2027

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 decision 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 the new operating model described in Section II of this Operations Manual. In this context, FONTAGRO is in a transition phase regarding its operation. Therefore, future decisions by the Board of Directors and the sponsors may modify or adjust the provisions of Sections I and II of this Operations Manual, as well as other operational aspects related to the projects financed by the Fund.

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), the Agriculture and Rural Development Division (ARD) and the Legal Department; as well as that of 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 participating institutions 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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ELECTRONIC LINKS

FONTAGRO
Link to institutional documents: FONTAGRO - Documents Link to Policies and formats: FONTAGRO – Toolkit

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 (MTP), with a duration of five years.

2. The **target population** of FONTAGRO 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 Fund 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. Consortia are composed of an executing agency, co-executing agencies, and optionally, associated organizations, as detailed below:

    i. **Executing agency**. The Inter-American Institute for Cooperation on Agriculture (IICA), an international organization specialized in agriculture within the Inter-American System, established under public international law and headquartered and registered in the Republic of Costa Rica, shall act as the **Executing Agency** for all projects financed by FONTAGRO. Under this arrangement, the Inter-American Development Bank (IDB) will transfer financial resources to IICA, at the request of the FONTAGRO Board of Directors, within the framework of a financial management model for the execution of the Fund's operations. This provision is adopted in accordance with the Minutes of the XXII Extraordinary Meeting of FONTAGRO held on July 2 and 4, 2025 (Item 5, numeral i), and the Minutes of the XXIX Annual Meeting held from October 7 to 9, 2025 (Item III).

    ii. **Co-executing agency.** The public or private institution of a FONTAGRO member country that participates as co-responsible for the technical and/or financial execution of the project. The co-executor must meet the required technical, legal and financial capacities and execute the activities corresponding to it according to the agreed schedule. To formalize this relationship, the executing agency (IICA) and the co-

executors must sign a single co-execution agreement establishing relevant provisions, terms, and conditions. 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, subject to acceptance by IICA and/or the IDB as applicable, must 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. All organizations must have legal personality.

1.2 OPERATING MODEL

10. **Operational, financial, and technical management model.** As part of this new operating model, the TAS will prepare a co-execution agreement for each project, which must be signed by each participating co-executing institution. Through this agreement, the transfer of in-kind contributions (goods, inputs, services, or other necessary resources) or, exceptionally, cash contributions subject to approval by the BD, will be formalized in accordance with the approved Procurement Plan or any subsequent modifications thereto. The centralized administration of funds will be carried out by IICA Headquarters in Costa Rica, from which resources will be transferred to IICA Country Offices or to co-executing institutions authorized by the BD for the implementation of procurement processes, contracting, and other related operational activities.

11. **Roles.** IICA will be responsible for the financial administration and technical management of the projects. The TAS will be responsible for monitoring and overseeing the administrative, financial, and technical implementation throughout the project lifecycle. Co-executing institutions will be responsible for implementing technical activities in each country. Among the co-executors, a technical lead will be designated, who will be responsible for overall technical coordination and the timely delivery of the project's committed outputs and results. The roles are described in greater detail below:

    i. IICA will administer the funds transferred by the IDB and will transfer to co-executing institutions the resources required, in cash or in kind, for the implementation of activities included in the approved work plan. In exceptional cases, the BD may authorize the transfer of cash to a co-executor, provided that its legal, administrative, and fiduciary background supports such authorization. For this administration, IICA may charge an Indirect Cost Recovery (ICR) fee of up to 8.1% applicable to all FONTAGRO projects. Charges associated with the ***Reasonable Assurance Engagement on Expenditures*** and contingency funds will not be subject to ICR, as these items are administered directly by the TAS and do not require the involvement of IICA offices. However, if contingency funds are used, the ICR will apply to such expenditures.

    ii. ***Audit and reasonable assurance.*** IICA, with support from the TAS, will be responsible for contracting Independent Audit Firms (IAFs) to verify the eligibility of expenditures and to carry out the ***Reasonable Assurance Engagement on Expenditures***, in accordance **with the International Standard on Assurance Engagements (ISAE 3000).**

    iii. **IICA country offices.** IICA country offices will be exclusively responsible for implementing the project procurement plan, in accordance with IICA policies and regulations and the applicable FONTAGRO Operations Manual (OM), as well as for maintaining proper documentation of expenditures. The procurement of goods and contracting of services will be managed directly by IICA, in accordance with the IICA Manual for the Procurement of Goods and Contracting of Services and the current FONTAGRO OM.

    iv. **FONTAGRO TAS.** The TAS will be responsible for: i) preparing the final project document, including its budget and procurement plan; ii) preparing the technical co-execution agreement; iii) preparing and processing disbursement requests; iv) monitoring administrative, financial, and technical project execution; v) preparing the documentation required to support the Reasonable Assurance Engagement

on Expenditures; vi) handling requests for budget adjustments, extensions, and other required modifications; vii) managing project closure; viii) preparing reports; and ix) updating the applicable IICA and FONTAGRO information systems.

v. **Co-executing institutions.** Co-executing institutions will be responsible for implementing project activities and delivering the agreed outputs and results according to the schedule. One of the co-executing institutions will assume the role of lead institution, with responsibility for overall coordination, technical implementation across participating countries, compliance with the delivery of outputs and results, and updating the FONTAGRO Digital Project Management Platform.

