2026

Operations Manual (OM)

Section II

FONTAGRO

Foreword

This Operations Manual (OM) has been prepared based on previous versions and updates resulting from decisions by the FONTAGRO Board of Directors, as well as the procedural guidelines and regulations of the Inter-American Development Bank (IDB) and the Inter-American Institute for Cooperation on Agriculture (IICA), FONTAGRO's sponsoring institutions.

CONSIDERING that the Board of Directors has expressed its intent for IICA to assume management of all FONTAGRO operations approved after July 4, 2025, in accordance with the Minutes of the XXII Extraordinary Meeting of FONTAGRO held on July 2 and 4, 2025 (Item 5, numeral i), as well as the Minutes of the XXIX Annual Meeting held from October 7 to 9, 2025 (Item III); and that, consequently, all projects authorized for financing will be subject to a new operating model currently under analysis and definition. In this context, FONTAGRO is in a transition phase regarding its operating model; therefore, future decisions by the Board of Directors and the sponsors may modify or affect the provisions of Sections I and II of the Operations Manual, as well as other operational aspects related to projects and consortia, relative to what is established in this Manual.

This document constitutes an essential reference tool for institutional management, offering clear and updated guidelines that steer the design, implementation, monitoring, and closing of operations. Its purpose is to strengthen the transparency, efficiency, and coherence of internal processes, for the benefit of member countries and the institutions participating in co-financed projects.

Section II of the OM clearly and orderly establishes the procedures for the implementation of the different activities developed by FONTAGRO in fulfillment of its institutional mission. This section constitutes a practical guide that directs project and operations management, ensuring transparency, efficiency, and coherence in each of its stages. Thereby, it seeks to improve efficiency and effectiveness in operations management, offering a standardized and simplified framework for all stages.

The approval and modification of the Operations Manual, including policies and procedures related to the financing of operations, falls under the authority of the **FONTAGRO Board of Directors**, following the qualified voting mechanism provided in the Establishing Agreement, Article IV, Section 4, subsection b.

Finally, it is recommended to periodically review the electronic links included in this publication to ensure access to the most recent versions of applicable policies, regulations, and formats.

Technical Administrative Secretariat

ACKNOWLEDGEMENTS

FONTAGRO wishes to express its most sincere gratitude to its sponsoring institutions, the Inter-American Development Bank (IDB) and the Inter-American Institute for Cooperation on Agriculture (IICA), for the continuous support provided throughout the process of updating this Operations Manual.

Special recognition is given to the valuable collaboration of representatives from the IDB, including the Grants and Co-financing Management Unit (ORP/GCM), the Financial Management and Procurement Services Office (VPC/FMP), and the Legal Department; as well as the members of the FONTAGRO Board of Directors and the Technical Administrative Secretariat (TAS).

Likewise, FONTAGRO deeply appreciates the contributions of the researchers and the executing and co-executing agencies of the projects, whose commitment, experience, and feedback have been fundamental in refining the procedures presented herein. Their participation has allowed for the consolidation of a clearer, more efficient instrument aligned with the needs of the region.

Technical Administrative Secretariat

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ABBREVIATIONS AND ACRONYMS

LAC	Latin America and the Caribbean
IDB	Inter-American Development Bank
BD	Board of Directors
EC	Executive Committee
FC	Finance Committee
TC	Technical Cooperation
FONTAGRO	Regional Fund for Agricultural Technology
IICA	Inter-American Institute for Cooperation on Agriculture
PP	Procurement Plan
R&D&I	Research, Development, and Innovation
ISTA	Annual Technical Follow-up Report
OM	Operations Manual
MTP	Medium-Term Plan
AOP	Annual Operating Plan
TAS	FONTAGRO Technical Administrative Secretariat

Introduction

1. **FONTAGRO** (Regional Fund for Agricultural Technology) is an alliance of 15 countries (Argentina, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Spain, Honduras, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay, and Venezuela) established to support agricultural innovation in Latin America and the Caribbean through the allocation of non-reimbursable funds. Its sponsoring institutions are the Inter-American Development Bank (IDB) and the Inter-American Institute for Cooperation on Agriculture (IICA), and it also has strategic alliances with national, regional, and international agencies that facilitate and promote cooperation and the mobilization of resources in R&D&I. FONTAGRO's resources, together with contributions from organizations aligned with its mission, are used to co-finance, on a competitive and/or consensual basis, original agricultural and agri-food research, development, and innovation projects that contribute to poverty reduction, increased productivity and competitiveness, and the sustainable management of natural resources. Likewise, it expands the base of activities in the region by supporting regional public-public and public-private cooperation consortia, strengthening synergies in agricultural research, development, and innovation. Its mission, vision, strategic objectives, priority work areas, and regional investment opportunities are defined in the Medium-Term Plan, with a duration of five years.

2. The **target population** for FONTAGRO projects includes public research agencies and institutes, non-governmental organizations (NGOs), agricultural producers, value chain actors, the private sector, and consumers in the region. Development banks and other agencies (both public and private) capable of locally scaling the technologies, developments, and innovations generated by the projects are also considered part of this target audience.

3. **Medium-Term Plan (MTP).** The FONTAGRO Medium-Term Plan (MTP) is a five-year plan that establishes the institution's vision, mission, and values, as well as the priority strategies to be implemented during the period. Its preparation is based on strategic and prospective studies to identify regional needs and opportunities, seeking to maximize the spillover effects of research and innovation, as well as economies of scale and scope. The Technical Administrative Secretariat (TAS) provides the Board of Directors (BD) with the necessary information to discuss and approve adjustments to the MTP, based on unpublished or available diagnoses. Within this framework, **FONTAGRO defines innovation** as ***"a participatory process by which individuals or organizations generate and/or use technological, organizational, and institutional knowledge that translates into new goods and services and that, once adopted by society, generates a social, economic, environmental, and/or cultural benefit"***. Based on this concept, FONTAGRO uses its own resources and other contributions on a competitive and/or consensual, non-reimbursable basis to finance regional projects and special agricultural research and innovation initiatives in the priority areas established in the current MTP.

Subsection I. Procedures related to programmatic activities

1.1 REGIONAL R&D&I CONSORTIA

4. A **Regional Research, Development, and Innovation (R&D&I) Consortium** is defined as that group of public and/or private institutions, whether national, regional, and/or international, that gather to create regional research, development, and innovation networks, understood as a technical, administrative, and financial cooperation mechanism contributing to FONTAGRO's mission and vision.

5. FONTAGRO co-finances projects through the formation of regional R&D&I consortia, composed of public-public and public-private alliances from at least two member countries. These consortia share a common vision, mission, and objectives; mobilize resources to address high-priority problems defined in the Medium-Term Plan (MTP); and generate regional public goods. Participating institutions may be national, regional, or international organizations, with the latter playing a facilitating or complementary role. Likewise, FONTAGRO actively promotes the participation of private organizations in project co-financing to ensure better articulation and greater impact of results.

6. All institutions integrating the consortia must, individually or in association, co-finance the projects through counterpart contributions in cash, in kind, or a combination of both. To formalize this commitment, participating institutions must submit an **official counterpart letter** to FONTAGRO, which constitutes evidence of institutional support for the consortium and FONTAGRO. This letter must include: a) confirmation that the research or innovation topic is incorporated into the institution's work plan; b) non-objection from the highest authority regarding the project submission; c) the total amount of the counterpart contribution, expressed in United States dollars and specifying its form (cash, in-kind, or mixed); and d) the detailed breakdown of said amount by type of expense category, in accordance with the instructions of this Manual.

7. **Special considerations:** i) Spanish institutions may participate if the benefits of their research include institutions from Latin American and Caribbean countries; ii) Exceptionally, the TAS may execute its own projects and initiatives financed with FONTAGRO resources or other donor resources, when it benefits member countries and is so determined by the BD.

8. The Technical Administrative Secretariat (TAS) will inform the representatives of FONTAGRO member countries regarding the participation of private sector organizations in the projects. This communication must include: i) the identity of the participating organization; ii) the role and responsibilities it will assume within the consortium; and iii) the amount and modality of its counterpart contribution or financing. The notification will be made prior to the start of project execution, and the Board of Directors (BD) will have a period of thirty (30) days to present objections. In the absence of objections within said period, the corresponding registration process will proceed.

9.

10. Consortia are composed of an Executing Agency, Co-executing Agencies, and optionally, Associate Agencies, as detailed below:

    i. **Executing agency**. It is the public or private institution of a FONTAGRO member country that assumes principal responsibility for the technical, administrative, and financial execution of the project before the IDB and the TAS. It must have a mandate and proven experience in managing agricultural research and innovation projects, as well as the legal and financial capacity to fulfill all obligations derived from the operation. The Board of Directors (BD) may authorize multilateral, regional, or private organizations, or even the TAS itself, to act as the Executing Agency. Likewise, the Executing Agency may administer funds on behalf of co-executors when they expressly request it.

