farmed land maintains high levels of biodiversity.
6	Environmental	Pollution and waste generation	As farmers increase their income, they have more access to harmful chemical fertilisers and pesticides that can leach into waterways.	L		L				» Mitigation is the promotion of regenerative farming, including production of natural/bio pesticides and ferts; education against use of chemical inputs, etc.
7	Financial	Funding transfer delays: Delays or cuts in funding that may compromise the continuation of planned activities.	Interruption of critical activities, negative impact on expected outcomes.	L		M		M		» Maintain constant communication with funders, » regularly review the budget and conduct budget revisions as necessary to reflect the true budget amount required each year.
8	Health and Safety	Health risks associated with disease outbreaks, such as malaria or cholera, in target communities.	Reduced work capacity of farmers and project staff, affecting activities.	M		H		H		» work with health team to implement preventive health programs, provide mosquito nets, and promote vaccination campaigns. » Work with Village Development Organisations to ensure appropriate mitigation/management activities at the community level when health risks increase (e.g. increase cholera risk during rainy season).
9	Operational	Difficulty accessing remote areas during the rainy season, affecting the distribution of inputs and technical support.	Delays in input delivery, impact on production and project implementation.	M		M		M		» Plan logistics activities in advance, use appropriate means of transportation, and create strategic stockpiles.
10	Operational	Logistics /Infrastructure: Poor Road Infrastructure	Farmers have limited access to local markets, leading to food spoilage and reduced income.	M		H		H		» Promote aggregation of SSFP produce; promote post-harvest management technologies; promote investment in micro-processing to transform/preserve food for longer; leverage other projects such as the

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment			Risk Level	Mitigation Actions
				Likelihood	Impact	Level		
								World Bank Northern Mozambique Rural Resilience Project which has plans to improve infrastructure in the region.
11	Operational	Procurement: Protracted procurement process could result in the late delivery of goods and knock-on impacts to other project activities.	Delays in the procurement of key items may cause knock-on delays to additional project activities.	M	M	M		<ul style="list-style-type: none"> » Partner focal points prepare procurement plans » Partner focal points meet routinely to and include procurement as an agenda item.
12	Operational	Financial - fluctuation in commodity prices.	A reduced level of funds will impact the scope of implementation possible within this program.	M	M	M		<ul style="list-style-type: none"> » Program is designed not to be reliant on the external market – improve local input production, production for local markets. » AgroVida will develop producers' market knowledge and diversify livelihood opportunities to lessen vulnerability to fluctuations.
13	Operational	Financial - Fraud/Corruption: There is a risk that fraudulent activities may take place.	There is a risk of a loss of funds for project implementation due to fraud and/or corruption. Furthermore, if community members or others find out, this has significant reputational risks for AKF among communities and donors.	L	M	M		<ul style="list-style-type: none"> » AKF has robust fraud and antibribery policies in place. » All staff are trained in fraud and antibribery policies, the harm of fraud/corruption, and how to identify/report/prevent incidents. » Regular compliance checks and audits, reconciliation and other financial controls are in place. » If an incident of fraud/corruption is identified, robust processes are in place to investigate and take disciplinary action when appropriate.
14	Operational	Risk of Sexual exploitation, harassment, bullying and abuse of authority: The project operates in a vulnerable area where people are struggling to even have food eat. This creates spaces for abuse of authority and inappropriate exchanges of favours. Also, in	Harm to community members, project closure due to abuse, reputational damage, loss of donor funding.	L	H	H		<ul style="list-style-type: none"> » All staff and consortium partners are trained on the AKF Safeguarding Policy and the Staff Code of Conduct. AKF has a zero tolerance policy regarding abuse or misconduct towards staff/beneficiaries. » Safeguarding is built into all staff and sub-partner contracts, including consultants, contractors and third parties. » An anonymous hotline (Linha Verde) number will be shared with community members at project inception, for