12. **Technical Cooperation Documents.** All projects financed by FONTAGRO must be structured in accordance with the technical cooperation document format established in this Manual, adhering to its sections, expenditure categories, and maximum allowable amounts defined for each category.

13. **Execution periods.** The technical execution period of each project shall not exceed forty-two (42) months. The disbursement period may extend up to forty-eight (48) months. Exceptionally, a single extension of up to twelve (12) months may be granted, with no possibility of further extensions.

    i. **Disbursements.** The first disbursement will be made once the procedures and conditions established in this Manual and in the corresponding agreement have been fulfilled. The second and subsequent disbursements will be made only when at least eighty percent (80%) of previously disbursed funds has been executed, considering the project as a whole; the corresponding Annual Technical Follow-up Report (ISTA) has been submitted; and the outputs committed for the immediately preceding period have been delivered. Disbursements in subsequent years will follow the same mechanism. No later than November 30 of each year, the project team must submit to the TAS the updated Annual Operating Plan (AOP) and Procurement Plan (PP) as a condition for processing the disbursement request for the following year. Disbursement requests will be processed exclusively between January and March of each year.

    ii. **Exchange rate.** The applicable exchange rate will be that in effect on the date on which IICA or any delegated entity makes the payment to the corresponding supplier, contractor, or beneficiary, as well as for in-kind counterpart contributions.

    iii. **Deliverables.** During the execution period, co-executing institutions must submit to the TAS the committed outputs and results, the ISTAs at the end of each semester, and the Final Technical Report upon project completion. The TAS will consolidate all reports and submit them to IICA within the established timelines. These outputs will be recorded in the FONTAGRO Digital Project Management Platform.

    iv. **Reasonable Assurance of Expenditure Execution.** From the outset of the project, IICA will contract an Independent Audit Firm (IAF) (the IDB-authorized list for Costa Rica may be used as a reference) to carry out the ***Reasonable Assurance Engagement on Project Expenditures***. This engagement will cover all managed funds, including contributions from FONTAGRO, other donors, and local counterpart contributions. During project implementation, the TAS will annually compile the financial reports with reasonable assurance, duly audited and issued by the IAF, corresponding to cumulative expenditures as of December 31 of each year. These reports must be submitted between January and March of the following year. In addition, the audited Final Financial Report must be submitted within ninety (90) days after the close of the disbursement period. All such reports will be submitted by the FONTAGRO TAS to IICA.

    v. **Project Closure.** The closure of each technical cooperation project will be formalized through a ***Closing Memorandum*** prepared by the TAS and submitted to IICA and the IDB. This Memorandum must include, at a minimum: i) the consolidated detail of the use of funds executed throughout the project lifecycle, including final reconciliations and, where applicable, the balance to be reimbursed to the IDB in the FONTAGRO account; ii) the Final Reasonable Assurance Report on Expenditure Execution prepared by the Independent Audit Firm in accordance with the terms and timelines established in this Manual; and

iii) the complete, validated, and systematized list of outputs, deliverables, and results committed and effectively submitted by all co-executing institutions. Upon issuance of the Closing Memorandum and its acceptance by the TAS, IICA, and the IDB, the technical and financial execution of the project shall be considered formally completed.

vi. **Institutional safeguards and eligibility.** IICA shall retain at all times the right to object to, reject, or refrain from entering into execution agreements, agreements, contracts, or any other operational instrument with institutions that, in accordance with its internal policies, are debarred, sanctioned, objected, under investigation, or present legal, financial, reputational, or integrity risks that may affect proper project execution or compromise managed resources. In such cases, IICA will promptly inform the FONTAGRO TAS of the reasons supporting such objection, so that the TAS may assess and propose the appropriate measures, including the identification of an alternative institution that meets the applicable eligibility requirements and institutional safeguards.

1.3 CO-FINANCING MECHANISMS AND PROJECT PRESENTATION FORMATS

14. **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**.

15. **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.

16. **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 a co-executing agency, 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.

17. **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.

