



What is AgResults?

Overview of AgResults

AgResults is a \$118 million multilateral initiative incentivizing and rewarding high-impact agricultural innovations that promote global food security, health, and nutrition and benefit smallholder farmers. AgResults originated at the June 2010 G20 Summit in Toronto, where leaders committed to exploring innovative, results-focused methods of harnessing private sector innovations in food security and improving productivity in developing countries. By using pull mechanisms, the initiative goes beyond traditional aid measures to promote the uptake of innovative technologies with high-yield development impacts.

The objectives of AgResults are to 1) overcome market failures impeding agricultural innovations by offering results-based economic incentives (“pull” financing) to competing private actors for the uptake of new agricultural technologies; and to 2) test the effectiveness and efficiency of pull financing in comparison with traditional approaches to the promotion and uptake of innovative agricultural technologies.

Financing, Management, and Governance

The governments of Australia, Canada, the United Kingdom, and the United States, together with the Bill & Melinda Gates Foundation committed US\$118 million to establish AgResults. The donors’ contributions are pooled in a Financial Intermediary Fund operated by the World Bank, which serves as Trustee.

The implementation of AgResults is overseen by a Steering Committee comprised of the five donor agencies and the trustee. The Steering Committee is responsible for strategic oversight of the initiative, including endorsement of key management decisions, approval of concepts and business plans for proposed pilots, and the monitoring of pilots and the initiative as a whole. The Steering Committee includes representatives from:

- Australian Government Department of Foreign Affairs and Trade
- Bill & Melinda Gates Foundation
- Government of Canada
- United Kingdom Department for International Development
- United States Agency for International Development
- World Bank

The implementation of AgResults is managed by a dedicated Secretariat, responsible for:

- Pilot implementation
- Oversight & monitoring
- Sourcing new R&D and adoption pilots
- Conducting peer review of new pilots
- Outreach and communications

Each pilot project runs with a competitively selected Pilot Manager (PM), Implementing Organizations, and Verifiers. In some cases, additional technical support is required. Independent evaluators from Abt Associates are responsible to measure AgResults impacts and compare them to traditional, “push mechanism” development approaches.

Designing Pull Mechanisms for Development

AgResults employs pull mechanisms, ex-post provisions of economic incentives provided to business or organizations in areas where private sector investment is virtually absent due to market uncertainties. These mechanisms address specific, well-defined problems without preference to market participants or technologies by creating demand while leaving production, marketing, and distribution strategies to the private sector. Common examples of pull mechanisms include prizes (proportional and winner-takes-all). If and when pre-defined results are achieved, payments are made to the private sector participants. A few examples of past successful pull mechanisms include:

- The \$25,000 prize offered by hotelier Raymond Orteig for the first pilot to fly solo across the Atlantic from New York to Paris or vice versa, which was won by Charles Lindbergh in 1927
- The Ansari X-Prize, a \$10 million reward for the first non-governmental group to build a reusable spacecraft and successfully send the manned spacecraft into space twice in fourteen days. The funds were awarded to Burt Rutan and Paul Allen in October 2004

Developing New Pull Mechanism Pilots

Throughout the life of the initiative, AgResults will design and implement several new pilot projects in target markets around the world. To source ideas for new pilots, the Secretariat works with leading experts and the Steering Committee to prioritize specific challenges in larger market adoption and global research and development problems. Next, the Secretariat’s specialized pilot design team develops prize structures that tap into both intrinsic and extrinsic solver motivations and reduce barriers to participation. Once new pilots are designed and launched, the Secretariat evaluates the effectiveness of the pilot pull mechanism, synthesizes lessons learned, and disseminates lessons to the field.

The Secretariat is actively evaluating market failures where pull mechanisms can be applied to address significant problems in agricultural development and food security, particularly in the following areas of significant interest:

- Inputs / Increasing yields
- Outputs / Reduction in post-harvest loss
- Improving livestock management
- Enhancing nutrition

Overview of Current Pilots

AgResults pilots focus on either the adoption of existing technologies or the development and adaptation of new research and technologies. The current AgResults portfolio represents a variety of agriculture, nutrition, and food security pilots testing several types of pull mechanisms. Current pilots focus on Aflatoxin reduction, improved on-farm storage, and biofortified maize for smallholder farmers. Brief summaries of each pilot are provided below. Additional pilots in other countries are also underway.

Kenya On-Farm Storage Pilot

Post-harvest losses of grain are extensive and are a major threat to food security in developing countries. This problem is particularly acute in sub-Saharan Africa, where on-farm storage solutions are not widely available or are poorly adapted to local needs, with inadequate protection against insects and pests that consume stored crops. Post-harvest losses in sub-Saharan Africa are estimated at 13.5 percent of the total value of grain production, or \$1.6 billion per year. Improved smallholder access to effective storage solutions could therefore lead to a meaningful economic benefit.

The Kenya On-Farm Storage Pilot aims to stimulate improved food security through widespread adoption of improved on-farm post-harvest grain storage systems to reduce smallholder expenditures and post-harvest crop losses. The pilot offers prizes for technology innovation and storage capacity sold in the Rift Valley and Eastern provinces of Kenya.

Zambia Biofortified Maize Pilot

In Zambia, the government's National Food and Nutrition Commission reports that more than half of children under age five are affected by Vitamin A deficiency. One high-potential solution to this problem is the biofortification of staple crop seeds with micronutrients. Although the technological solutions for biofortification exist, there is an unmet need for approaches that generate sustained demand for biofortified foods among consumers in developing countries.

The Zambia Biofortified Maize Pilot supports the rollout of ProVitamin A (PVA) maize in Zambia by stimulating the market for the new hybrid varieties of biofortified maize through incentives aimed at industrial millers. While some traditional "push" programs aim to introduce new seed varieties into the market, this AgResults pilot aims to stimulate long-term demand for new PVA maize products in mainstream secondary markets.

Nigeria Aflasafe™ Pilot

Aflatoxin is a potent carcinogen produced by a species of *Aspergillus* fungi, most commonly found in maize and groundnuts. The United Nations Food and Agriculture Organization estimates that Aflatoxin affects up to 25 percent of the world's produce. This contamination has harmful health effects for consumers and negative economic consequences for growers.

The Nigeria Aflasafe™ Pilot will provide economic incentives for smallholder farmers to adopt Aflasafe™, an Aflatoxin control technology shown to reduce Aflatoxin contamination of maize by up to 99 percent. This pilot focuses on demonstrating a successful model for the adoption of Aflasafe™ among Nigerian smallholders, who are some of the country's largest producers and consumers of maize. The pilot reduces barriers to the widespread adoption of biocontrol technology through a premium per-unit payment for maize verified to contain a high prevalence of Aflasafe™ at designated maize collection points.



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