

 Early Warning System

IADB-RG-T2714

Support Risk Management for Value Chain in LAC



## Quick Facts

<b>Financial Institutions</b>	Inter-American Development Bank (IADB)
<b>Status</b>	Active
<b>Bank Risk Rating</b>	U
<b>Voting Date</b>	2016-05-04
<b>Investment Type(s)</b>	Advisory Services
<b>Investment Amount (USD)</b>	\$ 0.20 million
<b>Project Cost (USD)</b>	\$ 0.20 million



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## **Project Description**

In order to increase the productivity of agricultural value chains and reduce food losses due to deficiencies in production processes, the countries of the Region have requested the Bank for technical cooperation resources for the design of comprehensive risk management strategies for such chains. The specific objectives of the technical cooperation are: (i) to develop a methodology to support the Development Banks (BD) and the agencies specialized in the design of such strategies, including the identification of financial and non-financial instruments for the management of risks in value chains; and (ii) test and finalize the methodology through a pilot project in two countries.

The pilot project seeks to define a future methodology replicable in other countries and sectors. One of the countries selected for the testing of the methodology is Mexico. Through CLIPP ME-X1021, the Bank is working with that country to promote investments that increase the productivity of the rural sector and agroindustrial value chains, in turn to improve growth and food security. At present, the Bank is designing the second loan under the line (ME-L1190), with focus on such chains. The Executing Agency of the operation (Institutional Trusts in Relation to Agriculture - FIRA) has requested technical support from the Bank for the development of an integrated risk management strategy in agroindustrial chains that will allow them to: (i) identify financing needs and technical assistance along the chains; and (ii) structuring projects that combine the right products to meet those needs. This information will be used as input in the study of demand for financial and non-financial products of FIRA. With the interest of other countries in the Region, the second country for testing will be defined according to the development of the loan portfolio.



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**Investment Description**

- Inter-American Development Bank (IADB)



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## Contact Information

### ACCOUNTABILITY MECHANISM OF IADB

The Independent Consultation and Investigation Mechanism (MICI) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an Inter-American Development Bank (IDB) or Inter-American Investment Corporation (IIC)-funded project. If you submit a complaint to MICI, they may assist you in addressing the problems you raised through a dispute-resolution process with those implementing the project and/or through an investigation to assess whether the IDB or IIC is following its own policies for preventing or mitigating harm to people or the environment. You can submit a complaint by sending an email to [MICI@iadb.org](mailto:MICI@iadb.org). You can learn more about the MICI and how to file a complaint at <http://www.iadb.org/en/mici/mici,1752.html> (in English) or <http://www.iadb.org/es/mici/mici,1752.html> (Spanish).



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**Bank Documents**

- [Regional. Apoyo a la Gestion de Riesgos en Cadenas de Valor en ALC \(RG-T2714\) - Documento de Ap](#) [Original Source]