1.3.1 CALLS FOR PROPOSALS

18. **General Considerations.** Calls for proposals correspond to invitations to submit projects in accordance with the Terms of Reference (TOR) established for each annual cycle. 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 strong articulation at the technical, financial, and institutional levels among the organizations and countries participating in the consortium, as well as a high likelihood of beneficiary uptake of results and their scaling at local and regional levels. Selected projects will be publicly announced on the FONTAGRO website and communicated individually through an official memorandum. Projects that are not selected may request

information on their evaluation up to thirty (30) days after the official results are published. To strengthen capacities in the preparation of competitive proposals, FONTAGRO regularly provides virtual training.

19. **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.

20. **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 regionality). 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.

21. **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.

22. **Eligibility and evaluation criteria.** Project evaluation begins with the verification of formal eligibility criteria, which include legality, term, amount, and regionality. 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 any of the co-executing agencies do not meet the technical, legal and fiduciary requirements necessary to manage operations, the project will be disqualified, and if approved by the Board of Directors (BD), its financing will be canceled.

23. **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 IICA, in its capacity as Executing Agency. Applicant institutions must not have outstanding audit expense justifications, pending 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 financing 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 TO THE MTP		The evaluation panel must verify that the proposal submitted corresponds to the respective Flagship Program and action area, and that the outcome and impact indicators in Annex I and Annex II of the current MTP are identified.
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. The project must include the applicable corporate and flagship program indicators, in accordance with the current Medium-Term Plan (MTP).
	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. The MTP includes two groups of indicators: i) FONTAGRO corporate indicators, and ii) indicators corresponding to the relevant Flagship Program. Both groups of indicators must be included in the project's results framework, in addition to any project-specific indicators. 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.** The project must demonstrate the diversity and technical complementarity of participating institutions, including the participation of private actors when applicable. Likewise, it must clearly describe the governance mechanism established among consortium members, specifying roles, responsibilities, and dedication times to achieve proposed objectives.

		b. Institutional and participant capacities. The project must present information on institutional experience in project implementation, especially in the proposed research topic. It must 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. The project must also provide a link to relevant publications demonstrating this experience.
		c. Verify that the technical leads of the consortium are not currently leading another FONTAGRO project simultaneously. If this is found to be the case, the project will be disqualified.
		d. Verify whether the projects are complementary to, or overlap with, those currently active in the FONTAGRO portfolio.
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.

1.3.2 PROJECTS BY CONSENSUS AND OTHER INITIATIVES

24. **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.

25. **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.

26. **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 during its meetings, whether held in person or virtually. 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.

1.3.3 OTHER INITIATIVES - INNOVATION SUCCESSFUL CASES CONTEST

27. **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.

28. **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.

29. **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.

30. **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.

31. **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.

32. **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.

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

33. **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.

34. **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 in which financing was granted.

35. **Role of co-executors (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.

36. **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 co-executing agency in the role of technical lead 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

37. **General considerations.** 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. As of July 4, 2025, technical cooperation projects authorized by the FONTAGRO Board of Directors will be executed through the **Inter-American Institute for Cooperation on Agriculture (IICA)**, in accordance with the decision adopted by that body in the Minutes of the XXII Extraordinary Meeting held on July 2 and 4, 2025 (Item 5, numeral i), and ratified in the Minutes of the XXIX Annual Meeting held from October 7 to 9, 2025 (Item III). Within this framework, projects authorized for financing must comply with the provisions of IICA policies and of this Manual.

38. During Project execution, new entities may also be incorporated, provided that the Executing Agency, IICA, obtains FONTAGRO's written non-objection and confirms that the new entity has the technical, legal, and financial capacity to participate in the Project. The new entity may participate in the Project as: (i) a Co-executing Organization, in which case the Executing Agency must sign with the new entity an amendment to the existing Co-execution Agreement, as established, including the activities and responsibilities that the new entity will assume during Project execution and, where applicable, the provisions to secure the contribution it will make to the Project; or (ii) an Associated Organization, in which case the Executing Agency must notify the new entity in writing of the main terms and conditions of the Agreement and, where applicable, the instructions to secure the contribution it will make to the Project.

39. **Institutional capacity analysis of co-executing and associated agencies.** During the design of the project's governance structure, the technical, legal, administrative, accounting, and financial teams of the co-executing institutions must provide an assessment of any potential constraints that could affect implementation in each country. This analysis must consider, among other aspects, the proposed project procurement plan; the existence of taxes, fees, or other charges applicable to international transfers; the robustness of internal administrative and audit systems; as well as any other fiduciary or tax-related aspects that may pose a risk to project implementation at the regional level among participating entities.