    Note: From July 4, 2025, IICA will act as the Executing Agency for all FONTAGRO projects, with the rest of the participants having the role of technical co-executors and associate organizations, as applicable. FONTAGRO is in a transition process regarding its operating model; therefore, other decisions by the Board of Directors and sponsors could affect the contents of the Operations Manual Section I and Section II.

ii. **Co-executing agency.** It is the public or private institution of a FONTAGRO member country that participates as co-responsible for the technical and financial execution of the project. Exceptionally, institutions from non-FONTAGRO member countries may participate provided they have legal personality in one of the IDB member countries. The co-executor must meet the required legal and financial capacities and execute the activities corresponding to it according to the agreed schedule. To formalize this relationship, the Executing Agency and the co-executors must sign a co-execution agreement establishing relevant provisions, terms, and conditions, both with FONTAGRO and with the IDB. Up to three co-executors per consortium are recommended.

iii. **Associated organization.** These are national, regional, and/or international public or private institutions, which may or may not belong to FONTAGRO member countries, and which have a mandate and experience in agricultural research and innovation. Their participation is carried out by covering their own costs and/or providing counterpart contributions, without receiving direct financing from FONTAGRO. However, they may receive payments with FONTAGRO funds through the projects solely for the provision of services when the consortium considers their contribution necessary to achieve project objectives.

1.2 Co-financing Mechanisms and Project Presentation Formats

11. **Purpose.** The main purpose of FONTAGRO is to co-finance, on a competitive and/or consensual basis, projects constituted by regional agricultural, agri-food, and agro-industrial R&D&I consortia capable of achieving sustainable results and impacts in poverty reduction, productivity and competitiveness improvement, and sustainable use of natural resources. To this end, FONTAGRO promotes co-financing through the following instruments: **i) Calls for proposals, and ii) Projects by consensus and other initiatives**.

12. **Maximum co-financing amounts.** FONTAGRO may co-finance up to US$500,000 (five hundred thousand United States dollars) in the case of call-based projects or projects by consensus. In the case of other initiatives, the FONTAGRO BD will decide the amount to be co-financed. However, the annual available co-financing will be approved by BD minutes and based on the annual operations plan and fund availability, according to the medium-term financial plan approved by the BD.

13. **Minimum counterpart amounts.** FONTAGRO will require that consortium participating institutions commit to contributing, at a minimum, an amount equivalent to that financed by FONTAGRO (i.e., for every dollar contributed by FONTAGRO, the counterpart must contribute at least one dollar). To this end, they must submit official counterpart commitment letters, using the form available on the FONTAGRO website. The contribution may be made in cash, in kind, or through a combination of both. When an executing, co-executing, associated organization, or other entity with legal personality decides to participate with cash contributions, said resources must be previously accepted by the Board of Directors (BD) and will be administered according to the policies and mechanisms of the Inter-American Development Bank (IDB), in its capacity as legal representative of FONTAGRO, and/or the Inter-American Institute for Cooperation on Agriculture (IICA), as appropriate, to ensure proper reception and management. In the case of calls for proposals, the BD will define the minimum counterpart amount in the respective terms of reference.

14. **Preparation of the Technical Cooperation document. Call-based projects and projects by consensus are presented through the pre-established single technical cooperation format** found on the FONTAGRO website.

1.3 Calls for Proposals

15. **General Considerations.** Calls correspond to the invitation for project submissions according to the Terms of Reference (TOR) established in each annual period. The Board of Directors (BD) defines the type and conditions of each call, whose evaluation and selection process is competitive. Financing may come from FONTAGRO's own resources and/or contributions from partner agencies. Submitted projects must demonstrate solid articulation on technical, financial, and institutional levels among the organizations and countries participating in the consortium, as well as a high probability of appropriation of results by beneficiaries and scaling at local and regional levels. Selected projects will be announced publicly on the FONTAGRO website and communicated individually via official memorandum. Those not selected may request information on their evaluation up to

thirty (30) days after the official result is published. To strengthen capacities in the formulation of competitive projects, FONTAGRO has developed a self-paced virtual course and a reference manual gathering the most relevant aspects for project design. Both resources are available on the FONTAGRO website.

16. **Presentation and submission of the project document.** The project must be prepared according to the specifications and priorities defined in the instructions available on the FONTAGRO website, considering the current MTP. It must be original in its approach, clear, concise, complete in all sections, and not exceed fifteen (15) pages, excluding annexes. Submission will be done through FONTAGRO's digital application system, following the corresponding instructions. The project must mandatorily be presented in two files: a Word document and an Excel document with the required tables, which must be sent simultaneously via the same system.

17. **General project evaluation criteria and scoring.** Projects will be evaluated in a single phase comprising three stages. In the first stage, the Technical Administrative Secretariat (TAS), with support from sponsors and the external panel, will review compliance with formal eligibility criteria (legality, amount, term, and counterpart). In the second stage, Board of Directors (BD) representatives will verify the initiative's relevance in relation to the country strategy. Finally, in the third stage, projects will be evaluated according to the technical criteria established in the Call's Terms of Reference and this Manual. Once the evaluation is performed, projects reaching or exceeding a minimum score of seventy-five (75) points out of one hundred (100) will be considered finalists and elevated to the BD for the financing decision.

18. **Project evaluation and external panel.** Project evaluation will be conducted by an external panel composed of three experts with recognized academic and professional backgrounds, which may incorporate the vision of other specialists when necessary and will have the support of representatives from sponsors and other agencies. The panel will have a coordinator in charge of organizing information, establishing the work methodology, ensuring compliance with the evaluation schedule, and reviewing the final recommendation report. The panel will review, analyze, and score projects in descending order of points, issuing individual evaluations that will be consolidated by the coordinator into a final report. This report will include, where applicable, considerations on environmental impact and will be sent to the Technical Administrative Secretariat (TAS) for presentation to the Board of Directors (BD). The BD will make the final decision on projects to co-finance, being able to reject those that, even with high scores in other criteria, present significant negative environmental impacts or do not respond to member country priorities.

19. **Eligibility and evaluation criteria.** Project evaluation begins with the verification of formal eligibility criteria, which include legality, term, amount, and counterpart. Projects not meeting any of these requirements will not advance to the next phase. Those that do meet them will be evaluated according to the technical criteria established in Table 1 of this Manual and, where applicable, in the Call's Terms of Reference, with a maximum score of 100 points. To be considered finalists, they must reach a minimum of seventy-five (75) points. Additionally, if the Executing Agency does not meet the legal and fiduciary requirements necessary to manage operations with the IDB, the project will be disqualified, and if approved by the Board of Directors (BD), its financing will be canceled.

20. **Conflict of interest and confidentiality.** Evaluators must recuse themselves from reviewing any project where a conflict of interest may exist, such as links with participating organizations or other situations compromising their impartiality, informing the Secretariat immediately. In case clarifications on a project are required, requests must be channeled exclusively through the Secretariat, which will transmit them to the proponent organizations; direct consultations between evaluators and proponents are not allowed. Likewise, the evaluation process is strictly anonymous and confidential: aside from the exchange with other evaluators and the Technical Administrative Secretariat (TAS), information may not be shared with third parties under any circumstances.

