

US\$454.1 MILLION  
INVESTED BY IFAD IN THE  
REGION'S ONGOING PORTFOLIO

# LATIN AMERICA AND THE CARIBBEAN

US\$38.0 MILLION IN  
IFAD FINANCING  
APPROVED IN 2022

## 32 COUNTRIES

Antigua and Barbuda  
Argentina 3  
Bahamas (The)  
Barbados  
Belize 1  
Bolivia (Plurinational State of) 2  
Brazil ■ 2  
Colombia  
Costa Rica  
Cuba ■ 2  
Dominica  
Dominican Republic 1  
Ecuador 1  
El Salvador ■ 1  
Grenada 1  
Guatemala  
Guyana 1  
Haiti 3  
Honduras 2  
Jamaica  
Mexico 1  
Nicaragua 1  
Panama  
Paraguay ■ 2  
Peru 1  
Saint Kitts and Nevis  
Saint Lucia

Saint Vincent and  
the Grenadines  
Suriname  
Trinidad and Tobago  
Uruguay  
Venezuela (Bolivarian  
Republic of)

Numbers indicate ongoing  
projects and programmes  
■ Countries with ongoing  
ASAP grants

25 ONGOING PROGRAMMES AND PROJECTS IN PARTNERSHIP  
WITH 16 COUNTRIES IN THE REGION AT THE END OF 2022

2 NEW PROGRAMMES AND PROJECTS APPROVED IN 2022  
IN BRAZIL AND ECUADOR



## HIGHLIGHTED PROJECT

# BRAZIL

The Semi-arid Sustainable Development Project in the State of Piauí has helped rural communities overcome their environmental vulnerability by enhancing their productive capacities in key value chains, such as honey, cashew, goat and handicrafts. An increase in productive capacities was coupled with skill development for small farmers to support them in accessing markets and financial services, and strengthening their rural organizations.

THE LEVEL OF EXTREME POVERTY  
WAS HALVED

PARTICIPATING FAMILIES' INCOMES  
INCREASED BY 45 PER CENT

THE PROJECT BENEFITED 36,111  
RURAL FAMILIES, OVER 40 PER CENT  
OF WHICH WERE HEADED BY WOMEN

A delegation of IFAD's Executive Board travelled to meet participants of the Viva o Semiárido Project in the Brazilian state of Ceará.

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The region of Latin America and the Caribbean, as well as the rest of the world, is facing a series of crises – economic global tensions between superpowers, the COVID-19 pandemic, and now the impacts of the war in Ukraine.

Although these cumulative crises affect the whole world, some of them have particularly serious consequences for the region. For example, although this region hosts only 9 per cent of the global population, it is estimated that around 30 per cent of the deaths caused by COVID-19 occurred here.

### SHIFTING TO NATURE-BASED SOLUTIONS FOR PRODUCING FOOD

The consequences of the current global context have been diminishing economic growth, and rising poverty and food insecurity across the region. Focusing on rural areas, small farmers were hit hard by the disruption in supply and the rise in prices of fertilizer, sourced mostly from the Russian Federation and Ukraine. Approximately 78 per cent of fertilizer used in the region is imported, and its scarcity has had a negative impact on productivity — and on food prices.

A positive side effect of the rocketing prices of chemical fertilizers is that they encouraged some farming communities to prioritize organic, nature-based soil-feeding alternatives. Alternative solutions for animal feeding have also been adopted, and IFAD-funded projects have helped develop feeds based on products grown in farmers' backyards, such as maize, cassava and palm.

### PRIORITIZING DIGITAL SOLUTIONS IN A CHANGING WORLD

Rural people in Latin America and the Caribbean are also still suffering from the consequences of the COVID-19 pandemic. While a solution for the urban part of the world was to move towards digital alternatives, in rural areas the lack of (or poor) connectivity made the leap more difficult. That is why many IFAD-supported interventions went digital in a variety of ways. In 12 countries in the region, almost 50 digital solutions were adopted to enable farmers to take part in public food-purchasing programmes, carry out financial procedures or have access to climate information.

In 2022, some results of IFAD's digitalization drive became evident. In Guatemala and Honduras, the AGRIdigitalización project has allowed 132 rural saving banks to digitalize their operations, meaning that rural producers in Guatemala and Honduras can now manage their businesses from home.



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**“We have all the information about our savings and our loans there, and it’s much easier for us to keep track of them.” Juana Morales, a 27-year-old participant in the AGRIdigitalización project**

Another project in Guatemala, also related to rural finance, is **INSURED** (Insurance for Rural Resilience and Economic Development). The first of its kind in the region, the project funds insurance activities for family farmers to help them cope with the impacts of climate change.

Neighbouring El Salvador is also struggling with the impacts of climate change, in particular extreme weather phenomena such as tropical storms and prolonged droughts. There, the IFAD-supported Rural Adelante project has helped the El Limón cooperative establish a prosperous vegetable-growing business using hydroponics for the first time to grow plants on rocks or coconut fibre in greenhouses.



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**“In 5 or 10 years... I hope my children will like agriculture. They already do - since they were very little they have learned they can make a career out of it.”**  
Iris Maribel Alberto, participant in the Rural Adelante project

The current outlook in Latin America and the Caribbean points to the worsening of the climate crisis. IFAD has stepped up its efforts to provide small-scale farmers with tools to adapt to worsening climate scenarios, and this is paying off.

## FOCUSING ON SUSTAINABLE SOLUTIONS FOR COPING WITH CLIMATE CHANGE

Over the last few years, IFAD has catalysed more than US\$200 million in international funds to scale up climate interventions and initiatives in the region.

This push is allowing IFAD to be innovative and to expand its outreach. For example, in Brazil, a US\$14 million contribution from Germany to the ASAP+ Fund (Enhanced Adaptation for Smallholder Agriculture Programme) has made it possible to begin the **Amazon Sustainable Management project** (PAGES), in the state of Maranhão. PAGES will reduce deforestation in the Amazon by helping local communities – many of them indigenous peoples – to set up sustainable agroforestry production systems that take advantage of the richness of the forest without degrading it. In Haiti, IFAD launched the Inclusive Blue Economy Project to help preserve the Three Bays Protected Area in the north-east of the country.

In Bolivia, the Integral Strengthening Programme for the Camelid Value Chain in the Bolivian High Plateau (Procámélicos) is helping llama and alpaca herders to enhance the handling of their animals and make the most of the different products (meat and wool fibre) they obtain from them. Camelids can cope with very harsh climate conditions, so this is an optimal solution for a country where climate change is having a strong impact on communities.

Going back to Brazil, tools developed in multiple projects to improve water management, such as subterranean dams and the use of recycled grey water in agriculture, have proven effective in enhancing the livelihoods of small farmers living in semi-arid areas. Knowledge management initiatives such as DAKI (the Dryland Adaptation Knowledge Initiative) have made these tools accessible for small-scale farmers' organizations and policymakers throughout the region.