1.5 STAGES OF THE OPERATIONS MANAGEMENT PROCESS

40. **Official project registration.** Once co-financing has been approved and the final version of the project (Word and Excel formats) is available, the Technical Administrative Secretariat (TAS) will carry out the necessary internal procedures for the preparation of the applicable co-execution agreement and will proceed with registration in the IICA institutional system. The co-execution agreement format is pre-established and no modifications will be accepted. If, during this stage, a co-executing institution indicates that it is unable to comply with the requirements of the co-execution agreement, the project may be canceled.

41. **Operational and financial management.** As part of this model, the TAS will prepare a "single" co-execution agreement, which must be signed by each co-executing institution. Through this agreement, the transfer of in-kind contributions (goods, inputs, services, or other necessary resources) or, exceptionally, cash contributions subject to approval by the Board of Directors (BD), will be formalized in accordance with the approved Procurement Plan or any subsequent modifications thereto. The centralized administration of funds will be carried out by IICA Headquarters in Costa Rica, from which resources will be transferred to IICA Country Offices or to co-executing institutions authorized by the BD for the execution of procurement processes, contracting, and other related operational activities.

42. **Disbursements.** The first disbursement will be made once the following conditions precedent have been met: (i) the corresponding co-execution agreement, duly signed; (ii) a letter identifying the specific project bank account for managing the contribution resources; (iii) a letter designating the officials authorized to represent the signatory of the agreement in all acts related to project execution; and (iv) the first-year Annual Operating Plan (AOP) and Procurement Plan (PP), approved by FONTAGRO. The Executing Agency must meet the

conditions precedent within 30 calendar days from the entry into force of the Agreement. IICA, with the agreement of the TAS, may grant a single extension of up to 30 calendar days at the substantiated request of the Executing Agency, submitted before that period expires. If the original period or, where applicable, its extension expires without these conditions having been met, IICA may terminate the co-execution agreement by written notice to the Parties, with a copy to the FONTAGRO TAS, and the Contribution resources allocated to the Project will be canceled and made available to FONTAGRO. Such termination will not create any obligation for IICA or FONTAGRO with respect to expenses or commitments assumed by the Parties. The second and subsequent disbursements will be made only when at least eighty percent (80%) of previously disbursed funds have been executed, considering the project as a whole; the corresponding Annual Technical Follow-up Report (ISTA) has been submitted; and the outputs committed for the immediately preceding period have been delivered. Disbursements in subsequent years will follow the same mechanism. No later than **November 30 of each year**, the project team must submit to the TAS the updated Annual Operating Plan (AOP) and Procurement Plan (PP) as a condition for processing the disbursement request for the following year. The approved amount must correspond to what is established in the submitted AOP and PP. Disbursement requests will be processed exclusively between January and March of each year, and, exceptionally, up to two disbursements per year may be made, provided that the outputs committed under the project schedule have been delivered. In the event that activities from the previous year have not been implemented and have associated available balances, these will be automatically carried over to the AOP and PP of the following year, ensuring continuity and proper project execution. The final disbursement will correspond to up to ten percent (10%) of the total project budget and will require justification of its necessity. Its authorization will be subject to approval by the Secretariat of the Final Technical Report and the Final Financial Report, which must mandatorily include expenditures associated with external audit services.

43. **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 must 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 the policies and legal provisions of the co-execution agreement, 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 IICA and 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.

44. **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 60% for expenses in consultants; up to 30% for goods and services; up to 30% for travel and per diem; up to 40% for materials and inputs; up to 30% for training activities; up to 30% for knowledge management; up to 8.1% for Indirect Cost Recovery (ICR) by IICA; up to 5% for contingencies; and up to 5% for the Reasonable Assurance Report on Project Expenditure Execution carried out by an Independent Audit Firm (IAF) preselected by IICA. For each expenditure category, the maximum limits established in this paragraph must not be exceeded.

45. **Eligible expense categories.** Eligible expenditures, whether financed through FONTAGRO co-financing or counterpart contributions, shall include the following categories: consultants, goods and services, travel and per diem, materials and supplies, training activities, knowledge management and communications, IICA Indirect

Cost Recovery (ICR), contingencies, and the Reasonable Assurance Engagement on Expenditures. IICA policies[1] must be complied with at all times, including any updates or applicable complementary regulations.

i. **Consultants and personnel.** This category contemplates the hiring of individual consultants or consulting firms. The Terms of Reference must be prepared using the official templates and must describe, verbatim and precisely, the activities and deliverables envisaged under the project. In the case of counterpart contributions, the salaries and wages of personnel from participating institutions will be recorded under this category.

ii. **Goods and services.** This category comprises the procurement of goods and services linked to the project Procurement Plan. 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 formal and official 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 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 co-executing agencies, 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. **Indirect Cost Recovery (ICR).** IICA will charge an ICR fee of up to 8.1% on the total amount of expenditures effectively incurred, with the exception of charges associated with the Reasonable Assurance Engagement on Expenditures and contingencies, provided that the latter do not become eligible expenditures, in which case the 8.1% ICR will apply. This is applicable to all FONTAGRO projects.