Table 1. Criteria for Project validation and evaluation

Criterion		Description
FORMAL ELIGIBILITY CRITERIA	**Legality** (Yes/No)	Applicant institutions must be legally constituted and possess valid legal personality allowing them to sign agreements with the IDB, in its capacity as FONTAGRO's legal representative, and/or IICA, if applicable. The Executing Agency (EA) must also demonstrate sufficient fiduciary capacity to administer assigned resources. Likewise, participating agencies must not have debts for audit expense justifications, outstanding reimbursement balances, or overdue technical-financial reports from projects previously financed by FONTAGRO.
	Amounts (Yes/No)	The requested amount must not exceed the maximum limit established in the Terms of Reference of each call. All participating institutions receiving funds from FONTAGRO, whether directly or through the Executing Agency, must provide counterpart contributions in cash, in kind, or a combination of both. As a general rule, the counterpart amount must be, at a minimum, equivalent to the amount requested from FONTAGRO, unless the call specifies a different requirement. Associated organizations may make counterpart contributions optionally. Counterpart commitments must be formalized via official Letters of Commitment, using the model available on the FONTAGRO website. Said letters must be mandatorily attached to the final project document.
	Term (Yes/No)	The project duration term will be up to forty-two (42) months for the implementation of technical activities and up to forty-eight (48) months for the completion of financial execution. The duration must be consistent with the submitted technical proposal and the objectives set forth in the project.
	Regionality (Yes/No)	**Geographic scope and institutional participation.** The project must have the participation of public-public or public-private alliances from at least two FONTAGRO member countries. Its character will be regional, seeking, when possible, the inclusion of countries from different subregions (Southern Cone, Andean Region, Central America, and the Caribbean). Activities must be executed in at least two member countries and involve diverse organizations. In cases where a country participates mainly by providing technical assistance, it will be a requirement that at least two other member countries directly benefit from said cooperation and, additionally, implement activities contemplated in the project. Likewise, the project must clearly define the geographic scope of application of results, specifying localities, regions, number of countries, and ecological environments.
RELEVANCE CRITERION	**RELEVANCE REGARDING COUNTRY STRATEGY** (Yes/No)	The FONTAGRO Board of Directors (BD), through its representatives and delegates, will verify the relevance of each initiative in relation to the strategy and priorities of the member countries.
TECHNICAL SCIENTIFIC QUALITY OF THE PROJECT	**Technical quality** (Up to 35/100 points)	**a. State of the art and justification.** The project must present a state of the art of the proposed topic, supported by internationally recognized and validated references, especially when coming from the proponents themselves. Likewise, it must include bibliographic citations and other references justifying the activities proposed to address the identified problem.
		b. Value proposition, objectives, and feasibility. The project must demonstrate conceptual clarity in identifying and describing the problem or opportunity for change sought to be addressed, as well as coherence and solidity in formulating the general objective and specific objectives. Likewise, it must evidence the feasibility of implementing the

		methodology and activities proposed to achieve said objectives, considering the proposed work strategy.
		c. Methodological rigor and evaluation feasibility. The project must present a solid methodological approach, supported by a well-structured and coherent logical framework, or a clearly defined theory of change. It must incorporate quantitative, objective, and verifiable indicators in terms of quality, quantity, and time, whose baseline is known. Likewise, each activity must be designed with the necessary methodological rigor to guarantee the feasibility of measuring and evaluating results, as well as verifying committed products.
	Project impact (Up to 30/100 points)	**a. Quantification of target population and beneficiaries.** The project must clearly identify and quantify the target population, specifying expected benefits, as well as the number and type of direct and indirect beneficiaries that will be impacted by the implementation of activities.
		b. Impact, innovation, and evaluability. The project must describe its potential impact in productive, technological, environmental, and socioeconomic areas, supported by bibliography and recognized references grounding the proposal. Likewise, it must demonstrate the feasibility of objectively measuring and evaluating quantitative results and committed products, through verifiable indicators with a defined baseline. Similarly, it must evidence a clear potential to contribute to the generation of innovations and their replicability in different contexts, ensuring that learnings and developed solutions can be scaled and adapted to different realities. To this end, the project must present a business model on how to scale the knowledge and/or technology under study.
		c. Impact on FONTAGRO and research indicators. The project must evidence the relevance of its results in relation to the indicators defined in FONTAGRO's current Medium-Term Plan (MTP), considering, according to the theme of each initiative, effects on productivity (quantity), prices, costs, as well as environmental and social variables. Its contribution to strengthening human resources training and generating local and regional capacities will be especially valued. Likewise, the project must define and measure research indicators aligned with its logical framework or theory of change, allowing rigorous evaluation of progress and results achieved, complementing FONTAGRO's institutional indicators.
		d. Knowledge management, dissemination, and communication. The project must clearly describe activities oriented toward knowledge management, result dissemination, capacity strengthening, and communication, ensuring that generated learnings and products are accessible, useful, and transferable to the different actors involved.
	Institutional capacity (Up to 27/100 points)	**a. Diversity and technical complementarity of participants.** Participation of private actors in the platform with evidence. Description of the governance mechanism among platform participants: roles, responsibilities, and time dedicated to achieve proposed objectives.
		b. Individual and platform capacities to perform project activities. Projects must present information on experiences in project implementation, especially in the call's topic. The project must indicate who the professionals responsible for activity execution in each country and institution are, their experience in the topic, specific responsibilities,

		estimated dedication time to the project, and how they complement each other among platform members.
		c. Institutional and participant capacities. The project must demonstrate the diversity and technical complementarity of participating institutions, including the participation of private actors when applicable. It must clearly describe the governance mechanism established among consortium members, specifying roles, responsibilities, and dedication times to achieve proposed objectives. Likewise, it must present information on institutional experience in project implementation, especially in the proposed research topic, as well as identify responsible professionals in each country and institution, detailing their trajectory in the area, specific functions they will assume, estimated dedication time, and the way they complement each other within the consortium.
Management mechanism and budget	(Up to 8/100 points)	**Investment distribution and counterpart.** The project must present a clear and justified relation of budget distribution among activities and participants, additionally detailing counterpart contributions committed by each institution.
Environmental impact	Positive / Negative (High, Medium, Low)	**Environmental and sustainability criteria.** FONTAGRO will not finance projects whose negative environmental impacts cannot be mitigated and will prioritize those promoting an integrated and sustainable approach, generating net positive impacts on the environment. In line with international agreements on hazardous materials (including Basel, Rotterdam, and Stockholm Conventions), the use of toxic substances, organic and inorganic, pesticides, and persistent organic pollutants (POPs) affecting human health and safety is discouraged. Projects must describe expected environmental effects and, where appropriate, planned palliative measures, applying a precautionary approach regarding possible risks derived from research. Strategies to counteract or mitigate unwanted impacts, promote integrated ecosystem management, and contemplate adequate mechanisms to verify compliance with said measures will be especially valued.

1.4 PROJECTS BY CONSENSUS AND OTHER INITIATIVES

21. **Projects by consensus and other initiatives.** Projects by consensus and other initiatives, such as the successful cases competition, are Technical Cooperation instruments in the thematic areas of the current MTP, which must broadly benefit its member countries and present evidence of additional co-financing to FONTAGRO, in cash and/or in kind, or a combination of both. Likewise, themes to be financed must arise from agreements generated in the FONTAGRO Board of Directors. Projects by consensus are aimed at addressing a priority activity included in the strategic lines of FONTAGRO's current MTP. They must have broad interest from member countries and potential co-financers. Other initiatives will aim to complement the implementation of the current MTP and generate greater visibility for FONTAGRO.

22. **Submission of projects by consensus and other initiatives.** The submission of projects by consensus and other initiatives will be performed by members of the Board of Directors (BD), the Executive Committee (EC), and sponsors, via email to the Technical Administrative Secretariat (TAS) at [secretaria.fontagro@iica.int]. The TAS will acknowledge receipt, register proposals, verify formal eligibility criteria, and, when applicable, manage their external evaluation. Subsequently, it will incorporate this information into reports directed to the BD, together with external evaluation results, for consideration.

23. **Deadlines, evaluation, and authorization of projects by consensus.** The submission of projects by consensus will be open throughout the year; however, the Board of Directors (BD) will approve co-financing only in two periods, coinciding with its ordinary and extraordinary meetings. For the first round, projects may be submitted between October and March; in April they will be evaluated by the external panel, and in May they will be sent to the BD for reading and comments, together with the evaluation report. For the second round, projects may

be submitted between June and July; in August they will be analyzed by the external panel, and in September they will be sent to the BD for reading and comments, together with the corresponding report. These periods are referential, given that BD meeting dates may vary from one year to another. The evaluation of projects by consensus will be performed according to formal eligibility criteria and technical evaluation criteria established in this Manual. Co-financing will be feasible for approval when: i) the topic to be financed is contemplated in the current Medium-Term Plan (MTP) and in participating institutions' work plans; ii) the project is open and fosters the participation of other public and private institutions from national agricultural innovation systems of FONTAGRO member and non-member countries (provided they are IDB members), as well as the regional and international innovation system; iii) concrete evidence exists of interest from other co-financing agencies through official and/or private letters of commitment and counterpart contributions; and iv) available resources exist. Finally, the BD will authorize projects by consensus to be co-financed taking into account the external evaluation panel's recommendation report and fund availability, recording its decision in the meeting minutes.

1.5 OTHER INITIATIVES - INNOVATION SUCCESSFUL CASES CONTEST

24. **Successful Cases Contest.** The Successful Cases Contest is an initiative implemented by FONTAGRO periodically to identify and document successful experiences and lessons learned in Latin America and the Caribbean that contribute to a better understanding of the innovation process in agriculture. The Technical Administrative Secretariat (TAS) prepares the Terms of Reference (TOR) around a specific theme and a financing proposal, which is presented to the Board of Directors (BD) for approval. The BD's decision will be unique and unappealable.

25. **Award categories and recognitions.** The Successful Cases Contest will contemplate three award categories: i) producer associations, non-governmental organizations, and other private sector organizations working with producers in Latin America and the Caribbean; ii) national public sector institutions, including research and development entities and universities; and iii) regional or international institutions working in the region. These categories may be adjusted or modified at the request of the Board of Directors (BD) and competition sponsors. The BD will define on each occasion the amount and form of prize allocation, in coordination with sponsors when applicable, and according to current policies. In addition to the main prizes, recognition will be granted to the best selected cases, which will be disseminated through an international digital publication including at least ten highlighted experiences.