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
		general, considering the consortium experience, communities tend to design projects involving construction works, which are positively correlated to male mobility, increase the risk of GBV/EAS/AS (harassment, sexual abuse, forced/premature unions) and violence, OR The project will promote Women Economic Empowerment usually associated with GBV.								beneficiaries to notify AKF anonymously of incidents. AKFM follows a defined procedure to investigate all incidents reported. Immediate action will be taken against perpetrators should they be found guilty. » At the community level, VDOs with gender focal points who will be trained and coached to implement awareness-raising campaigns in communities and help to build local GBV and other safeguarding protocols/concerns.
15	Political	Government engagement: Government relationships are sensitive and can change as a result of accidents by staff or as government representatives change during the course of the project (e.g. Balama Administrator wants all agriculture projects to provide inputs to farmers as a minimum standard).	Government bans partners from entering district / communities; Disruption of project activities, delays in schedule and implementation.	L		L		L		» Build and maintain strong relationships with district and provincial government from the beginning through routine meetings and updates, supervision visits to field activities. » Collaborate with government in key moments and events in the agriculture sector (e.g. rural fairs)
16	Political	Policy change: Changes in government policies that may affect agricultural or fishing activities.	Need to adapt project activities to new regulations, possible delays in the schedule.	L		L		L		» Monitor regulatory changes, adapt plans as needed, and maintain dialogue with local authorities.
17	Political	Institutional Collaboration: Unwillingness/Inability to Collaborate in Dialogue and Stakeholder Engagement (Multi-Stakeholder Platform);	Reduces the chances of ADIN takeover and long-term impact of dialogues; hampers content creation and engagement in the region, especially on Food and Nutrition Security initiatives.	L		L		L		» Conduct baseline assessment of ADIN’s capacities; create annual work plans with capacity building activities and KPIs; report to the Project’s Steering Committee on progress and realignment needs.

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
		routine changes in government representatives (e.g. in ADIN) with different strategic direction for ADIN		L		M		M		
18	Political	Non-validation of Skills Training by the National Professional Education Authority (ANEP)	Trained youths may be unable to receive certificates following their training.	L		M		M		Collaborate with district authorities responsible for technical education to ensure procedures and requirements are followed; engage ANEP early to validate training processes
19	Political	National elections take place in October 2024 which could lead to protests and violence in the project target geography.	Protests and violence could impede activities from taking place in a set time period (likely the eight week period leading up to elections and following election results). This could delay the achievement of key milestones.	H		M		H		» do not schedule large / critical activities to take place during the election period (October-November 2024) e.g. events with large groups.
20	Political	Insurgency: there is a risk that the security situation will deteriorate across Cabo Delgado, and/or insurgent activities spread to implementation geographies.	Possible influx of more IDPs into the target geographies - this could further impact the dynamics between IDPs and host communities; OR displacement of target beneficiaries away from the target geography if insurgency reaches target geography; OR staff and beneficiaries placed at risk from an insurgency occurrence.	H		H		H		<p>» Several project activities are designed to address root causes of insurgency, promote income generation and better livelihoods for communities, therefore reducing vulnerability to recruitment by insurgent groups.</p> <p>» AKF is actively integrating IDPs and different Community Based Organisations into programming, operating under the principles of do no harm.</p> <p>» AKF will regularly assess the insecurity situation, sharing updates with staff and funding partners on a regular basis. If necessary, AKF will reinforce or upgrade its risk prevention and risk mitigation activities.</p> <p>» AKF will provide security training to all staff so they are prepared to respond should an incident arise.</p> <p>» AKF will continue to advocate with current and potential partners for strong links between humanitarian and development</p>

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
								<p>actions, such as this programme. AKF will endeavour to train project beneficiaries on core skills (in this case climate smart agriculture, conservation agriculture) on skills that will support them should they be displaced again.</p> <p>» AKF is building relationships with other partners and other programmes operating in the target geography in order to identify synergies and support the stabilisation of the region.</p> <p>» AKF will continue dialogues with other partners to extend project activities should additional IDPs relocate to project target geographies.</p>		
21	Political	<p>Community tensions: tension among host communities and IDPs grow, for example over land use, prolonged presence of IDPs, uneven distribution of support by projects.</p>	<p>Escalation of tensions, violence, and disruption of project activities, leading to delays and potential project failure.</p>	M		H	H	<p>» Do No Harm approach to beneficiary selection ensuring a mixture of both host and IDP households are integrated into the project.</p> <p>» Facilitate equitable resource distribution, conduct conflict sensitivity training, engage in mediation efforts, and involve local authorities in resource allocation decisions.</p> <p>» Expand Village Development Organisation (VDO) model and ensure training on community participation, community negotiation and conflict mitigation/management to ensure communities create solutions for these challenges.</p> <p>» Engage in continuous dialogue with both refugee and host communities; facilitate joint community projects; establish conflict resolution mechanisms; work with humanitarian agencies to address resource needs.</p> <p>» Utilise VDOs as a mechanism to support communities in negotiating land rights.</p>		

