

 Early Warning System

WB-P500431

Agroecology and Sustainable Rural Development in Pernambuco



Quick Facts

Countries	Brazil
Specific Location	State of Pernambuco
Financial Institutions	World Bank (WB)
Status	Active
Bank Risk Rating	U
Voting Date	2025-08-05
Borrower	Government of Pernambuco
Sectors	Agriculture and Forestry
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 50.00 million



Project Description

Component 1 - Strengthening Agroecological Family Farming (total estimated cost: US\$ 39.47 million; US\$ 33.67 million IBRD financing, and US\$ 5.8 million counterpart financing). This component will finance: (i) the integration of family farmers, their families and their organizations into value chains and improving their access to markets; and (ii) the dissemination and adoption of agroecological production by beneficiary family farmers, their families and organizations, including strengthening their environmental management and preservation. All financing under this component will support agroecological activities, aiming to strengthen the climate resilience of the beneficiaries through climate change mitigation and adaptation strategies, and towards low-carbon development. Component 1 is linked to Pillar 1 of the MPA as it finances direct support to family farmers to overcome market failures, helping them to adopt new technologies and farming practices. Subcomponent 1.1: Supporting the Implementation of PFSPAs (total estimated cost: US\$ 29.81 million; US\$ 25.43 million IBRD financing, and US\$ 4.38 million counterpart financing). This subcomponent will finance activities included under the PFSPAs for Community Associations (CAs). The implementation of the PFSPAs will support the agroecological transition of family farmers in the region, thus enhancing the adaptation of productive systems to climate change and increasing availability of quality foods that could improve the nutrition status of the beneficiaries. The PMU will oversee the implementation support to the PFSPAs. CAs will submit their PFSPAs for approval, ensuring ownership. This subcomponent will use a demand-driven participatory approach to inform the CAs of the options available regarding agroecological technologies and practices that the CA can then include in their PFSPA. The options of agroecological technologies and practices will be outlined in the POM. This support will contribute to the Private Capital Enabling (PCE) strategy, with an estimated contribution of US\$500 thousand. As the inclusion of agroecological practices and technologies in the PFSPAs proposals is an eligibility criterion, all financing under this subcomponent will contribute to climate-resilient and low carbon development outcomes. Every PFSPA under this subcomponent will also include a set of activities for the enhancement of sustainable use of natural resources (including water, soil and biodiversity) by the family farms served. The selection of PFSPAs will prioritize youth, quilombolas, Indigenous People, and traditional communities by offering them differentiated scores and specific calls for proposals for each group. Women will also be offered targeted calls. Subcomponent 1.2 - Supporting the Implementation of Business Plans (BPs) (total estimated cost US\$ 1.28 million; US\$ 1.09 million IBRD financing, and US\$ 190 thousand counterpart financing). This subcomponent will finance the activities included under the BPs of Producer Organizations (POs). Under this subcomponent, the POs will prepare their BPs, which will outline their overall business objective, marketing and growth strategy, and required investments. The type of investments in the BPs to be financed under this subcomponent may include (among other aspects): (i) physical infrastructure (such as processing, storage, and warehouses), (ii) marketing and promotion efforts, (iii) purchasing of equipment, and (iv) technical support, advisory services, and training for the successful implementation of the BP. POs will submit their BPs for approval, ensuring ownership and committing to implement counterpart-financed activities. These BPs will be assessed and approved by the Evaluation Committee. This subcomponent will use a demand-driven participatory approach to inform the POs of the options available regarding agroecological technologies and practices that the PO can then include in their BP. This subcomponent will contribute to the Private Capital Enabling (PCE) strategy, with an estimated contribution of US\$500 thousand. As indicated for subcomponent 1.1, the selection of BPs in subcomponent 1.2 will also prioritize quilombolas, Indigenous People, and traditional communities with differentiated scores and targeted calls for proposals for each group. Women will also be offered targeted calls. Subcomponent 1.3 - ATER for Agroecological Production (total estimated cost: US\$ 8.38 million; US\$ 7.15 million IBRD financing, and US\$ 1.23 million counterpart financing). This subcomponent will finance: (i) the provision of Agricultural Technical Extension Services (ATER) to enable the design and implementation support of PFSPAs from subcomponent 1.1; (ii) the provision of ATER for the design and implementation support of BPs under subcomponent 1.2; and (iii) the training of ATER specialists of ATER entities. Under this subcomponent, ATER entities will organize the initial community diagnostic process and support CAs and POs in the development of their PFSPAs and BPs. This includes supporting CAs and POs in: (i) agreeing on their development goal for their Plan; (ii) identifying



Investment Description

- World Bank (WB)



Contact Information

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The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: <https://www.inspectionpanel.org/how-to-file-complaint>.



Bank Documents

- [Appraisal Environmental and Social Review Summary \(ESRS\) - Agroecology and Sustainable Rural Develop](#)
- [Appraisal Project Information Document \(PID\)](#)
- [Concept Environmental and Social Review Summary \(ESRS\) - Agroecology and Sustainable Rural Developme](#)
- [Concept Project Information Document \(PID\)](#)
- [Environmental and Social Commitment Plan \(ESCP\) - Agroecology and Sustainable Rural Development in P](#)
- [Stakeholder Engagement Plan \(SEP\) - Agroecology and Sustainable Rural Development in Pernambuco - P5](#)