

SUMMARY OF THE PROJECT IN DESIGN * (*)

Cultivating Prosperity: Harnessing AI for Resilient Farming Communities

PITCH ELIGIBILITY DATE		COUNTRY(IES)
02/08/2024		Peru
ALIGNED WITH COUNTRY STRATEGY?		
Yes		
PARTNER(S)		
Producers Direct		
PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT		
N/A (**)		
TOTAL BUDGET	IDB Lab	LOCAL COUNTERPART AND COFINANCING
US 1,064,383	US 800,000	US 264,383
DESCRIPTION		

The problem Smallholder farmers in Peru face climate change impacts that reduce their sugarcane and coffee yields and incomes. They lack access to soil and crop data and information that could help them optimize and adapt their farming practices. Existing agricultural technology solutions are not suitable, scalable, or affordable for them. They need co-designed, tailored, and accessible solutions that address their specific challenges.

The solution The project integrates Croppie and Sagri's, two digital solutions that use data and artificial intelligence to provide soil and crop information and advice to smallholder farmers. Croppie is a platform developed by Producers Direct, a non-profit organization that co-designs solutions with farmers. Sagri is a Japanese startup that uses satellite data to generate soil and crop data. The project will deliver soil analysis, crop monitoring, yield estimation, and agronomic and financial tips to 2,689 sugarcane and coffee farmers from the Norandino Cooperative in Piura, Peru, enhancing their decision-making, profitability, and resilience.

The beneficiaries The project will benefit 2,689 sugarcane and coffee farmers (500 female) in Piura, Peru, who will receive data and advice to improve their farms. It will also benefit the Norandino Cooperative, the local communities, and the environment through increased productivity, income, food security, and climate-smart practices.

The partner Producers Direct is a non-profit organization that works with producer organizations in Africa, Latin America, and the Caribbean to co-design solutions for farmers. It has experience and networks in Peru and is implementing a similar project funded by IDB Lab. It will subgrant Sagri, a Japanese startup that uses AI and satellite data for soil and crop analysis.

The IDB Lab's contribution The IDB Lab will provide non-reimbursable support of US\$800,000 from the Japan Enhanced Initiative for Quality Infrastructure, Resilience against Disaster and Health (JEI) to support the project activities, leveraging the expertise and networks of the IDB Group, Japan International Cooperation Agency (JICA) and other partners. The executing agency or any other partners will provide the remaining US\$264,383 (cash and in-kind) as a local counterpart funding.

*The information mentioned in this document is indicative and may be altered throughout the project cycle prior to approval. This document does not guarantee approval of the project.

**The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)'s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI's portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI's portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.

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