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
22	Political/Economic	Market fluctuations for agricultural products that may lower the selling prices for farmers' products.	Decreased farmer income, demotivation to adopt sustainable practices.	M		H		H		<ul style="list-style-type: none"> » Support farmers to establish pre-purchase contracts; » Diversify markets and production, and create stabilization funds » Promote income generation to reduce vulnerability; conduct routine security assessments and enact protocols for staff protection.
23	Social	Low willingness to adopt new technologies among farmers due to resistance to change or lack of training.	Difficulty in achieving objectives and increasing productivity (Outcome 1); farming systems will also not be as resilient therefore exposing farmers to the impact of future shocks.	L		H		H		<ul style="list-style-type: none"> » Promote farmer led extension services and provide continuous training. » Deliver mass-communication at all levels (e.g. from radio through to engagement with local leaders and Village Development Organisations). » Begin with "low-hanging fruit" techniques that enhance productivity fast; » Foster sustainable and local access to inputs that are not unrealistic prices for farmers
24	Social	Patriarchal societal structure skews programme benefits towards men.	This may limit female farmers' abilities to be involved in the program and gain from activities, thus reinforcing unequal gender relations that exist in the region.	M		M		M		<ul style="list-style-type: none"> » Define a Gender Equality Strategy and gender-specific budget » build internal capacity for gender analysis and equitable development; » ensure there are sufficient female staff as role models in the sector; » build a Community of Practice among staff to ensure critical analysis/inclusion of gender; gender transformative SBCC messaging.
25	Social	Risk of exclusion of farmers based on their credit worthiness	Farmers, especially women in agriculture, often have limited access to credit due to traditional requirements and risk analysis by financial intuitions.	M		M		M		<ul style="list-style-type: none"> » Technical assistance support should be provided to farmers in the preparation of their request for loans and downstream support for business management. » Pay special attention to women farmers by promoting gender-sensitive and affirmative action activities (additional training for women to catch up), promote labor-reducing technologies for women that are affordable, accessible, and based on.
26	Social	Land acquisition and involuntary resettlement	Risk of loss of land due to land expansion of other farmers,	L		L		L		<ul style="list-style-type: none"> » No large infrastructure and resettlement plans are anticipated in this project.

Id #	Risk Area	Description of Potential Risk	Impact on Project	Assessment of Likelihood		Assessment of Impact		Risk Level		Mitigation Actions
			<p>individuals or companies in the region. In addition, as host farmers become more productive and able to farm larger amounts of land, they may request IDPs to leave land that they have been temporarily allocated. This will impact livelihoods and food security of displaced persons.</p>							<p>» Promote community dialogues on land use through community-based organisations (see section in proposal on Village Development Organisations under Outcome 4).</p>

4.1 Risks and Mitigation Measures Specific to Disadvantaged and Vulnerable Groups

For AgroVida, identifying disadvantaged and vulnerable groups is crucial to ensure equitable outcomes and minimise adverse impacts. Below are potential groups and tailored mitigation measures:

Table 6. Identification of challenges and mitigation measures related to vulnerable groups.

Vulnerable Group	Challenges	Mitigation Measures
Women and Girls	Limited access to land, inputs, and decision-making roles. Social norms may restrict participation.	<ul style="list-style-type: none"> - A project gender strategy is developed for project implementation. Each year the gender focal points outline a specific gender work plan and activities to implement. - Gender-sensitive project design with targeted training. - Promote female leadership in farmer cooperatives. - Address legal barriers to land ownership.
Youth (especially young women)	Lack of credit, skills, and resources for agriculture or entrepreneurship. Social exclusion.	<p>The project is designed with a special focus on youth. For example, all Green Champions identified by the project will be youth. Through the Green Champion activities, the project will offer</p> <ul style="list-style-type: none"> - Youth-specific training and entrepreneurship support. - Mentorship opportunities. - Specific job opportunities.
Persons with Disabilities (PWDs)	Physical access issues and exclusion from decision-making processes.	<p>If persons with disabilities are made part of Producer Clubs and other activities, the project will take measures to</p> <ul style="list-style-type: none"> - Ensure project sites are accessible. - Include PWDs in decision-making and training activities.
Ethnic Minorities	Language barriers and social exclusion.	<ul style="list-style-type: none"> - Offer project materials in local languages. - Engage community leaders from these groups to facilitate participation. - Build trust and promote inclusion.
Women-Headed Households	Increased caregiving responsibilities and exclusion from labor-intensive activities.	<ul style="list-style-type: none"> - Offer flexible, time-sensitive project activities. - Provide support like child care during training. - Focus on empowering women in leadership roles (for example through the activities with Village Development Organisations).
Displaced Populations (IDPs)	Limited access to land, services, and livelihoods.	<ul style="list-style-type: none"> - Coordinate with humanitarian agencies for basic services. - Integrate IDPs into project activities. - Liaise with humanitarian projects to offer trauma-informed support.

