



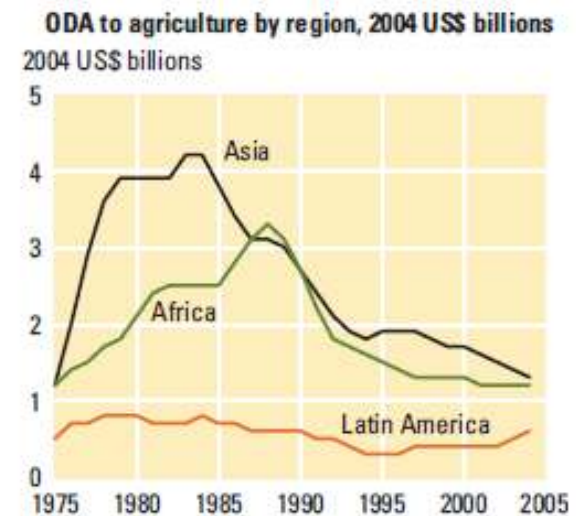
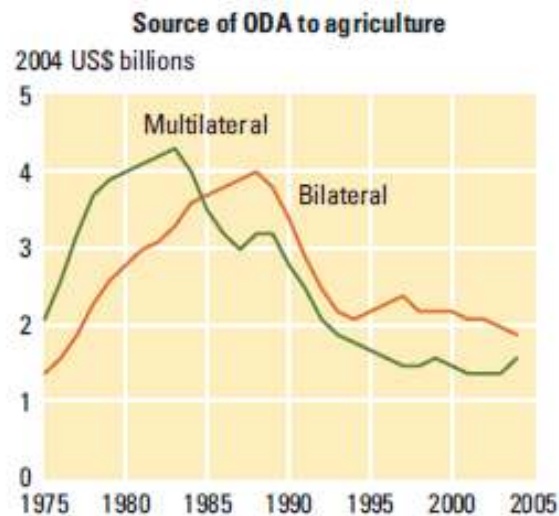
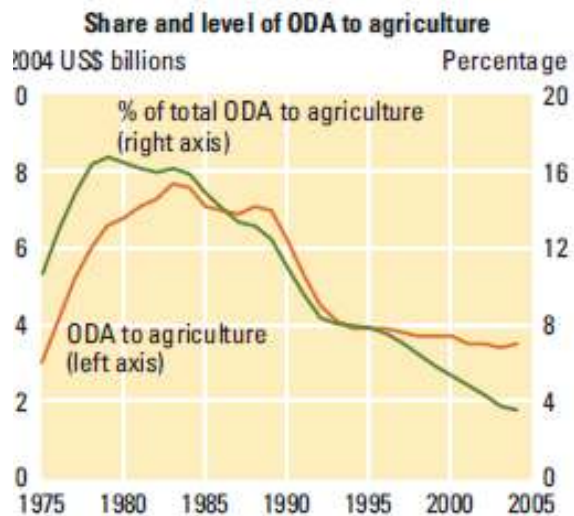
**FONTAGRO:
The Regional Fund for Agricultural
Technology**

Hugo Li Pun and David Hatch

**Tri-National Meeting
San José, January 13-14 2010**

Why FONTAGRO?

- Expanded Agriculture contributes approximately one third GDP of most countries in LAC
- Important for income, employment and food security
- Paradoxically, investments have decreased by more than half in real terms over the last two decades



- LAC as a whole invests less in S & T than South Korea
- Three countries in LAC (Argentina, Brazil and Mexico) cover over 70 % of all Agricultural R & D investments
- FONTAGRO created by member countries, IDB and IICA as a mechanism to finance agricultural R & D



FONTAGRO

- **Fund created through contributions from member countries. Supported by IDB and IICA.**
- **Endowment established by members. Maintains real value of contributions.**
- **Interests and special contributions fund research and innovation projects through competitive grants**
- **Promotes strategic partnerships in science and technology: proposals need to be presented by institutions of at least two member countries**