26. **Terms of Reference, calendar, and case submission.** The Successful Cases Contest will be governed by the provisions of the Terms of Reference (TOR) approved for each edition. Therein, the implementation calendar and the process for preparing successful cases to be submitted will be specified. Registration will be done following the instructions available on the competition website.

27. **Formal eligibility criteria.** Case profiles may be submitted by organizations accrediting legal personality and legal and financial capacity. Eligible entities will be: i) producer organizations and/or private companies working jointly with small farmers in any IDB borrowing country in Latin America, the Caribbean, and/or Spain; ii) research and/or development institutions operating in said countries that have developed the experiences, regardless of the financing source; and iii) public-private research, development, and innovation (R&D&I) consortia, in which government agencies, universities, agricultural research centers, producers, international centers, NGOs, or other relevant actors participate.

28. **Technical criteria for profile evaluation.** Case profiles will be evaluated according to qualitative and quantitative criteria, without prejudice to the application of others established in the Terms of Reference of each competition edition.

    i. **Qualitative:** i) *Regionality*: the initiative must have been executed in at least one Latin American and Caribbean (LAC) country and/or Spain; ii) *Temporality*: the initiative must have been implemented in the last fifteen years and with a minimum duration of three years; iii) *Beneficiary identification*: the innovation must directly involve small farmers; iv) *Value chain focus*: the innovation must be linked to some stage of the agri-food chain (production, post-harvest, industrialization, marketing, or consumption); v) *Benefit identification*: benefits achieved in productive, economic, social, environmental, or other aspects related to competition objectives must be clearly pointed out; vi) *Scalability*: the innovation must show potential for application in other regions of the world.

ii. **Quantitative:** i) *Impact magnitude*: validated quantitative evidence must be presented, expressed in objectively verifiable indicators related to the competition theme (example: value creation, capacity building, nutrition, sustainability, among others); ii) *Replicability*: concrete evidence justifying the possibility of replicating the experience in similar contexts, both regionally and extra-regionally, must be demonstrated; iii) *Lessons learned*: learning derived from the experience and opportunities for improvement must be explicitly identified.

29. **Case evaluation phases.** Case evaluation will be performed in three phases. In the first phase, the TAS and sponsors will review formal eligibility criteria, and complying cases will be evaluated by an external panel, which will select at least ten with a rating equal to or greater than 75 points out of 100. In the second phase, those cases will be invited to prepare a publishable version, with the possibility of receiving support in drafting and editing. Finally, in the third phase, a panel of experts will evaluate finalist cases by order of merit, and the Board of Directors will approve at least one per eligible category. Winners will be notified by the TAS, and their cases will be published on the FONTAGRO website. The external panel will be made up of sector specialists and/or sponsor representatives, who will classify cases according to their productive, economic, social, nutritional, and environmental impacts.

1.6 ROLE AND PARTICIPATION OF THE BD, TAS, AND TECHNICAL TEAMS IN THE PREPARATION OF REGIONAL R&D&I PROJECTS

30. **Role of the Board of Directors.** The Board of Directors (BD) has the exclusive and non-delegable responsibility of selecting projects to co-finance, as well as adjudicating FONTAGRO resources. Assigned scores and evaluator reports constitute technical support inputs, but the final decision rests with the BD, whose resolutions are unappealable and do not require substantiation. The BD may also declare a call void or reject all received projects without stating a cause. Decisions will be adopted by consensus or according to the voting system established in FONTAGRO's Establishing Agreement.

31. **Role of the Technical Administrative Secretariat (TAS).** The TAS is responsible for coordinating and facilitating the reception, analysis, selection, and evaluation process of projects, as well as providing information to involved parties and the Board of Directors (BD). In this framework, it presents external evaluator recommendations to the BD, based on which the BD decides which projects will receive co-financing. Likewise, the TAS may adjust project documents required for their registration and request proponents to incorporate result indicators of interest to FONTAGRO, previously approved by the BD. Also, the TAS must register projects no later than December 15 of the year financing was granted.

32. **Role of technical teams.** In project preparation, the leader representing the consortium will be responsible for: i) preparing project content according to instructions available on the FONTAGRO website; ii) organizing exchange meetings with other participants to reach consensus and agreements; iii) coordinating with the FONTAGRO Technical Administrative Secretariat (TAS) on arrangements related to contributions from other agencies or donors; iv) maintaining permanent communication with the TAS to address any support needs during the process; and v) submitting the final project document, in its Word and Excel versions, through the corresponding system.

33. **Request for withdrawal of a project or institution from the consortium.** If a preselected project decides not to continue in the competitive process of a call, it will be the responsibility of the proponent organization to communicate said decision to the Technical Administrative Secretariat (TAS) and other consortium members. In case any participating organization opts to withdraw, the consortium may propose a new member of equal or

greater technical capacity or, failing that, reorganize the technical proposal. In both cases, adjustments will be reviewed internally by the TAS to ensure process continuity.

Subsection II. Procedures related to operations management

34. **General aspects of Financing Management and role of administering agencies.** The FONTAGRO Board of Directors (BD) authorizes, through minutes of its meetings, annual financing allocations for programmatic activities and projects. Since January 2021, the BD authorized the Inter-American Development Bank (IDB) to recognize IICA as co-administrator of funds for approved operations and initiatives. In this framework, projects authorized for financing must adjust to the provisions of this Manual and, as applicable, IDB and/or IICA policies. Likewise, IICA may act as Executing Agency for FONTAGRO projects when requested by the corresponding consortium and no objection exists from IICA itself.

35. During Project execution, new entities may also be incorporated, provided the Executing Agency obtains written non-objection from FONTAGRO and confirms the new entity has legal and financial capacity to participate in the Project. The new entity may participate in the Project as: (i) Co-executing Agency, in which case the EA must sign a Co-execution Agreement with the new entity as established, including activities and responsibilities the new entity will assume during Project execution and, if applicable, provisions to ensure the contribution it will make to the Project; or (ii) Associated Organization, in which case the EA must communicate in writing to the new entity the main terms and conditions of the Agreement, and, if applicable, indications to ensure the contribution it will make to the Project. The EA undertakes to carry out necessary arrangements within its reach so that new entities comply with Agreement provisions. The Executing Agency may execute funds on behalf of the co-executing agency if so requested.

36. **Institutional capacity analysis of the executing agency, co-executors, and associate agencies.** During the design of the project governance structure, legal, administrative, accounting, and financial teams must issue an opinion on possible restrictions that could affect its implementation. This analysis must contemplate, among other aspects: the opening of a single bank account for managing funds in United States dollars and the capacity to administer them; the existence of taxes, fees, or other charges applicable to international transfers; the solidity of internal administrative and audit systems; institutional policies for the procurement of goods and services and hiring of consultants; the eventual use of agencies as intermediary administrators; as well as any other legal, administrative, fiduciary, or tax aspect that may represent a risk for project execution at a regional level among participants.

1.7 Initial Planning

37. **Official project registration.** Once co-financing is approved, the Technical Administrative Secretariat (TAS) will proceed to register the project in the official IDB and/or IICA system, as appropriate, and will perform necessary internal arrangements for drafting the applicable agreement or contract. In case the Executing Agency informs during this stage of its inability to meet mandatory requirements to manage funds with the IDB and/or IICA, the project may be canceled.

38. **First Disbursement Request and Disbursement Methods.** To access the first disbursement, the Executing Agency must meet requirements established in the corresponding agreements or contracts. These include: a) Official certification of a special and single bank account for the project, intended for handling resources in United States of America dollars. b) Co-execution agreements duly signed between consortium members and the Executing Agency. c) Annual Operating Plan (AOP) for the first year and its respective Procurement Plan (PP), submitted by each fund-receiving institution. d) List of Executing Agency officials, officially designated by its legal representative, to represent the institution in all acts linked to agreement or contract execution. e) Certification accrediting the existence of a financial information system and an internal control structure capable of responding to external audits. Disbursement methods will be defined in each agreement between the Executing Agency and the Bank, in accordance with current policies and their eventual modifications.

Agreements between the Executing Agency and co-executing agencies must be consistent with the agreed disbursement method and available resource flow in the relationship between the Executing Agency and the Bank.