4.2 Planning and Design Considerations for Avoidance of Environmental and Social Risks and Impacts

Some initial measures have been taken to avoid environmental and social risks and impacts:

- **Site Selection:** During planning, multiple sites will be assessed to choose locations that have the least environmental and social impact. Priority will be given to areas with minimal ecological sensitivity and where the project is less likely to disrupt local communities or natural habitats. Early consultations with communities will ensure that the chosen sites align with local needs.
- **Technology Selection:** Environmentally friendly technologies, such as water-efficient irrigation systems, will be prioritized to reduce resource depletion and minimize pollution. Technology selection will be participatory itself - farmers will learn about the different technologies and then decide for

themselves whether to adopt them or not. Locally available technologies will be selected where possible.

- **Regenerative Farming Practices:** As part of the project’s objectives, regenerative agricultural practices will be incorporated to enhance soil health, conserve biodiversity, and ensure long-term sustainability.
- **Emergency Preparedness:** this ESMF has been prepared ahead of implementation in order to identify risks and mitigation measures early. A contingency budget line (7% of the total project budget) has been identified and safeguarded to address emergencies, including rapid mobilization of resources and coordination with local authorities and communities.
- **Inclusive and Gender-Sensitive Design:** The project design will integrate provisions for including marginalized groups, such as women, youth, and minority communities. This ensures that they benefit from the project without being adversely impacted. Specific measures to prevent and address discrimination, harassment, or gender-based violence during project implementation will be embedded in the design.

By integrating these measures at the planning and design stages, the project will avoid or minimize environmental degradation and social harm, while enhancing positive outcomes for the communities involved.

5. Procedures and Implementation Arrangements

5.1 Environmental and Social Risk Management Procedures

A summary of the environmental and social risk management procedures for AgroVida are in the table below. More detail for each stage is provided in the sections that follow.

Table 7. Project Cycle and E&S Management Procedures

Project Stage	E&S Stage	E&S Management Procedures
a. Assessment and analysis of risks relating to the AgroVida project	Design / Screening	<ul style="list-style-type: none"> - Conduct the initial risk analysis and prepare the risk register which identifies and assesses potential environmental and social risks and impacts and identify the appropriate mitigation measures for the project. - Conduct AKF’s Policy for Environmental and Social Sustainability (PESS) and Environmental and Social Management System (ESMS) following site selection.
b. Inception and Planning: Planning for activities, including human and budgetary resources and monitoring measures	Planning	<ul style="list-style-type: none"> - Based on the ESMF prepare relevant environmental and social procedures and plans. - Recruit and train AgroVida staff, ensuring awareness of E&S risks and mitigation measures.
c. Implementation and Monitoring: Implementation support and continuous monitoring for projects	Implementation	<ul style="list-style-type: none"> - Ensure monitoring and mitigation of E&S risks and identification of new and emerging E&S risks through site visits, regular reporting from the field, and other planned monitoring. - Track grievances/beneficiary feedback. - Continue awareness raising and/or training for relevant staff, volunteers, contractors, communities.

<p>d. Review and Evaluation: Qualitative, quantitative, and/or participatory data collection on a sample basis</p>	<p>Completion</p>	<p>- Assess whether plans have been effectively implemented.</p>
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a. Assessment and Analysis – E&S Screening

As a first step, all proposed activities should be screened to ensure that they are within the boundaries of the Project’s eligible activities, and they are not considered as activities listed on the E&S Exclusion List in the table below. AKF is currently in the process of preparing its own Environmental Integration Screening process which will be conducted during the inception period.

