

## LATIN AMERICA AND CARIBBEAN

### RAPID ASSESMENT

Regional Agridigitalization  
project

# IFAD'S COVID-19 RESPONSE

RURAL POOR STIMULUS FACILITY (RPSF)

## FACILITY'S PILLARS



Inputs  
& basic assets



Targeted  
funds



Access  
to markets



Digital  
services

## Regional Agridigitalization project in Latin America and Caribbean (LAC) <sup>1</sup>

Launched in April 2020, the Rural Poor Stimulus Facility (RPSF) is IFAD's multi-donor response to COVID-19. With the overall objective of providing agile support to poor rural producers affected by key immediate challenges posed due to COVID-19, it seeks to improve the resilience of rural livelihoods in the context of the crisis by ensuring timely access to inputs, information, markets and liquidity. The RPSF Regional LAC project in the context of COVID-19 is part of the 20% of the projects chosen to undergo a rapid assessment to report against Tier 1 'development result' indicators in the RPSF Results Measurement Framework.

### Project activities

The regional Agridigitalization project was developed in partnership with Agriterra with an RPSF budget of US\$ 2.3 million to sustain the implementation of digital financial solutions and e-trade channels to reduce human contact amid COVID-19.

The overall goal of the RPSF project is to help producers cope with the COVID emergency and recover more rapidly, while generating social, financial, and technical inclusion.

The primary project activities aimed to do this through support to two types of organizations: Producer Organizations (PO) and Rural Community Banks (RCB), also named saving banks – by supporting the organizations themselves as well as their members. PO's are organizations that cultivate crops or produce market products and are organized in associations, and are typically small private companies or cooperatives in rural areas. The characteristics of the producer organizations (PO) have been similar in the five countries. RCB are community banks or rural savings banks whose objective is to provide microfinance to small rural producers. This project only supported RCBs in Guatemala and Honduras.

Specifically, the project supported the conducting of rapid vulnerability assessments for more than 85 POs and 160 RCBs, and recovery and risk management plans for more than 80 POs and more than 65 RCBs. Additionally it provided technical assistance providers with training in digital platforms, provided technical assistance services to POs, improved the internal digital communications systems and provided training on use to 55 POs, supported POs and SMEs including new ones on advice for food safety, traceability, and control of biological risks, trained more than 80 POs and SMEs on digital business environments and linked them to commerce companies, and formed 9 agreements with e-commerce companies to facilitate digital transactions for POs, SMEs and RCBs. Also the project digitalized 150 RCBs through the MiCaja platform. This application facilitates the registration, control, and management of savings and credit processes, helping to operate its management more efficiently.

In total, an estimated 32,000 family farmers were directly supported by the project's assistance to POs and RCBs as members, including 42 per cent of women, and around 25

---

<sup>1</sup> This note is prepared by Vibhuti Mendiratta, Gonzalo Nunez-Chaim and Piero Massotti from the Research and Impact Assessment (RIA) division of IFAD.

per cent of youth. As part of this, more than 3,500 people were directly trained in new technologies and 22,000 people connected to new digital platforms across the 5 countries.

## Rapid assessment methodology

Self-reported information on Tier 1 'development results' indicators was collected from a representative sample of 713 beneficiary households, of which 256 households were beneficiaries from FO and 457 from RCB. The percentage of households headed by women was 11.3% for FO and 22.8% for RCB, while the percentage of households headed by youth (aged less than 35 years) 9% for FO and 23% for RCB. Details of each indicator were asked with the aim of capturing the potential contribution effect from i) COVID-19 and ii) the RPSF project. Interviews were conducted between mid-October 2022 and the first week of November 2022 using a Computer-Assisted Personal Interview (CAPI) survey.

## Key results for Farmer Organizations (FO) <sup>2</sup>

### Contribution effect of COVID-19

- Around 7 out of 10 households experienced a decline on production, sales and income due to COVID-19, with a smaller proportion being affected in terms of number of meals consumed, resilience and assets owned.
- Overall, selling assets was not a common coping strategy. However, youth headed households relied more often on selling assets, which could have also helped them to maintain their resilience to other shocks. Women headed households were more affected, compared to men headed households, in terms of resilience.