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 prior non-objection from the Technical Administrative Secretariat (TAS). Such

[1] IICA Manual for the Procurement of Goods and Contracting of Services, August 2021: https://repositorio.iica.int/server/api/core/bitstreams/7047a03a-c785-45b5-80ac-0ab57576abc4/content

reallocations must be reflected in the Annual Operating Plan (AOP) corresponding to the year in which the expenditures are recorded.

46. **Report on reasonable assurance of project expense execution.** IICA, with support from the Technical Administrative Secretariat (TAS), will be responsible for contracting Independent Audit Firms (IAFs) to verify the eligibility of expenditures and to carry out the ***Reasonable Assurance Engagement on Expenditures***, in accordance with the International Standard on Assurance Engagements (ISAE 3000). From the outset of the project, IICA will contract an Independent Audit Firm (IAF) to conduct the Reasonable Assurance Engagement on Project Expenditure Execution. This engagement will cover all funds administered, including contributions from FONTAGRO, other donors, and local counterpart contributions. During the project lifecycle, the TAS will annually compile the financial reports with reasonable assurance, duly audited and issued by the IAF, corresponding to cumulative expenditures as of December 31 of each year. These reports must be submitted between January and March of the following year. In addition, the audited Final Financial Report must be submitted within ninety (90) days after the close of the disbursement period. All such reports will be submitted by the FONTAGRO TAS to IICA. The assurance engagement does not require in-person visits to project sites; rather, it is expected that the necessary information will be provided through electronic means. The TAS will complement this report with the status of delivery and approval of the committed final outputs.

47. **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.

48. **Project closure and return of unused funds.** The closure of each technical cooperation project will be formalized through the issuance of a **Closing Memorandum**, prepared by the TAS and submitted to IICA and the IDB. This document must include, at a minimum: i) the consolidated detail of the project's financial execution throughout its entire duration, including the corresponding final reconciliations; ii) the Final Reasonable Assurance Report on Project Expenditure Execution, issued by an Independent Audit Firm in accordance with the terms, conditions, and timelines established in this Manual; and iii) the consolidated, validated, and systematized list of outputs, deliverables, and results committed and effectively submitted by the co-executing institutions. Any resources allocated to the project that, at the time of closure, have not been used or are identified as ineligible must be reimbursed to the IDB through IICA, in accordance with the applicable financial procedures. Once the Closing Memorandum has been issued and its acceptance has been granted by the TAS, IICA, and the IDB, the technical and financial execution of the project shall be considered formally completed.

1.6 PROJECT EXECUTION, MONITORING, AND CLOSING [2] [3]

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

    i. **Pre-Execution (From approval of financing to the signing of the co-execution agreement).** This stage begins with the approval of the project by the Board of Directors and extends until the signing of the agreement between IICA and the co-executing institutions. Its estimated duration is six months, with the possibility of a single extension of a similar period in duly justified cases. During this period, the consortium must complete institutional eligibility requirements, including submission of bylaws and formal authorization of the signatory to the agreement, preparation of the final version of the project (Word and Excel versions), and preparation of the first-year Annual Operating Plan (AOP) and

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

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

Procurement Plan (PP). If, at the end of this period, the consortium has not met the eligibility requirements, the project may be subject to cancellation.

a. **Signing of co-execution agreements.** For the execution of projects, a **single co-execution agreement will be signed per project** between IICA and the participating co-executing institutions that have legal status and present no legal objections. The co-execution agreement constitutes the legal instrument establishing the framework authorized by IICA for this type of operation and, accordingly, its content may not be modified. This agreement will be prepared by the TAS under the supervision of the IICA Legal Department. The document sets forth the obligations of the parties, as well as the applicable rules and procedures governing procurement, contracting, and project execution. The agreement is structured into two main sections: i) **Special Provisions**, which establish the specific conditions of the operation; and ii) **Annexes**, detailing the technical and operational aspects of the project, including commitment letters and other relevant notifications.