Table 8. Exclusion List

<ul style="list-style-type: none"> • [Weapons, including but not limited to mines, guns, ammunition, and explosives • Support of production of any hazardous good, including alcohol, tobacco, and controlled substances • Any construction in protected areas or priority areas for biodiversity conservation, as defined in national law • Activities that have the potential to cause any significant loss or degradation of critical natural habitats, whether directly or indirectly, or which would lead to adverse impacts on natural habitats • Activities that involve extensive harvest and sale/trade of forest resources (post, timber, bamboo, charcoal, wildlife, etc.) for large-scale commercial purposes • Activities involving changing forestland into agricultural land or logging activities in primary forest • Purchase or use of banned/restricted pesticides, insecticides, herbicides, and other dangerous chemicals (banned under national law and World Health Organization (WHO) category 1A and 1B pesticides) • Construction of any new dams or rehabilitation of existing dams including structural and or operational changes; or irrigation or water supply subprojects that will depend on the storage and operation of an existing dam, or a dam under construction for the supply of water • Activities that involve the use of international waterways • Any activity affecting physical cultural heritage such as graves, temples, churches, historical relics, archeological sites, or other cultural structures • Activities that may cause or lead to forced labor or child abuse, child labor exploitation or human trafficking, or subprojects that employ or engage children, over the minimum age of 14 and under the age of 18, in connection with the project in a manner that is likely to be hazardous or interfere with the child’s education or be harmful to the child’s health or physical, mental, spiritual, moral, or social development • Any activity on land that has disputed ownership or tenure rights • Any activity that will cause physical relocation of households or will require the use of eminent domain • Any activity with significant environmental and social risks and impacts that require an Environmental and Social Impact Assessment (ESIA) • Any activity that will require Free, Prior and Informed Consent (FPIC) as defined in ESS7.]
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As a second step, AKF will use the **AKF Environment and Social Management System (ESMS)**, **AKF Risk Management Guidelines** and **AKF Project Risk Management and Risk Register Template** (annexed).

The Risk Management and Risk Register is a tool to identify, assess, and manage risks associated with a specific project. It serves as a central repository for recording and tracking potential risks throughout the project lifecycle and helps project managers and stakeholders understand the potential threats and uncertainties that could impact project objectives and outcomes. The risk register includes:

- a description of each risk and how it will affect the project;

- an assessment of the likelihood it will occur and the possible seriousness / impact if it does occur;
- a grading of each risk according to a risk assessment;
- who is responsible for managing the risk;
- an outline of proposed mitigation actions (preventative, contingency and recovery);

The Likelihood of risks refers to the estimated probability that the risk will occur at some point and become a project issue. The probability of risk is categorised at three levels: high, medium or low (Table 9).

Table 9: Likelihood of Risks

Risk probability level	Risk code	Probability of risk occurrence
High	H	High H >70% probability of occurrence
Medium	M	30%-70% probability of occurrence
Low	L	<30% probability of occurrence

The impact of the risk refers to the potential impact of the risk on the project objectives if it did become a project issue. The three levels of risk seriousness are high, medium and low (Table 10).

Table 10: Impact of Risks

Risk seriousness level	Risk code	Probability of risk occurrence
High	H	Risk has the potential to greatly impact project cost, staff, project schedule, reputation or performance.
Medium	M	Risk has the potential to slightly impact project cost, staff, project schedule, reputation or performance.
Low	L	Risk has relatively little impact on project cost, staff, project schedule, reputation or performance.

Grading each risk is done by combining the effect of likelihood and impact into three categories: H (high), M (medium), and L (low) and is calculated automatically in the **AKF Project Risk Management and Risk Register Template**.

b. Subproject Formulation and Planning – E&S Planning

Based on the process above, AKF will plan an appropriate response to each risk with timelines. The mitigation actions against risks could be preventative actions, contingency actions and/or recovery actions:

- Preventative actions: planned actions to reduce the likelihood a risk will occur and / or reduce the impact should it occur. (What should you do now?)
- Contingency actions: planned actions to reduce the immediate impact of the risk when it does occur. (What should you do when?)
- Recovery actions: planned actions taken once a risk has occurred to allow you to move on. (What should you do after?)

Table 11 below provides recommended risk mitigation actions by grade.