### Contribution effect of RPSF

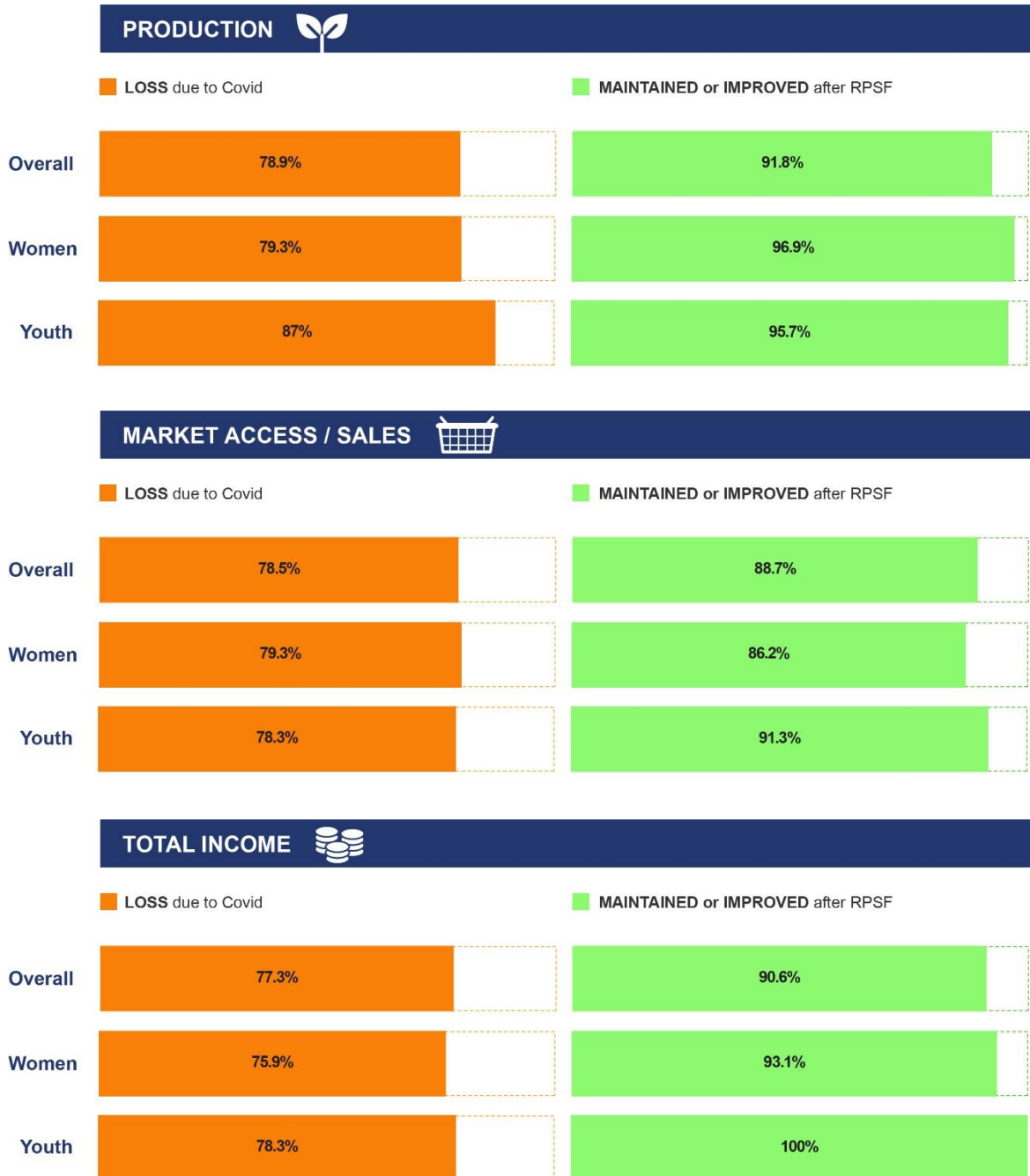
- At least 7 out of 10 beneficiary household reported to have maintained or improved all their indicator after the start of RPSF activities. Improvements in the number of assets owned were less frequent, compared to the other indicators of interest.
- All youth headed households interviewed reported to have maintained or improved their total income and the number of meals consumed.