39. **Request and Modalities for new Disbursements.** The request for new disbursements will be conditioned on the justification of at least 80% of available funds from previous advances. Once this requirement is met, disbursements may be authorized ordinarily once a year, within the framework of submitting the Annual Operating Plan (AOP) and corresponding Procurement Plan (PP) for the following period. Exceptionally, up to two annual disbursements may be made, provided committed products have been delivered according to the project schedule. The AOP and PP must be sent to the Technical Administrative Secretariat (TAS) before November 30 of each year. If the TAS does not formulate observations and the justification of 80% of remaining balances is confirmed, authorization for a new disbursement will proceed. The approved amount must correspond to what is established in the submitted AOP and PP. In case there are activities not implemented in the previous year with associated available balances, these will be automatically transferred to the following year's AOP and PP, ensuring project continuity and adequate execution. The **last disbursement** will correspond to up to 10% of the total project budget and will require justification of its need. Its authorization will be subject to approval, by the Secretariat, of the Final Technical Report and Final Financial Report, which must mandatorily contemplate expenses associated with the external audit service. In exceptional cases, direct disbursements to co-executing agencies may be authorized. To this end, they must present technical and financial justification supporting the request to the TAS, according to established requirements.

40. **Budget and eligible expenses.** The project must mandatorily include a detailed budget by product and a consolidated budget incorporating all planned activities, using formats pre-established in official instructions. **Project expenses** are classified into two broad categories: i) eligible counterpart expenses and ii) eligible expenses charged to FONTAGRO financing and other donors. The total counterpart amount corresponds to the local contribution of consortium participating institutions, which may be made in cash, in kind, or through a combination of both. These expenses may be classified under the same headings used for FONTAGRO resources. In turn, **expenses considered eligible charged to FONTAGRO co-financing and/or donor agencies** are those necessary and pertinent to achieve project objectives and results, provided they are contemplated in the initial Procurement Plan (PP), comply with agreement or contract policies and legal provisions, and are duly recorded and supported in the Executing Agency's accounting-financial system. Expenses not foreseen in the initial Procurement Plan will not be considered eligible, unless expressly authorized by FONTAGRO through the TAS. Receipt of adjustments to the Procurement Plan will only be admitted within the framework of the annual AOP and PP presentation.

41. **Maximum amounts for technical cooperation.** In accordance with the IDB Technical Cooperation Policy and Board of Directors (BD) decisions, maximum percentages are established that may be budgeted per eligible expense category charged to FONTAGRO financing and other donors if applicable. Amounts may not exceed in any case the following limits: up to sixty percent (60%) for expenses in consultants; up to thirty percent (30%) for goods and services; up to thirty percent (30%) for travel and per diem; up to forty percent (40%) for materials and inputs; up to thirty percent (30%) for training activities; up to thirty percent (30%) for knowledge management; up to ten percent (10%) for administrative expenses; up to five percent (5%) for contingencies; and up to five percent (5%) for the Report on reasonable assurance of project expense execution performed by an Independent Auditing Firm (IAF) preselected by the IDB.

42. **Eligible expense categories.** The following categories will be considered eligible expenses, both charged to FONTAGRO co-financing and counterpart contributions: consultants, goods and services, travel and per diem, materials and inputs, training activities, knowledge management and communications, administrative expenses, contingencies, and audit. IDB policies applicable to the procurement of goods and services and hiring of consultants must be complied with at all times; in case said policies are updated, executing and co-executing agencies will be obliged to apply them once officially communicated by the Technical Administrative Secretariat (TAS). In each expense category, the maximum limit mentioned in the previous paragraph must be respected and not exceeded.

(i) **Consultants and personnel.** This category contemplates the hiring of individual consultants or consulting firms, in accordance with *IDB Policies for the Selection and Contracting of Consultants (GN-2350-15)*. Terms of Reference must be prepared following official formats and describe precisely the activities and products foreseen in the project. In the case of counterpart contributions, salaries and wages of participating institution personnel will be recorded in this category.

(ii) **Goods and services.** This category comprises the procurement of goods and services linked to the Project Procurement Plan, in accordance with the *Policy for the Procurement of Goods and Works of the IDB (GN-2349-15)* and its updates. Procurements must be governed by principles of economy, efficiency, and transparency in resource use; ensure high quality of acquired goods and services; and guarantee competition and application of best practices. The acquisition of goods must have proof of entry into the acquiring institutions' assets.

(iii) **Materials and inputs.** This category includes the acquisition of materials, inputs, and supplies indispensable for the execution of activities foreseen in the project, according to what is established in its initial Procurement Plan.

(iv) **Travel and per diem.** This category comprises travel and per diem expenses associated with the implementation of project activities, coordination meetings for progress monitoring, and mandatory participation in the Technical Follow-up Workshop organized annually by the Technical Administrative Secretariat (TAS). Costs for this workshop must be covered charged to the project during its validity, and participation will be confirmed via invitation sent by the TAS, considering that in some years the event may be held in virtual format. Eligible expenses include airfare, per diem, medical insurance, lodging, and other related concepts. Upon concluding each international trip, the participant must submit a mission report within a maximum period of thirty (30) days, which must be delivered to the Executing Agency. Internal travel linked to project implementation will also be recognized in this category, as well as international travel of personnel from executing, participating institutions, and special guests, provided they are directly related to project objectives and included in the Procurement Plan.

(v) **Training.** This category includes expenses linked to the development and/or participation in seminars, specific workshops, internships, and professional exchanges. Any training activity must be recorded according to provisions established in Subsection III, *"Procedures related to knowledge management, communications, and dissemination of results"*, of this Manual.

(vi) **Knowledge management and communications.** This category comprises expenses associated with technical dissemination and result activities, as well as the preparation of knowledge products. Included actions must be aligned with FONTAGRO's Knowledge Management and Communications (KMC) Action Plan, in addition to other initiatives the project decides to implement to increase visibility and impact of achieved results. Among eligible expenses are the organization of meetings and follow-up workshops, participation in congresses directly linked to the project, preparation of committed publications, knowledge products, scientific publications, workshop proceedings, technical summaries, institutional documents, and other materials intended for result dissemination.

(vii) **Administrative expenses.** Administrative expenses will be recognized up to a maximum of ten percent (10%) of the total project cost. This category includes bank commissions, import and customs expenses, as well as other costs indispensable for the project's administrative and operational management.

(viii) **Contingencies.** This category contemplates additional expenses that may arise during project execution and were not foreseen in the original budget or Procurement Plan. Resources assigned to this item must be reallocated, during execution, to eligible expense categories where they are effectively incurred, requiring in all cases non-objection from the Technical Administrative Secretariat (TAS). Said reallocations must be presented in the AOP corresponding to the year they are made. Using this item for hiring consultants will not be considered eligible.

(ix) **Report on reasonable assurance of project expense execution.** The EA must hire from the start of the project an Independent Auditing Firm (IAF) to perform work on "**Reasonable assurance of expense execution**" of the project based on specific terms of reference sent by the Technical Administrative Secretariat (TAS) and the list of firms authorized by the Bank for the EA's host country. The Reasonable

Assurance of Expense Execution work will cover the total operation amount (including FONTAGRO and/or donor financing and local counterpart). During project validity, annual financial reports of Reasonable Expense Assurance must be submitted (as of December 31 of each year, cumulative) and under formats established by FONTAGRO. Upon project completion, the EA will present to the Bank, through the TAS, an audited Final Financial Report of Reasonable Assurance of Expense Execution. This Reasonable Assurance work will be contracted charged to the contribution and in accordance with what is established in Bank policy OP-273-12. The audited final report on Reasonable Expense Assurance must be submitted to the Bank within a period no greater than 90 days subsequent to the last contribution disbursement date. These will be presented to the Bank through the TAS. The assurance report does not require an in-person visit to work sites, but rather necessary information is expected to be sent via electronic means. Likewise, the TAS will complement said report with the delivery and approval status of committed final products.

43. **Expenses not accepted as eligible.** FONTAGRO will not consider as eligible expenses: i) payment of salaries, remuneration, or other staff costs of consortium participating institutions, which must be recorded as counterpart contributions; ii) expenses not directly associated with the project, not appearing in the initial Procurement Plan, not authorized by the Technical Administrative Secretariat (TAS) in a PP adjustment, or not corresponding to planned activities; iii) expenses lacking due justification or documentary support; and iv) execution of works. In all cases, expenses declared ineligible must be reimbursed to FONTAGRO.

1.8 PROJECT EXECUTION, MONITORING, AND CLOSING [1][2]

44. **Project Phases.** The cycle of a project financed by FONTAGRO is organized into four phases: Pre-Execution, Execution, Consolidation, and Closing. Each contemplates specific deadlines and formal requirements guaranteeing adequate fund administration and compliance with assumed commitments.