Table 11: Recommended risk mitigation actions

Risk Grade	Risk mitigation actions
High	Mitigation actions, to reduce the likelihood and/or impact, to be identified during project inception and implemented as soon as the project commences as a priority. CEO/ relevant team lead, donor unit, and/or donor informed as necessary.
Medium	Mitigation actions, to reduce the likelihood and impact, to be identified and appropriate actions implemented during project execution. Mitigation actions, to reduce the likelihood and impact, to be identified and costed for possible action if funds permit.
Low	To be noted - no action is needed unless grading increases over time, therefore requires close monitoring

These mitigations are integrated into the AgroVida Risk Management and Risk Register, the annual workplan, risk matrix and monitoring and evaluation plan. The first AgroVida risk Management and Risk Register was submitted to AFD alongside the Project Concept Note for review and no objection.

At this stage, staff who will be working on the various project activities should be trained in the environmental and social management plans relevant to the activities they work on. The AgroVida Project Manager and relevant team members (e.g. AKF Mozambique HR Manager; AKF Mozambique Security Team Focal Point) should provide such training to field staff.

c. Implementation and Monitoring – E&S Implementation

The AgroVida Project Manager and relevant staff are responsible for tracking and monitoring the risks at a minimum on a quarterly basis and noting whether they are decreasing, increasing, or remaining unchanged considering the effectiveness of the mitigation strategies. They are supported by the AKF (UK)'s Environmental Focal Point and AKF Mozambique's Partnerships and Grants Manager to review the E&S and receive updates on risks. A full list of stakeholders and their responsibilities is outlined in section 5.4 below.

During semi-annual and annual reports to the donor, AKF will ensure that an update on environmental and social risks is included. A detailed risk matrix will be annexed to the report with updates on the relevant likelihood and impact of each risk, and relevant mitigation measures being completed.

Throughout the Project implementation stage, AKF will continue to provide training and awareness raising to relevant stakeholders, such as staff, selected contractors, and communities, to support the implementation of the environmental and social risk management mitigation measures. An initial list of training needs is proposed below:

- Safeguarding training – all staff
- Personal Safety Awareness training – all staff
- Hostile environment awareness training (HEAT) – staff with greater field exposure
- Defense driving – all drivers

AKF will also track grievances/beneficiary feedback (in line with the AKF Safeguarding Manual (annexed) during project implementation to use as a monitoring tool for implementation of project activities and environmental and social mitigation measures.

An external monitoring mechanism will be present in order to monitor the project. AKF will conduct an external consultant to conduct a baseline and endline study at the start and end of the project. In addition, AFD has plans to contract a third party monitoring company to conduct routine checks of the project. AFD will disclose more information on the monitoring arrangement, responsibility and frequency when this is contracted.

Last, if AKF becomes aware of a serious incident in connection with the project, which may have significant adverse effects on the environment, the affected communities, the public, or workers, the AKF (UK) team or AKF Mozambique Partnerships and Grants Manager will notify AFD within 48 hours of becoming aware of such incident. A fatality is automatically classified as a serious incident, as are incidents of forced or child labor, abuses of community members by project workers (including gender-based violence incidents), violent community protests, or kidnappings.

d. Review and Evaluation – E&S Completion

Upon completion of Project activities, the AKF Project Manager will review and evaluate progress and completion of project activities and all required environmental and social mitigation measures. Any pending issues must be resolved before a subproject is considered fully completed. Within the final narrative report, the AgroVida Project Manager will integrate a section regarding the final status of compliance with the E&S risk management measures and submit it to the AFD.

5.2 Technical Assistance Activities

The AKF AgroVida Project Manager will ensure that the consultancies, studies (including feasibility studies, if applicable), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with Terms of Reference acceptable to the AFD, that are consistent with the ESSs. They will also ensure that the outputs of such activities comply with the Terms of Reference.

5.3 Contingency Emergency Response Component

In order to ensure that Project AgroVida remains resilient and responsive to unforeseen challenges, we have included a contingency line in the budget (7.5% of the total budget EUR 450,000). This reserve is intended to address any unplanned emergencies, risks, or disruptions that could affect project implementation, such as extreme weather events, supply chain interruptions, or security concerns. The contingency ensures that necessary funds can be quickly mobilised to mitigate the impact of such events, allowing for continuity in project activities. Procedures for mobilizing the contingency line are as follows:

- **Identify the Emergency or Unforeseen Event**
 - Triggers: Natural disasters, conflicts, disease outbreaks, or other significant disruptions that threaten project implementation.
 - Documentation: The project team will document the nature of the emergency, its potential impact on the project, and the immediate financial requirements.
 - Initial notification will be made to AFD that AKF is initiating procedures to use the contingency line.
- **Rapid Assessment and Justification**
 - The project team will conduct a quick assessment of the situation, estimating the funds required to address the emergency.