---

<sup>2</sup> The rapid assessment does not consider a control group; thus, results are only indicative of potential contribution effects.

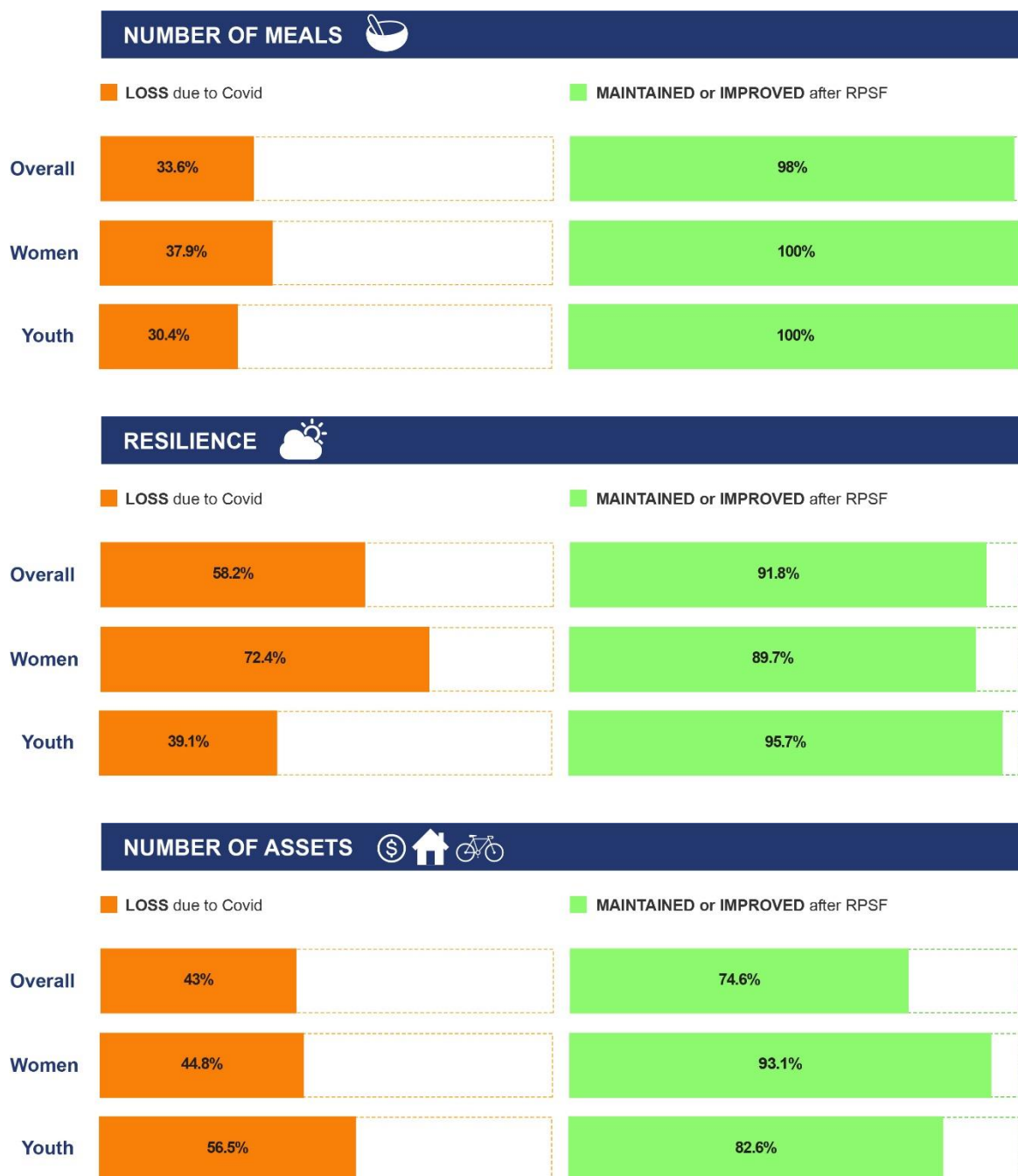
**Figure 1:** Percentage of households that experienced a loss in each Tier I indicator due to COVID