    1. **Pre-Execution.** This stage begins with project approval by the Board of Directors and extends until the signing of the agreement between the Executing Agency and the IDB, as FONTAGRO administrator. Its estimated duration is three months, with the possibility of extension for a similar period in justified cases. During this lapse, the platform must complete institutional eligibility requirements, including the submission of bylaws and formal authorization of the agreement signatory. Likewise, initial administrative aspects must be organized, and necessary documentation for the First Disbursement Request must be sent to the Technical Administrative Secretariat (TAS). If by the end of the period the institution does not meet eligibility requirements, project cancellation may be considered. In exceptional cases, FONTAGRO may provide technical assistance to support initial organization.

    2. **Execution.** The execution phase begins with the signing of the agreement and extends to 42 months. In exceptional and duly justified situations, a deadline extension may be requested, according to IDB policies. During this phase, disbursements are made annually, conditioned on the justification of at least 80% of funds previously received, and accompanied by the presentation of the Annual Operating Plan (AOP) and Procurement Plan (PP) for the following year, which must be submitted before November 30 of each year. Exceptionally, up to two disbursements per year may be made, provided products committed in the schedule are delivered. In parallel, semi-annual financial justifications and Annual Technical Follow-up Reports (ISTA) must be presented in June and November. Additionally, the Audited Expense Certification Report must be delivered before April 30 of each year, covering the immediate prior calendar year and accumulating information since the start of the project.

    3. **Consolidation.** This stage begins with the termination of the execution period and extends up to six months. During this time, the Executing Agency must deliver committed final products, the Final Technical Report, and the Final Financial Report, which must include the cost of expense certification. Approval of both reports by the Secretariat is an indispensable condition to authorize the last disbursement.

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[1] This section is under review, considering the new FONTAGRO operational model established by the Board of Directors as of July 4, 2025.

[2] It is recommended to review the Financial Management Policy for projects financed by the IDB, OP-273-12, available online.

4. **Closing.** The closing phase begins with the date of the last disbursement and extends for an approximate period of three months. In this period, final products and reports directed to the legal representative must be presented, as well as the Audited Final Financial Report of Reasonable Assurance of Expense Execution. This stage marks the formal conclusion of the project and definitive closing of the execution cycle.

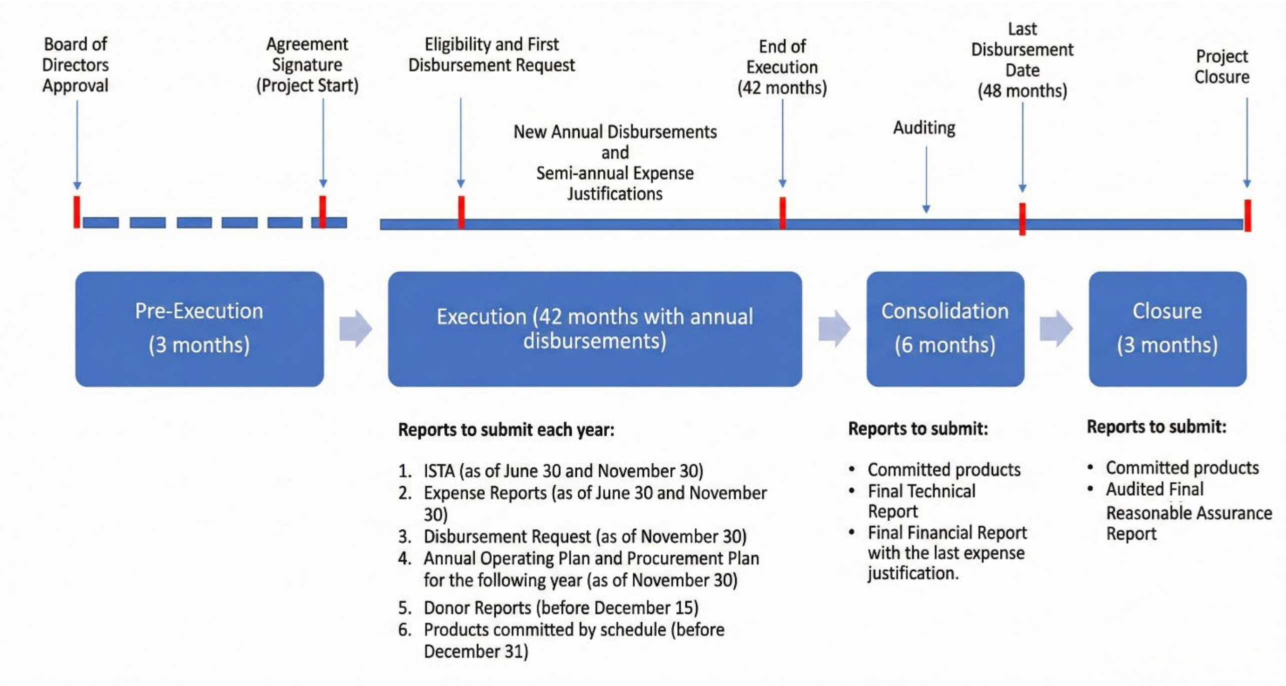

Figure 1. Project execution periods: key dates and reports

45. **Subscription of Agreements and/or Contracts.** For project execution, **execution agreements and/or contracts** will be subscribed between the IDB, in its capacity as administrator and legal representative of FONTAGRO, and/or IICA, representing FONTAGRO, and the Executing Agency possessing due legal personality. Said instruments will conform to current IDB and/or IICA policies, as appropriate. The **agreement** is prepared by the IDB or IICA Legal Department, according to the entity representing FONTAGRO in the project's financial management. This document stipulates the Executing Agency's obligations, including preparation of the **Annual Operating Plan (AOP)**, presentation of technical and financial reports, disbursement schedule, evaluation, audit, and expense certification process, as well as applicable rules regarding contracting and procurement. The TAS, together with the project leader, may review and adjust, when necessary, the original project and its AOP. The agreement consists of three main sections: i) **Special stipulations**, establishing particular operation conditions, ii) **General rules applicable to non-reimbursable technical cooperations**, valid for all non-reimbursable IDB operations; and iii) **Single annex**, describing objectives, expected results, and other project details.

46. **Procurement Plan, Budget, and Execution Principles.** The **Procurement Plan** for goods, services, and consultants is a mandatory instrument that the Executing Agency must prepare and present to the IDB and/or IICA within deadlines established in the agreement. Its objective is to program resources according to project needs, facilitate TAS monitoring, and support the final external audit. This plan must conform to **IDB Procurement and Consultant Policies** and include at a minimum: (i) description of foreseen procurements and contracts, (ii) estimated amounts, (iii) selection method, and (iv) entity responsible for execution. A model is available on the FONTAGRO website. The **Executing Agency** is responsible for contract adjudication and administration, and must guarantee funds are used according to **Basic Procurement Principles**: value for money, economy, efficiency, equality, transparency, and integrity. Likewise, each project must present an **economic budget** by product of the **Annual Operating Plan (AOP)** in two formats: detailed and consolidated. Expense categories must coincide with those defined in "Eligible expense categories and maximum amounts". The consolidated budget is the one incorporated into the agreement, recorded in the IDB disbursement system

(Convergence), and constitutes the basis for disbursement authorization and expense justification during project execution.

47. **Financial Report and Expense Justification**[3]**.** The Financial Report for Expense Justification must be presented according to instructions delivered by FONTAGRO, available on its website. As a general rule, the IDB/FONTAGRO does not require justifications sent to the Technical Administrative Secretariat (TAS) to be accompanied by certified copies of supporting documentation. However, it is the **obligation of the Executing Agency and co-executors** to possess all original expense vouchers (or notary public certified copies) corresponding to each participating institution. These documents must be available for audit purposes at project closing. The Executing Agency will be responsible for cross-checking justifications presented by each institution against consolidated financial reports sent to the TAS. Any expense not duly justified must be reimbursed by the Executing Agency to FONTAGRO, according to what is established in the agreement and applicable policies.

48. **Financial monitoring.** The **Technical Administrative Secretariat (TAS)** will perform **monthly financial monitoring** of FONTAGRO operations and prepare a management report presented within the framework of Board of Directors (BD) meetings. Said report will offer a detailed update on disbursement status by project and execution regarding assumed commitments. Likewise, the TAS may prepare **mid-term reports**, intended to comprehensively evaluate both the degree of compliance with result matrices and the financial execution status of projects, aimed at ensuring transparency, efficiency, and timeliness in resource management.

49. **Technical and result monitoring.** The **Technical Administrative Secretariat (TAS)** will perform **monthly technical monitoring** of project progress, taking as reference the product and result matrix defined in each agreement. Each project must submit, no later than **November 30 of each year**, the **Annual Technical Follow-up Report (ISTA)**, reporting achieved progress, lessons learned, and other relevant aspects of the period. These reports must be submitted online, through the FONTAGRO project platform, and include the update of the result matrix together with the delivery of committed products. ISTA review will be carried out with support from **specialized consultants** in different themes, whose recommendations will be sent to project leaders. The Board of Directors (BD) will receive copies of ISTA **executive summaries** during its official meetings. Finally, **committed products and results** must be delivered according to the approved schedule for each project, and the **Final Technical Report** must be presented at least three months prior to the last disbursement date.