ii. **Execution (From the signing of the co-execution agreement to the date of the final disbursement).** The execution phase begins with the signing of the project's co-execution agreement. This stage includes a period of up to forty-two (42) months for the technical implementation of activities and up to forty-eight (48) months for the financial closure of the project. In exceptional and duly justified cases, a single extension of up to twelve (12) months may be requested, in accordance with the planning set forth in the project's Annual Operating Plan (AOP). Activities are organized into annual cycles running from January 1 to December 31 of each year. For this stage, the following must be considered:

a. **Disbursements.** During the execution phase, disbursements will be made annually. Exceptionally, up to two disbursements per year may be made, provided that the required conditions are met. The **first** disbursement will be made once the procedures and conditions established in this Manual and in the corresponding agreement have been fulfilled. The second and subsequent disbursements will be made only when the following conditions are met: i) **at least eighty percent (80%)** of previously disbursed resources has been executed, considering the project as a whole; ii) the corresponding Annual Technical Follow-up Report (ISTA) has been submitted; and iii) the outputs and results committed for the immediately preceding period have been delivered. Disbursement requests must be processed **exclusively between January and March of each year**. To comply with IICA internal controls, the final disbursement request must be submitted to the TAS at least 60 days prior to the scheduled date of the final disbursement under the agreement, including payment for the external expenditure certification service.

b. **Operational planning.** As a condition for enabling the disbursement request for the following year, the project team must submit to the Technical Administrative Secretariat (TAS), no later than **November 30 of each year**, the Annual Operating Plan (AOP) and the associated Procurement Plan (PP). During project execution, the following reports must be submitted: semiannual financial justifications; Annual Technical Follow-up Report (ISTA), to be submitted in June and November of each year; and the Audited Expenditure Certification Report, which must be submitted before April 30 of each year, covering the immediately preceding calendar year and including cumulative information from the start of the project.

c. **Suspension and cancellation of disbursements for causes attributable to the Parties:** IICA, on its own initiative or upon the recommendation of the FONTAGRO TAS, may, by written notice, suspend all or part of the pending disbursements, or cancel all or part of the undisbursed portion of the Contribution, when any of the following grounds occurs:

i. **Failure to deliver technical outputs.** One or more co-executors fail to deliver the outputs committed in the Product Matrix (Sub-Annex I of Annex I) within the deadlines of the approved schedule, and the delay exceeds six (6) months from the originally scheduled due date, or is recorded in two (2) consecutive Annual Technical Follow-up Reports (ISTA).

ii. **Technical quality deficiencies not remedied after the first request for correction.** The outputs delivered do not meet the quality requirements established in the Technical Cooperation Document (Annex I) with regard to (i) the methodology applied, (ii) data consistency, and (iii) the verifiability of results, as assessed by the FONTAGRO TAS.

iii. **Breach of fiduciary or reporting obligations.** These include failure to submit, in a timely manner, the reasonable assurance reports on expenditures, the annual AOP and PP, or evidence of counterpart contributions, or failure to reimburse expenditures declared ineligible by the External Auditor.

iv. **Institutional changes.** Institutional or organizational changes occur in a co-executor that, in the reasoned judgment of IICA and the FONTAGRO TAS, could affect the timely achievement of the Project objectives.

v. **Other breaches.** Any other breach of the obligations established in the Agreement signed between the Parties or its Annexes.

Before adopting any of these measures, IICA will notify the co-executors and/or the co-executor concerned in writing, with a copy to the FONTAGRO TAS, stating the ground invoked and the corresponding observations. The notified party will have thirty (30) calendar days from receipt of the notice to remedy the breach or to submit its response together with a corrective action plan with specific deadlines. IICA, with the agreement of the TAS, will issue its decision within the following fifteen (15) days. If the breach is not remedied, the plan is rejected, or the approved plan is not fulfilled, IICA may apply the corresponding measure.

Scope. When the ground is attributable to a specific co-executor, the suspension or cancellation will preferably apply to the portion of the Contribution allocated to that co-executor, without affecting the others. While the suspension remains in effect, the condition for the second and subsequent disbursements set out in paragraph 42 of this OM will be assessed without considering the outputs for which the suspended co-executor is responsible. During the suspension, no new commitments may be made against the suspended resources. Commitments made before the notice may be honored, provided they are duly documented. The suspension will be lifted by written communication from IICA once the ground has been remedied. If the suspension remains in effect for more than sixty (60) calendar days, IICA may cancel the affected undisbursed portion. If, exceptionally, a co-executor acts as administrator of the project funds, it must return to IICA any resources not executed or irrevocably committed within thirty (30) days following the notice. Canceled resources will be made available to FONTAGRO. Any reallocation of these resources to other co-executors will require an amendment in accordance with the relevant clause of the co-execution agreement and, where it entails a substantial modification of the Project, the approval of the FONTAGRO Board of Directors. IICA will report any suspension or cancellation to the Bank, in its capacity as administrator of FONTAGRO resources. The measures set out in this paragraph do not limit the right to terminate the Agreement under the relevant clause of the co-execution agreement.

iii. **Consolidation (From the end of the execution period to the date of the final disbursement).** This stage begins upon completion of the execution period and extends for up to six months. During this time, the co-executing institution must deliver the committed final products, the Final Technical Report, and the Final Financial Report, which must include the cost of expenditure certification. Approval of both reports by the Secretariat is a prerequisite for authorizing the final disbursement.

iv. **Closure.** The closure phase begins on the date of the final disbursement and extends for an approximate period of three months. During this period, the audited Final Financial Report on the Reasonable Assurance of Expenditure Execution will be submitted, together with any remaining funds to be

reimbursed, whether due to ineligibility or non-utilization by the project. This stage marks the formal conclusion of the project and the definitive closure of the execution cycle.

