



**Data Collection Survey on Food
Value Chain Strengthening and
Agricultural Finance
in Central America and the
Caribbean Region**

Survey Progress

JICA Survey Team

Survey Outline by Country

Target Commodities for Food Value Chain (FVC) Survey

Country	Target Commodity		
Guatemala	Coffee	Cardamom	Vegetable (broccoli)
Dominican Rep.	Rice	Cacao	Fishery
Panama	Rice	Dairy (Milk)	Plantain

Financial Institute engaged in Agriculture Sector

Country	Financial Insititute
Guatemala	Public : CHN、 Private : BANRURAL、 Industrial BANTRAB
Dominican Rep.	Public : BAGRICOLA、 Private : ADOPEM、 ADEMI
Panama	Public : Banco Nacional、 Private : BDA、 Global Bank

Development Scenario (Guatemala)

<Development issues>

Many people, especially the ethnic minorities in rural areas, have emigrated to Mexico and the US officially and unofficially for job searching, resulting in a hollowing out of domestic industry.

<Development Scenario>

Improve the livelihood of producers through financial and technical assistance to cooperatives, etc., for specialty coffee and cardamom produced by taking advantage of regional characteristics, which can eventually [contribute to the creation of employment.](#)

(TSL or Private Sector Investment Finance)

Supporting Measures (Guatemala)

- **PSIF for Financial Institutions:**

Credit to agricultural producers' associations, etc. through the provision of capital to BANRURAL

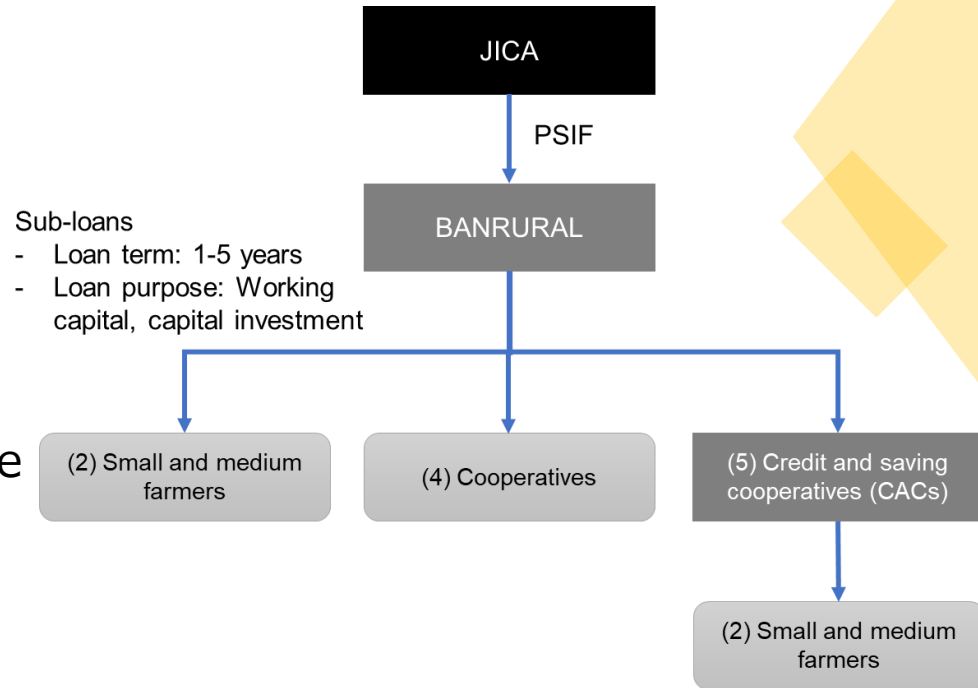
- **Support for small-scale farmers through cooperatives:**

Through the above loans, the introduction and expansion of processing facilities in the cooperative for value addition in the production areas

<Example> Coffee: Wet Mill, Cardamom: Dryer, and Vegetable: greenhouse/ irrigation

- **Collaboration with tech companies:**

Digital platform for PFI using Fintech, or Agtech services for end users



Proposed fund flow

* Depending on conditions such as interest rates, TSL in 3 steps via the government may also be considered.

Development Scenario (Dominican Rep.)

<Development issues>

Tarrif on rice will be completely lifted by 2025; domestic rice must be more competitive. Meanwhile, droughts, floods, and hurricane damage are frequent these days, making it one of the high-risk countries under the climate change. In addition, aging irrigation facilities and inefficient water management have become issues.