- A justification report will be submitted, detailing: The specific emergency, The projected impact on project activities, and The proposed use of contingency funds.
- **Internal Approval Process**
 - The justification report will be reviewed by the project management team and senior leadership within the organization.
 - Once the review is complete, the contingency funds can be approved for release.
- **Donor Notification and Approval**
 - A notification will be sent to the donor, outlining the situation, the budget necessary and the intended use of the contingency line. The team will wait for the green light before utilizing the funds.
- **Mobilizing and Allocating Funds**
 - Upon donor approval, the finance team will release the necessary funds from the contingency line to address the emergency.
 - These funds will be directed to the affected project component or specific response activity.
- **Monitoring and Reporting**
 - The use of contingency funds will be closely monitored to ensure they are effectively addressing the emergency
 - A post-activation report will be prepared to inform both internal management and the donor about how the funds were used and the results achieved.

5.4 Implementation Arrangements

The table below summarizes the roles and responsibilities regarding the implementation arrangements for **environmental and social management**.

Table 12: Implementation Arrangements

Staff	Level	Responsibility and frequency of visits
AKF Mozambique AgroVida Project Manager	Local	Responsible for the preparation and routine review of the ESMF in coordination with key staff. Responsible for revising the ESMF when new risks emerge or risks become more likely / impactful. Responsible for coordinating key staff to agree and implement mitigation measures.
AKF Mozambique Security Team	Local	Responsible for routine assessments of the project geography relating to occupational health, safety and security. Assessments will be integrated into wider AKF security activities. This includes conducting Security Level System Audit, Security briefing (SB) / Security Risk Assessments (SRA) / Premises Vulnerability Assessment (PVA) / Premises Security Plan (PSP) / Contingency Plan (CP) / Journey Management Plan (JMP) / Medical Emergency Response Plan (MERP) / Security Coordination Cell (SCC) / Call Tree / Warden system / Incident Reporting (IR).
AKF Mozambique AgroVida Facilitators	Local	Responsible for the weekly monitoring to community activities following training, and flagging any new and/or emerging risks with communities to the AgroVida Project Manager. The Manager is responsible for coordinating routine reviews of risks with the entire consortium (during quarterly consortium meetings). Oversee daily implementation and monitoring of environmental and social mitigation measures, and report

		progress and performance to the national level on a monthly basis to Project Manager.
AKF Mozambique Climate Resilience Specialist and AKF Mozambique Agriculture Advisor	National / Local	Responsible for regular observations of the project geography – observing soil and water and vegetation within and around the farms; review of the practices adopted by farmers and flagging any harmful practices emerging. They will advise on subsequent mitigation measures and appropriately train AKF Facilitators and Green Champions.
AKF Mozambique AgroVida M&E Staff	Local	Responsible for routine monitoring of community activities; Ad-hoc spot-checks. They are tasked also with identifying any emerging risks and communicating these to the Project Manager.
AKF Mozambique Regional Programme Coordinator	Local	Quarterly monitoring. They are tasked also with identifying any emerging risks and communicating these to the Project Manager.
AKF Mozambique Chief Finance Officer AKF Mozambique Partnerships and Grants Manager	National	<ul style="list-style-type: none"> - Provide support, oversight, and quality control to field staff working on environmental and social risk management. - Oversee overall implementation and monitoring of environmental and social mitigation and management activities, compile progress reports from local levels/subprojects, and report to the AFD on a semi-annual basis. - Train central and field staff and contractors who will be responsible for implementing the ESMF. - Ensure that all bidding and contract documents include all relevant E&S management provisions per screening forms, ESMPs, and ESCOPs. - Conduct routine field visits (semi-annual).
AKF (UK) Grants Management Team	International	Annual Monitoring Visit. They are tasked also with identifying any emerging risks and communicating these to the Project Manager. This is especially in relation to finance and contractual commitments to the donor.
TBC	Local contractors	<ul style="list-style-type: none"> - Comply with the Project’s environmental and social mitigation and management measures as specified in ESMF, and contract documents, as well as national and local legislation. - Take all necessary measures to protect the health and safety of workers and community members, and avoid, minimize, or mitigate any environmental harm resulting from project activities.