MEMBERS OF FONTAGRO



Argentina



República Dominicana



Panama



Bolivia



Ecuador



Paraguay



Chile



España



Peru



Colombia



Honduras



Uruguay



Costa Rica

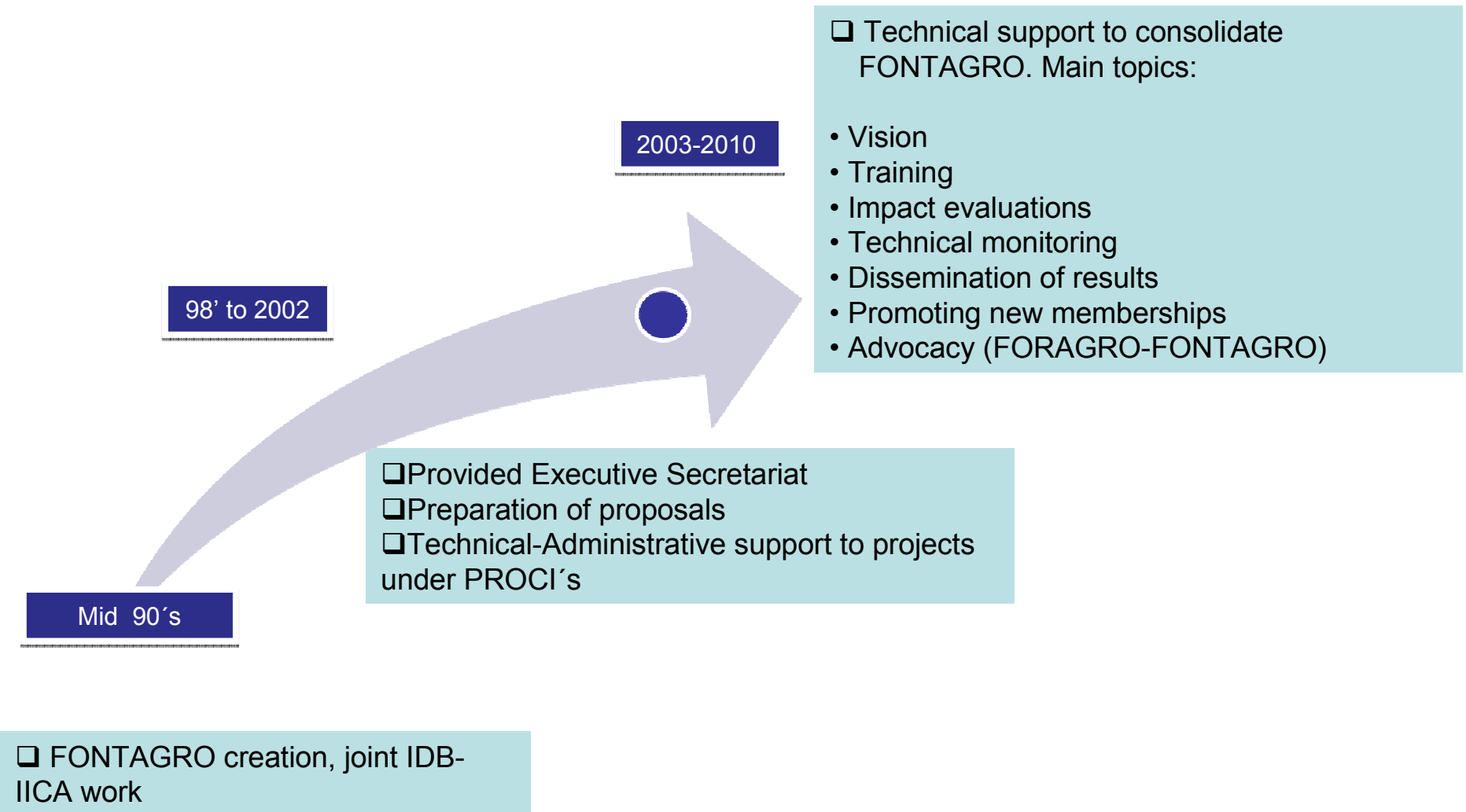


Nicaragua



Venezuela

Phases of IICA collaboration in FONTAGRO



FONTAGRO

Accomplishments

- **FONTAGRO has funded 66 projects for total investment of close to 60 M USD over the last 11 years**
- **FONTAGRO has leveraged 5 times its investments, while maintaining the value of its capital**

Results and impacts

- **Ex ante evaluation of projects supported in the first call for proposals showed an estimated Internal Rate of Return (IRR) of 28.6%, and a cost-benefit (C/B) ratio of 1:3.3**
- **For projects included in the second and third calls, IRR was 24.8% and C/B ratio was 1: 3.3**
- **Project examples: soil health in banana farms, new potato varieties**

Technological innovations to improve soil health in banana farms

- **Costa Rica, Venezuela, Panama and the Dominican Republic**
- **Productivity Impacts: endophytic fungi and plant extracts reduced disease incidence and increased yields of bananas by 120%**
- **Environmental Impact: nematicide use reduction in Venezuela, Panama and the Dominican Republic**
- **Potential economic impact: higher quality fruit and cost reductions**
- **Increased interest from private companies to produce biological controllers at industrial scale**
- **Institutional impact: seventy five technicians and scientists from four institutions were trained**
- **Potential health impact: reduction in soil and water contamination and exposure of farm workers to pesticides**



Pro-poor impact initiatives with new potato varieties

- Peru, Bolivia, Colombia, Ecuador, Argentina
- Capacity building: 77 scientists trained in six workshops
- Knowledge Management: Online catalog “Red LatinPapa” www.cipotato.org/redlatinpapa created. 170 clones and 25 potato varieties available on request.
- Productivity Impacts: More than 5,000 farmers in poor areas have new potato varieties
- Distribution of 520 clones of potato with resistance to Late Blight



Opportunities for members of Tri-National

- **Establish strategic alliances to solve common agricultural problems**
- **Contribution to capacity building in most needed countries in Hemisphere**
- **Use of established capacity for science & innovation in agriculture**
- **Opportunity to establish a common R & D agenda**
- **Two modalities to participate in FONTAGRO:**
 - **Become a member (e.g. Spain-14 M USD)**
 - **Support joint call for proposals in topics of special interest (e.g. past support from USDA, WB-CGIAR, potential support for Food Security and Climate Change)**
- **Governments of Tri-National have already been approached by FONTAGRO**

Next Steps

- **Complete mid-term evaluation of FONTAGRO mechanisms: Consultant hired last quarter of 2009**
- **Start *ex-post* evaluation of projects**
- **Finalize MTP (2011-2015)**
- **Continue to seek new membership (Brazil, Canada, Guatemala, Mexico, USA)**
- **Fundraising for new calls for proposals on food security and climate change**