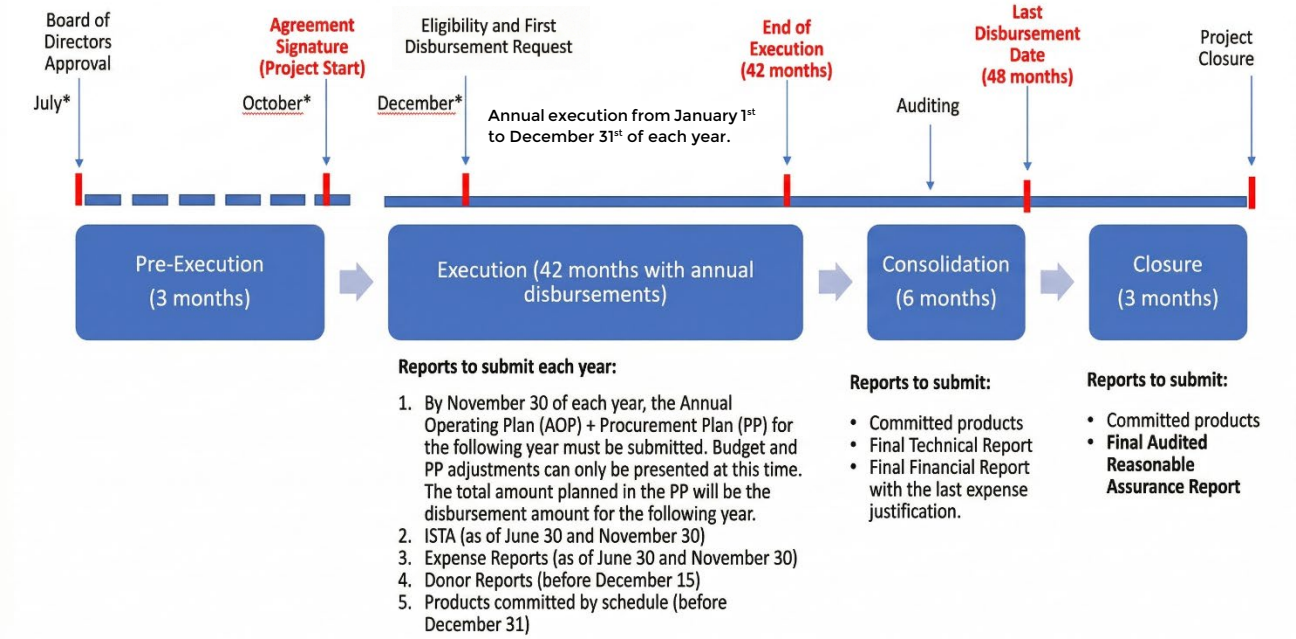


Figure 1. Project execution periods: key dates and reports

50. **Operational and financial management model.** As part of this model, the Technical Administrative Secretariat (TAS) will prepare a single co-execution agreement per project, which must be signed with all co-executing organizations. Through this agreement, the transfer of in-kind contributions (goods, inputs, services, or other necessary resources) or, exceptionally, cash contributions subject to approval by the Board of Directors (BD), will be formalized in accordance with the approved Procurement Plan or any subsequent modifications thereto. The centralized administration of funds will be carried out by IICA Headquarters in Costa Rica, from which resources will be transferred to IICA Country Offices or to co-executing institutions authorized by the BD for the implementation of procurement processes, contracting, and other related operational activities.

51. **Procurement Plan, Budget, and Execution Principles.** The first step in project execution is the preparation of the **Procurement Plan (PP)**, by deliverable, by co-executing institution, and for the project as a whole. The PP for goods, services, and consulting services is a mandatory instrument that must be prepared by the co-executing institutions and submitted to IICA, through the Technical Administrative Secretariat (TAS), within the timeframes established in the co-execution agreement. Its purpose is to plan the use of resources in accordance with project needs, facilitate monitoring by the TAS, and serve as a basis for external audit processes. The PP must comply with the policies and procedures set forth in the **current IICA Manual for the Procurement of Goods and Contracting of Services** and must include, at a minimum: i) a description of the planned procurements and contracts; ii) estimated amounts in United States dollars; iii) the applicable selection method; and iv) the entity responsible for execution. A template for the Procurement Plan is available on the FONTAGRO website. The executing agency, IICA, is responsible for the awarding and administration of goods and services and must ensure that the use of resources complies with the **Basic Procurement Principles**, including value for money, economy, efficiency, equal opportunity, transparency, and integrity. Once the PP has been prepared, the second step is to prepare the **project budget by deliverable**, which must be presented in two formats: **detailed and consolidated**. The detailed budget must include the distribution of expenditures by category, which must be consistent with those defined in the sections “Maximum amounts for technical cooperation” and