50. **Project Suspension**[4]. The Board of Directors (BD) agreed to adopt the following measures in case of non-compliance by executing agencies: i) Suspend disbursements to project partners not meeting commitments established in respective agreements, as well as deny their participation in future financing for a period determined by the BD; ii) Proceed to project closing in extreme situations, when, despite repeated requests, required reports are not presented satisfactorily to the Secretariat and IDB, even in cases where the corresponding component has not been externally audited.

51. **Final accountability, audit, and closing period.** Within three months following the execution completion date, the Executing Agency must submit to the Technical Administrative Secretariat (TAS) the **Final Technical Report** and the **Audited Final Financial Report of Reasonable Certification** of the project. To comply with IDB internal controls, the last resource request must be sent to the Secretariat at least 30 days prior to the date foreseen for the last disbursement, including, when applicable, payment for external audit service. Unless the agreement provides another term, within three months following the last disbursement, the Executing Agency must present final accountability, return unused or unjustified resources, and perform necessary arrangements for project closing. The **mandatory external audit** must be performed by independent auditors acceptable to the IDB, and its cost will be financed charged to project resources, following guidelines established by said body for auditor selection and hiring[5].

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[3] All budget modifications requested by the Executing Agencies to the FONTAGRO Administrative Technical Secretariat (STA) shall only be processed at the time expense justifications are submitted. For this purpose, they must complete the template available on the FONTAGRO website at https://fontagro.org/en/herramientas. This form must be accompanied by a note from the highest authority of the institution indicating the request and providing its justification.

[4] Minutes of the XVI Annual Meeting of the Board of Directors, October 24–26, 2012. Argentina.

[5] See OF-200 Annex I, Financial Management Tools, "Guidelines for Financial Reports and External Audits of Operations Financed by the IDB."

52. **Technical Reports.** FONTAGRO requires the presentation of diverse **technical reports**, whose formats are available on the Intranet platform and institutional website. These include: a) **Committed project products**, b) **Annual Technical Follow-up Report (ISTA)**, of semi-annual frequency, c) **Final Technical Report**, whose delivery and approval constitute a prior condition for the last disbursement, d) **Annual reports directed to donors**, which must be presented in **Spanish and English**. All technical reports must be officially sent to the **Technical Administrative Secretariat (TAS)** with the technical endorsement of the Executing Agency. Subsequently, the TAS will carry out their review and evaluation before considering them final deliveries. Likewise, it may request, when considered pertinent, **peer review** of said reports.

53. **Financial Reports.** FONTAGRO requires the presentation of diverse **financial reports** whose formats are available on the Intranet platform and institutional website. These include: a) **Semi-annual Expense Execution Report**, b) disbursement form, c) **Audited Final Financial Report** of reasonable expense certification, presented at project closing.

54. **Result Evaluation.** Results of projects financed by FONTAGRO are evaluated by the Technical Administrative Secretariat (TAS), with support from experts when applicable. This evaluation is performed annually, through the Annual Technical Follow-up Report (ISTA) and result and product matrices, as well as at execution closing, based on the Final Technical Report and degree of compliance with committed objectives. It is fundamental that projects rigorously and objectively report verifiable indicators of the logical framework matrix, indicators derived from scientific-technical activities, and those established in the Medium-Term Plan (MTP), in addition to other corporate indicators agreed with FONTAGRO. Complementarily, the TAS may perform field visits, organize in-person or virtual meetings to deepen evaluation, and even order external result and impact evaluations, either during execution or up to five years after project completion.

55. FONTAGRO Excellence Award. Each year, projects finishing and presenting their final reports will participate in the competition for the "FONTAGRO Excellence Award". Evaluation will be based on the Final Technical Report and a form considering four main criteria: compliance with results and indicators of the project logical framework matrix, compliance with indicators established in the MTP 2020-2025, compliance with products committed in the project product matrix, and compliance with financial management terms. Evaluation weighting will be 70% corresponding to technical assessment performed by an external panel, 20% to the Board of Directors (BD), taking into account the project's strategic relevance in the region, and 10% to the Technical Administrative Secretariat (TAS), based on the quality of the project's administrative and financial management. The external panel will review achieved results and issue a recommendation to the BD for consideration. The winning project will be announced during the Project Technical Follow-up Workshop, an occasion where the BD may also grant a special award.

56. **FONTAGRO Excellence Award.** Each year, projects finishing and presenting their final reports will participate in the competition for the **"FONTAGRO Excellence Award"**. Evaluation will be based on the Final Technical Report and a form considering four main criteria: compliance with results and indicators of the project logical framework matrix, compliance with indicators established in the **MTP 2025-2030**, compliance with products committed in the project product matrix, and compliance with financial management terms. Evaluation weighting will be 70% corresponding to technical assessment performed by an external panel, 20% to the Board of Directors (BD), taking into account the project's strategic relevance in the region, and 10% to the Technical Administrative Secretariat (TAS), based on the quality of the project's administrative and financial management. The external panel will review achieved results and issue a recommendation to the BD for consideration. The winning project will be announced during the Project Technical Follow-up Workshop, an occasion where the BD may also grant a special award.

Subsection III. Procedures related to knowledge management, communications, and dissemination of results

57. **General aspects and knowledge products.** The Executing Agency and co-executors must document completely, integrally, and systematically all information, knowledge, and results generated by the project. To this end, the project manager (Technical Leader) must comply with provisions established in the Instruction Manual for Knowledge Management, Communication, and Dissemination of Project Results, available on the FONTAGRO website, which establishes guidelines for the preparation, delivery, and schedule of products committed in the agreement. Likewise, all projects financed by FONTAGRO must prepare mandatory knowledge products defined in each project, ensuring compliance with intellectual property and visibility rules established by FONTAGRO and, when applicable, sponsors and donors, according to the cited Instruction Manual.

58. **Knowledge Products.** All projects must prepare and deliver knowledge products committed in the result matrix, complying with intellectual property and visibility rules established by the institution, as well as provisions in the Instruction Manual for Knowledge Management, Communication, and Dissemination of Results. Products include **scientific publications** (articles in technical or scientific journals, which must be sent in their final version together with reference data), **dissemination publications** (in technical note, monograph, or book format, intended to systematize results, methodologies, diagnoses, or lessons learned, workshop proceedings), and **databases** generated during the project life (which must be delivered in an accessible format and accompanied by an explanatory document). All products must be presented in final content editing quality to the Technical Administrative Secretariat (TAS), which may review them and request adjustments before definitive approval, after which they will be published on the FONTAGRO and sponsor websites, as part of the transparency, visibility, and access strategy to generated knowledge.

59. **Technical endorsement of official final product delivery.** To guarantee the quality and validity of final products delivered to the Secretariat, it is mandatory that these have an institutional technical endorsement. Said endorsement must be sent via official note signed by the legal representative of the project Executing Agency (or substitute), which grants formal and institutional backing that products meet required quality and technical relevance standards. In cases where the institution does not have this internal mechanism available, the corresponding review modality will be coordinated with the FONTAGRO Technical Administrative Secretariat (TAS). Costs associated with this review will be borne by the project.

60. **Product and result matrix, impact evaluation, and potential scaling.** Projects must deliver to the TAS, according to the established schedule, products and results committed in agreements, in final version and under official notification from corresponding authorities. To this end, each project must respond to two management instruments: (i) the ***Logical Framework Matrix (or similar agreed under Theory of Change)***, containing objectively verifiable indicators demonstrating result compliance; and (ii) the ***Product Matrix***, detailing concrete deliverables of technical-scientific character and visibility, such as scientific publications, technical dissemination publications, databases, and other products derived from executed activities. Both instruments are complementary and constitute the basis for verification and validation of progress and impacts generated by each project. It is mandatory that publications and other deliverables reflect results of implemented scientific-technical activities, supported by **quantitative indicators, statistical analyses, or other objective metrics** allowing demonstration of expected result achievement. In this way, the potential impact of generated knowledge and/or validated technologies within the project framework can be established ex-ante. Additionally, FONTAGRO has established the need to measure the **impact of developed technologies**, aiming to analyze their scaling potential and associated technological business models. Consequently, it is indispensable that each project presents robust quantitative indicators allowing objective evaluation of results and their projection beyond the project scope.