**Figure 2:** Percentage of households that were able to maintain or improve each Tier I indicator after RPSF



**Figure 1:** Percentage of households that experienced a loss in each Tier I indicator due to COVID

**Figure 2:** Percentage of households that were able to maintain or improve each Tier I indicator after RPSF



**NOTE:** RPSF activities were rolled out starting in June 2021.

Two separate questions were asked for each indicator. The first question asked what happened to each Tier 1 indicator between March 2020 and May 2021: i) a total loss; ii) reduced; iii) stayed the same; or iv) increased. The **orange bar** shows the percentage of households that responded i) or ii) to this question, that is, those which experienced a total loss or reduction in the indicator. The second question asked what happened to each Tier 1 indicator since June 2021: i) reduced further; ii) stayed the same; iii) increased but still below the level before COVID-19; iv) returned to level before COVID-19; or v) increased above the level before COVID-19. The **green bar** shows the percentage of households that responded ii), iii) iv) or v) to this question, that is, those which maintained or improved each indicator relative to pre-RPSF levels.

*Acknowledgements: IFAD's Programme Management Department (PMD), LAC country team and Agriterria.*

## Key results for Rural Community Banks (RCB) <sup>3</sup>

### Contribution effect of COVID-19

- The COVID-19 pandemic seems to have primarily affected productive activities and total income, and less often sales, food security (number of meals consumed) and asset ownership.
- Households headed by women reported being less often affected in terms of market sales, compared to those headed by men. Youth and adult headed households were equally affected in all the dimensions considered.

### Contribution effect of RPSF

- At least 7 out of 10 household declared to have maintained or improved indicators of interest after the introduction of RPSF, with the exception of market sales.
- In line with being less affected by COVID-19, a smaller share of women headed households also report improvements in terms of production, market sales and total income.

---

<sup>3</sup> The rapid assessment does not consider a control group; thus, results are only indicative of potential contribution effects.