5.5 Proposed Training and Capacity Building

Table 13. Proposed Training and Capacity Building Approach

Level	Responsible Party	Audience	Topics/Themes that May Be Covered
International level	AKF (UK)	AKF Mozambique staff	<ul style="list-style-type: none"> - Training on AKF’s ESMS, AKF Risk Management and approach: - Identification and assessment of E&S risks - Selection and application of relevant E&S risk management measures/instruments - E&S monitoring and reporting - Incident and accident reporting - Training on Code of Conduct, incident reporting, SEA/SH, COVID-19 mitigation - Application of SEP and the grievance/beneficiary feedback mechanism

National level	AFD	National staff responsible for overall implementation of ESMF	AFD ESMF and approach: - Identification and assessment of E&S risks - Selection and application of relevant E&S risk management measures/instruments - E&S monitoring and reporting - Incident and accident reporting - Application of LMP, including Code of Conduct, incident reporting, SEA/SH, COVID-19 mitigation - Application of SEP and the grievance/beneficiary feedback mechanism
Local / site level	National staff (AKF Mozambique CFO, AKF Mozambique and Partnerships and Grants Manager,)	Regional staff Contractors	ESMF and approach: - Identification and assessment of E&S risks - Selection and application of relevant E&S risk management measures - E&S monitoring and reporting - Incident and accident reporting - Application of LMP, including Code of Conduct, incident reporting, SEA/SH, COVID-19 mitigation - Application of SEP and the grievance/beneficiary feedback mechanism
Local/site level	Regional staff (Project Manager, Regional Programme Coordinator, AKF Mozambique Regional Director)	Local staff (Facilitators) Local contractors	- Application of safeguarding manual, the grievance/beneficiary feedback mechanism , Linha Verde - Application of Code of Conduct, incident reporting, SEA/SH, COVID-19 mitigation - Application of ESMF and Project Risk Register - Security trainings as relevant (PSA, HEAT, etc.)
Community level	Local staff (Facilitators, Officers)	Community members Community Workers, if relevant	- Basic occupational health hand safety measures - SEA/SH issues, prevention, measures - COVID-19 mitigation - Grievance redress - Linha Verde

5.6 Estimated Budget

Estimated budget for proposed institutional arrangements, capacity building activities and trainings will be updated after contract signature and when the project commences.

6. Stakeholder Engagement, Disclosure, and Consultations

Stakeholder consultation is one of the most important components of the project design and is to be carried out with institutional stakeholders as well as with community. Stakeholder engagement is the basis for building strong, constructive, and responsive relationships that are essential for the successful management of a project's environmental and social impacts, as well as the project as a whole.

AKF does not conduct specific consultations for E&S only. Rather, it integrates these into the initial project design discussions. Throughout 2023 and 2024 a series of consultations were held, including – 1-2-1 meetings and focus group discussions. Consultations were held with:

- Provincial and district government representatives;
- Community members via existing Village Development Organisations;

- Emerging commercial farmers and aggregators.
- Smallholder farmers in existing farmer field school activities.
- Internally displaced persons that are part of existing safe space groups and agriculture projects supported by the Aga Khan Foundation.

AKF has the benefit of being present in Montepuez through many other projects now and in the past. As such, AKF has already pre-established relationships with the District Administrator, key government representatives and many communities that may be selected as target sites for this project. AgroVida offers an additional touchpoint for AKF to build on these relations. Prior to the creation of this ESMF, these stakeholders had already been engaged in:

- Initial project design consultations;
- Initial presentation of the project (due to earlier funding confirmation from the Embassy of the Netherlands);
- The formal project launch;
- Beneficiary identification for the programme activities funded by the Embassy of the Netherlands.

Further meetings and consultations will be scheduled when AFD-funded activities are contractually confirmed. Consultations will consider throughout the project to ensure that AgroVida mitigates and manages E&S risks continuously, and key stakeholders are involved in discussions and key decisions.

Annex:

Annex 1a	AKF (UK) Policy for Environmental and Social Sustainability (PESS) and Environmental and Social Management System (ESMS)
Annex 1b	Tool #1 Environmental Integration Screening Tool
Annex 1c	Tool #2 Strategic Environmental Assessment
Annex 1d	Tool #3 Environmental Assessment Form (Site-Specific Environmental Assessment).
Annex 1e	Tool #4 Class Environmental Assessment (Class EA)
Annex 2:	AKF Risk Management Guidelines and
Annex 3:	AKF Project Risk Management and Risk Register Template
Annex 4:	AKF Safeguarding Manual