61. **Dissemination products.** All FONTAGRO projects must prepare and deliver communication and visibility products, mandatorily using **FONTAGRO's digital knowledge and communication management platform, in Spanish and English**, from which each project's microsite and webstory (used in presentations to the Board of

Directors and other agencies) are completed, and where **FONTAGRO Tech** and the institutional poster are automatically generated. Among **mandatory products** are included: i) a microsite page on the FONTAGRO portal, centralizing project information; ii) blog entries and news to divulge progress, milestones, and events; iii) an annual webstory, combining graphics, photos, videos, indicators, and other results in interactive format; iv) a documentary video per project; v) **FONTAGRO Tech**, summarizing achievements and impacts; vi) a poster; vii) database update of results with logical framework indicators and result matrix; viii) photographic record of dissemination and training activities; and xi) **Annual Technical Follow-up Reports (ISTA)**, in the format established by the Secretariat. Greater detail on dissemination products and their instructions is presented in the Knowledge Management and Communication Manual.

62. **FONTAGRO visibility and communications plan.** The Executing Agency must adopt all necessary measures to guarantee adequate visibility of FONTAGRO, donors, and all participating institutions in the project. To this end, it undertakes to recognize their support in all documents, dissemination materials, events, conferences, seminars, training, and any dealing with media. Any publication resulting from the project, whatever its form, support, or co-financing source, must: (i) include the FONTAGRO logo together with that of sponsors or co-financers if applicable; and (ii) contain the following legend: ***"This document has been produced with financial support from FONTAGRO and the agency [agency name]. The opinions expressed in this publication are exclusively those of the authors and do not necessarily reflect the point of view of FONTAGRO, its Board of Directors, nor the countries it represents."*** Likewise, the Executing Agency will have the obligation to display the FONTAGRO and other donor agency logos in all internal and external presentations linked to the project. To guarantee correct use of institutional identity, it must request the approved logo version and other visibility elements from the TAS, which must also be distributed to co-executors.

Subsection IV. Procedures related to the management of intellectual property rights

63. **Image Use Rights and Intellectual Property.** It is of **mandatory character** that Executing Agencies and co-executors manage and send to FONTAGRO the **Authorization Format for Use of Image and Intellectual Property Rights**, duly signed by corresponding persons or institutions. This requirement constitutes an **indispensable and unavoidable** condition for the use of photographs, videos, images of persons (safeguarding their data and personal information), and other materials in project communication, dissemination, and visibility products. In the absence of said format, such materials **may not be published, reproduced, nor disseminated** by any means. The official format is available on the FONTAGRO website, within institutional instructions.

64. The purpose of FONTAGRO is to finance and co-finance regional research, development, and innovation projects oriented toward increasing agricultural sector competitiveness, reducing poverty, and promoting sustainable natural resource management in Latin America and the Caribbean. These projects seek, as a result, the generation of new knowledge, information, and technologies benefiting producers and scientists of the region, which will be diffused through knowledge and dissemination products. In this framework, FONTAGRO co-finances the creation of **regional public goods**, understood as those results, technologies, and solutions that, by nature, have scope and benefit beyond one country, contributing to strengthening regional cooperation and development. Currently, legal mechanisms for implementing operations financed or co-financed by FONTAGRO are: (i) the conclusion of Technical Cooperation Agreements and (ii) Contracts for Provision of Consulting Services. In both cases, the Inter-American Development Bank (IDB) has standardized regulations regarding intellectual property, detailed below:

Regarding Technical Cooperations:

i. The Parties will agree that all information resulting from the Project financed with FONTAGRO resources will be for free dissemination and use. Exceptionally, and in the case that protection of products financed with FONTAGRO resources is recommended to fulfill FONTAGRO's mission, the Bank may allow said protection.

ii. In case Project products financed totally or partially with FONTAGRO resources are protected via copyright, the Bank, as FONTAGRO administrator, will be the holder of said rights, who, in turn, will place them in the public domain. In any case, the integrity of the work will be respected, and the name of its authors will be recognized. Unless the Bank provides otherwise, at least FONTAGRO member countries (or their designated public institutions), the Executing Agency, Co-executing Organizations, and Project co-financers will have the right to use (including publication and distribution by any means) said products for non-commercial purposes, for an unlimited term and free of charge, but will not have the right to grant sublicenses. Given the free and non-commercial character of this authorization, by simply using the products, User/s accept that: (i) the Bank assumes no risk nor grants any warranty (including any warranty on non-violation of copyright), nor accepts any responsibility for product content, or for any damage or claim that may arise as a consequence of their use; (ii) they undertake to assume all responsibility for any claim that might arise by virtue of this use authorization; and (iii) in the eventual case that such claim is directed against the Bank, User(s) must indemnify the Bank for any expense or cost the Bank might incur to defend itself or negotiate a termination of such claim.

iii. In the case where Project products financed totally or partially with FONTAGRO resources are or may be protectable via patents or other industrial property rights, including plant varieties, the Executing Agency, upon prior written authorization from the Bank, may directly obtain legal protection of said rights in its own name, in accordance with the legislation of the country where operations take place and can enforce said rights, but must grant, at the moment so requested, a free, irrevocable license, for an indefinite term, for the enjoyment of said rights in the broadest possible form, although without right to sublicense, to FONTAGRO member countries (or public institutions they designate), to the Bank, and to the Inter-American Institute for Cooperation on Agriculture. The Executing Agency is obliged (and will ensure that Co-executing Organizations undertake) to defend and indemnify Licensees in case of lawsuits or any claim related to the violation of third-party rights that may result from the granting or use of the license granted to Licensees.

iv. In cases provided for in the previous paragraph, the Executing Agency may request the Bank that publications related to Project products financed totally or partially with FONTAGRO resources be delayed for a determined period, so that respective patent applications or other industrial property rights, including plant varieties, are filed before the Bank carries out the respective publication. Unless the Bank authorizes otherwise in writing, this period may not exceed six (6) months counted from the date the Bank receives said request.

v. Without prejudice to what is indicated above, in case of eventual commercialization of any products (or rights over said products) financed totally or partially with FONTAGRO resources, the Executing Agency undertakes (and will ensure that Co-executing Organizations undertake) to sign written agreements guaranteeing fair and equitable distribution of those economic revenues between itself and Project participants, taking into account the degree of participation and intellectual and financial contribution of each of them, as well as from other sources.

vi. The Executing Agency undertakes (and will ensure that Co-executing Organizations undertake) to mention FONTAGRO's financial contribution in any type of disclosure of Project products financed with FONTAGRO resources.

vii. Any publication emanating from the Project, whatever its form and support, must include the FONTAGRO logo and the following mention: "This document has been produced with financial support from FONTAGRO. The opinions expressed in this publication are exclusively those of the authors and do not necessarily reflect the point of view of FONTAGRO, its Board of Directors, the Bank, its Sponsoring Institutions, nor the countries it represents."

Consulting Contracts:

i. The parties will agree that all reports, studies, plans, drawings, source code, technical data, specifications, deliverables, and any other material prepared by or used by the Consulting Firm exclusively for the Bank by virtue of the Contract, are sole and exclusive property of the Bank, and as such, the Bank has title, rights (including copyright), and exclusive interests over the ownership of said works.

ii. If copyrights of a Work cannot be assigned under applicable laws, the Consulting Firm, through the Contract, grants the Bank an exclusive, worldwide, free, perpetual, and irrevocable license, with the right to sub-license, for unlimited use in any medium or format currently existing or subsequently developed.

iii. The Bank may copy, reproduce, distribute, disseminate, publish, and/or exhibit Works in any medium or format currently existing or subsequently developed, in any publication, webpage, blog, catalog, event, exhibition, archive, and in any Bank material. Additionally, the Bank may sub-license Works to third parties.

iv. The Bank may also (i) edit, modify, and translate Works, in whole or in part; (ii) create derivative works from Works, in whole or in part; (iii) generate new works; and (iv) improve already existing Bank works; in which case said new works, or the improvement of existing ones, will be exclusive property of the Bank.

v. The Consulting Firm (i) may not make use of Works without prior written authorization from the Bank and (ii) will retain ownership and/or control of all other works and/or information that have been its property, or over which a license has been granted to it before entering into this Contract.

vi. The Consulting Firm declares and warrants that (i) it possesses full right, power, and authority to comply with obligations stipulated herein; (ii) Works are the original product of its work and creation or at least that it possesses sufficient rights to assign rights provided herein; (iii) no type of claim, complaint, grievance, action, or lawsuit exists on the part of third parties regarding copyright infringement of Works; and (iv) it will release and indemnify the Bank, its staff, and/or consultants, as applicable, from/for any claim, complaint, grievance, action, loss, lawsuit, obligation, damage, contingency, cost, and/or expense including, without limitation, attorney fees, that could be initiated against the Bank, its staff, and/or consultants, for the use and exploitation of rights assigned and transferred and licensed to the Bank and that might have been assigned, transferred, and licensed in violation of third-party rights, or that might arise from inaccuracy, as well as actual or apparent violation of any declaration or warranty made under the present Contract or in Works.

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