**Figure 1:** Percentage of households that experienced a loss in each Tier I indicator due to COVID

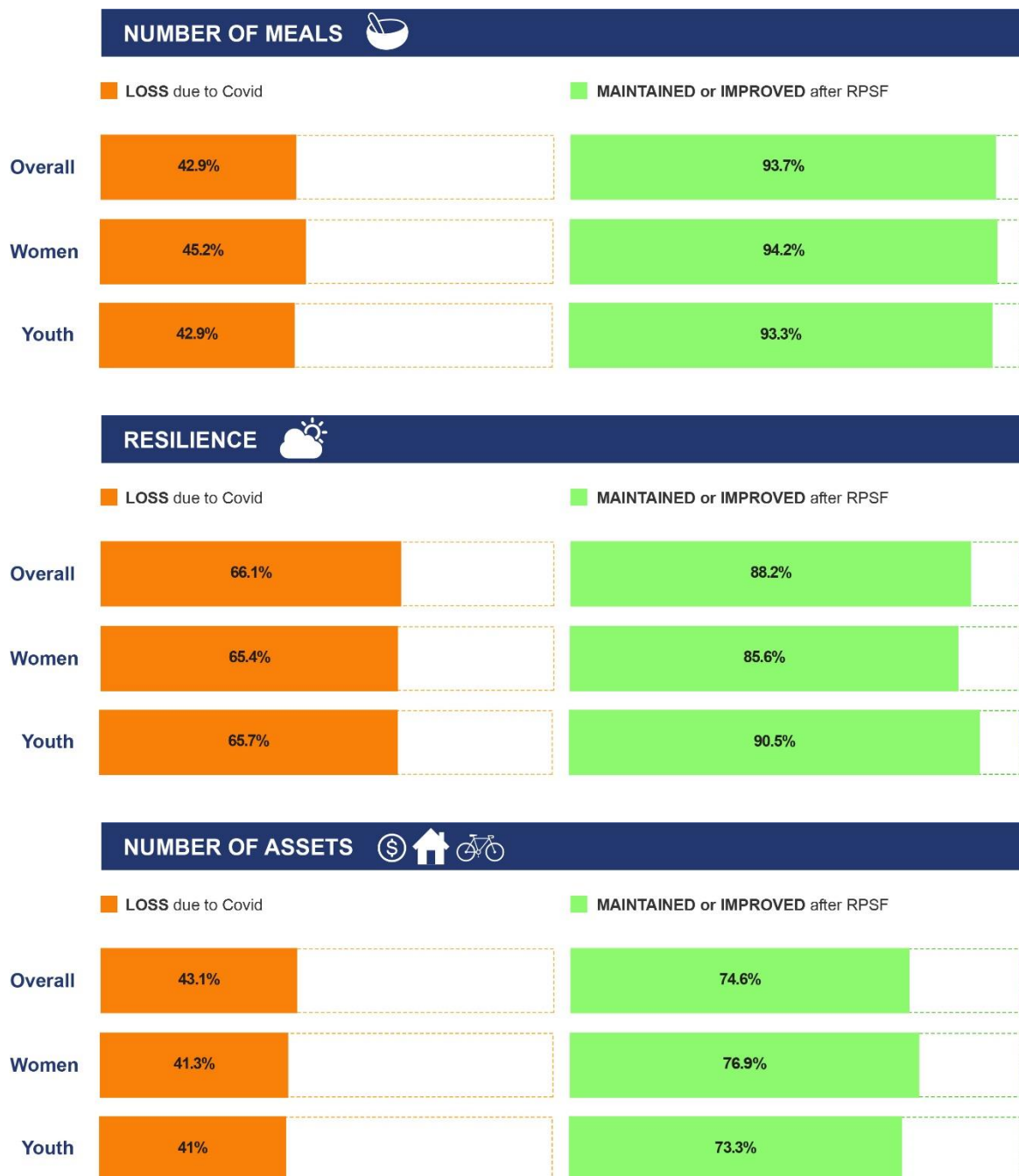
**Figure 2:** Percentage of households that were able to maintain or improve each Tier I indicator after RPSF





**Figure 1:** Percentage of households that experienced a loss in each Tier I indicator due to COVID

**Figure 2:** Percentage of households that were able to maintain or improve each Tier I indicator after RPSF



**NOTE:** RPSF activities were rolled out starting in June 2021.

Two separate questions were asked for each indicator. The first question asked what happened to each Tier 1 indicator between March 2020 and May 2021: i) a total loss; ii) reduced; iii) stayed the same; or iv) increased. The **orange bar** shows the percentage of households that responded i) or ii) to this question, that is, those which experienced a total loss or reduction in the indicator. The second question asked what happened to each Tier 1 indicator since June 2021: i) reduced further; ii) stayed the same; iii) increased but still below the level before COVID-19; iv) returned to level before COVID-19; or v) increased above the level before COVID-19. The **green bar** shows the percentage of households that responded ii), iii) iv) or v) to this question, that is, those which maintained or improved each indicator relative to pre-RPSF levels.

*Acknowledgements: IFAD's Programme Management Department (PMD), LAC country team and Agriterra.*



## Lessons Learned

### **For Farmers Organisations (FO)**

- The project was successful among the youth population, possibly due to the innovative digital component. However, future emergency-response programs should consider mechanisms to i) facilitate the adoption of practices among groups that are less exposed to digital technologies; and ii) support improvement in longer-term outcomes, such as asset accumulation.

### **For Rural Community Banks (RCB).**

- Overall, the project was effective at maintaining or improving indicators of interest. Households headed by women were more resilient to the disruption caused by the COVID-19. Although, for that reason they may not have benefitted more than households headed by men from the project. Therefore, future program design should explore barriers specific of women-headed households and additional support for this group.



Investing in rural people

International Fund for Agricultural Development

Via Paolo di Dono, 44 – 00142 Rome, Italy

Tel: +39 06 54591 – Fax: +39 06 5043463

Email: [ifad@ifad.org](mailto:ifad@ifad.org)

[www.ifad.org](http://www.ifad.org)