"Eligible expense categories" of this Manual. The consolidated budget will be prepared by **project component**, will be incorporated into the co-execution agreement, and will be recorded in IICA's financial execution system. This budget constitutes the basis for authorizing disbursements and for the justification of expenditures during project execution.

52. **Financial monitoring**[4] **.** 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. The Financial Report on Expenditure Justification will be prepared by the Technical Administrative Secretariat (TAS) based on the financial information provided by IICA.

53. **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 Digital Project Management 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. 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.

54. **Project Suspension**[5]. The Board of Directors (BD) agreed to adopt the following measures in case of non-compliance by co-executing agencies: i) Suspend financing to project participants 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 IICA, even in cases where the corresponding component has not been externally audited.

55. **Final accountability, audit, and closing period.** Within three months following the final disbursement date, the TAS will receive the Audited Final Financial Report of Reasonable Certification of the project which will serve to verify the final accountability of funds, process the reimbursement to the IDB of any unused or unjustified resources, and carry out the necessary actions for project closure. The mandatory external certification of expenditures must be performed by independent auditors acceptable to IICA, and its cost will be financed with project resources, in accordance with the guidelines established by that institution for the selection and contracting of the auditor[6].

56. **Financial Reports.** FONTAGRO requires the submission of various financial reports, the formats of which are available on the institutional website. These include: a) the Semiannual Expenditure Execution Report; b) the disbursement request form; and c) the audited Final Financial Report on Reasonable Assurance of Expenditures, submitted at project closure.

57. **Technical Reports.** FONTAGRO requires the presentation of diverse **technical reports**, whose formats are available on the 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, and d) Annual reports directed to donors, which must be presented

[4] All budget modifications requested by the Executing Agencies to the FONTAGRO TAS 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.

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

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

in Spanish and English. All technical reports must be officially sent to the Technical Administrative Secretariat (TAS) with the technical endorsement of the lead co-executor. 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. All deliverables must reflect the results of the implementation of activities in each participating country.

58. **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 essential that projects rigorously and objectively report the verifiable indicators included in the logical framework matrix, the indicators derived from scientific and technical activities, and those established in the Medium-Term Plan (MTP), which refer to the corporate and flagship program 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.

59. **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.

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

60. **General aspects and knowledge products.** Co-executing agencies 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.

61. **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.

62. **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.

63. **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.

64. **MTP 2025–2030 Indicators.** As of 2025, all projects must incorporate into their results and outputs framework two types of indicators in addition to those defined by each project. These indicators are classified as: i) **FONTAGRO corporate indicators**, and ii) **indicators of the Flagship Program** to which the project is aligned. Both groups include outcome and impact indicators. Accordingly, each project must select at least two indicators for each type, and for both outcome and impact, in accordance with its nature, scope, and contribution to the strategic objectives of the MTP 2025–2030.

65. **Dissemination products.** All FONTAGRO projects must prepare and deliver communication and visibility products, mandatorily using **the FONTAGRO Digital Project 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 ix) **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 Action Plan 2025-2030.

66. **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

67. 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.

68. Intellectual property over the products, knowledge, documents, methodologies, technologies, databases, and other results generated under technical cooperation projects financed by FONTAGRO shall belong to the Inter-American Development Bank (IDB), in its capacity as legal representative of FONTAGRO, and shall be governed by the intellectual property policies established by that institution. Notwithstanding the foregoing, FONTAGRO will ensure due recognition of authors and participating institutions responsible for generating such outputs, in accordance with principles of authorship, attribution, and transparency. Outputs derived from FONTAGRO-financed projects shall be considered regional public goods, ensuring their open and accessible nature, and promoting the dissemination, use, and replicability of results for the benefit of member countries and the scientific and productive community of Latin America and the Caribbean, in accordance with applicable safeguards.

69. **Image Use Rights and Intellectual Property.** It is of mandatory character that co-executing agencies 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.

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 requesting co-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 agencies 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 and the Co-executing Organizations undertake to acknowledge the financial contribution of FONTAGRO and/or the donor, as applicable, in any dissemination of products resulting from the Project.

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."

Regarding 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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