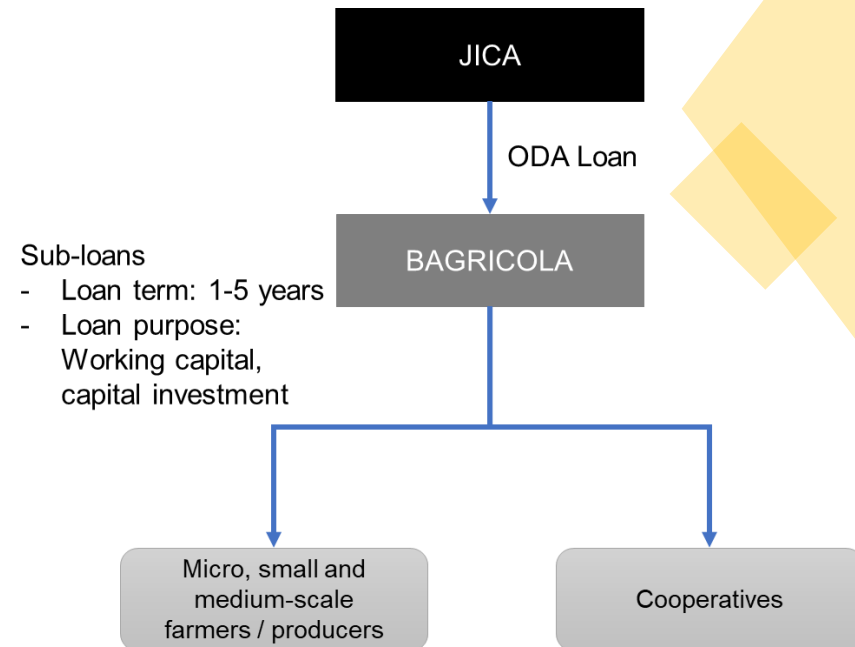
<Development Scenario>

By promoting the modernization of agricultural production and supporting the introduction of agricultural insurance and the rehabilitation of irrigation facilities, contribute to stable domestic production of agricultural products that are robust against climate change risks.

(TSL and Project Loan)

Supporting Measures (Dominican Rep.)

- **FVC Two Step Loan:**
TSL covering the entire FVC with BAGRICOLA as PFI (considering collaboration with IDB)
<Examples> Rice: Agricultural machinery, trucks, and rice mills, Cacao: processing facilities
- **Irrigation Rehabilitation:**
Rehabilitation of decrepit facilities and capacity development in water management
- **Agricultural Insurance:**
Product development and dissemination of agricultural insurance including index-type insurance
- **Collaboration with tech companies:**
Digital platform for PFI using Fintech, or Agtech services for end users



Proposed fund flow

* The validity of TSL is the highest among the three target countries . However, IDB's engagement shall be considered for collaboration

Development Scenario (Panama)

<Development issues>

Under the shadow of recent economic growth, the economic disparity between urban and rural areas has become apparent, and there is a need to rectify the disparity through the strengthening of the agricultural sector in rural areas.

<Development Scenario>

Help reduce the disparity by strengthening local food businesses through providing financial support to companies (e.g., rice millers) and associations (livestock feed production) that are closely linked to farmers in the FVC, and investment in companies entering the food hub.

(Private Sector Investment Finance)

Supporting Measures (Panama)

- **PSIF for Financial Institutions:**

Credit to agricultural producers' cooperatives, etc. through the provision of capital to Global Bank

< Examples >

Rice: irrigation, rice mill expansion, and rice husk recycling dryer, Dairy: processing plant, and solar power supply, Plantain: on-farm irrigation, modern agriculture (drone spraying)

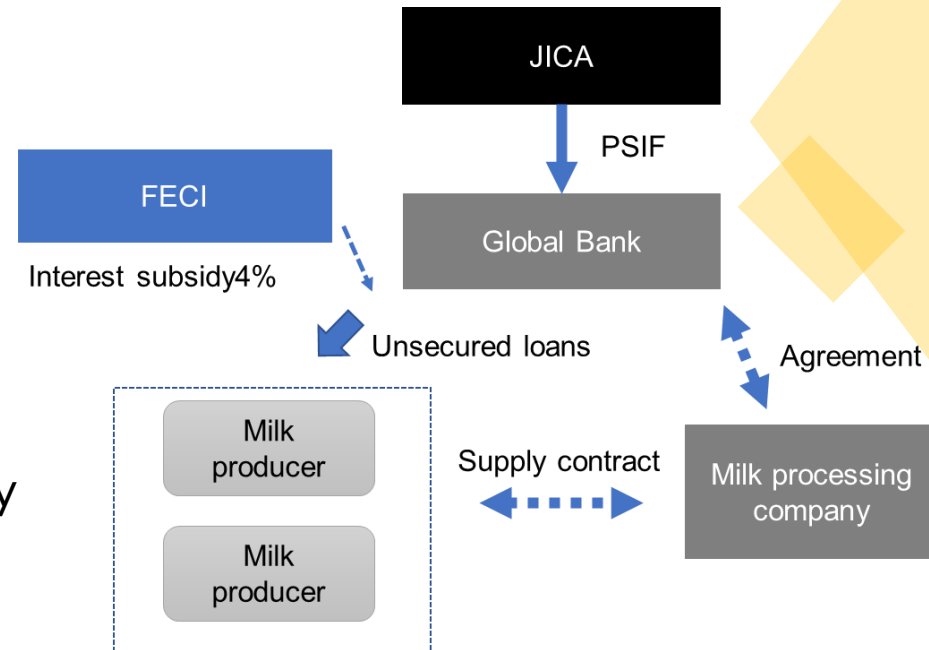
- **Support on Food Hub Policy:**

Support the country's food hub policy for the promotion of food business (through the above scheme or individual PSIF).

*: The number of companies entering the market is currently unknown.

- **Collaboration with tech companies:**

Digital platform for PFI using Fintech, or Agtech services for end users



Proposed fund flow

(Dairy as an example)

* Loans below the current funding cost of 4.5% are required.

* In the agricultural sector, there is interest compensation by FECI

Schedule

- **Report on Field Survey (Dec. 2022)**
 - Development Scenario and supporting measures
- **Central and South America Plaza (Dec. 2022)**
 - Presentation of the result of the field survey
- **Second Field Survey (Jan. 2023 for 20 days)**
- **Draft Final Report (Feb. 2023)**
- **Final Report (Mar. 2023)**