

PRODAF

Program for Rural
Development and Family
Agriculture

Argentina



OBJECTIVE



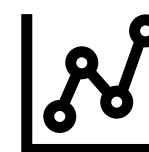
To promote the adoption of technologies, enhance access to credit, and increase agricultural productivity and income.

INTERVENTION



The program financed the provision of non-reimbursable financial contributions and technical assistance for the adoption of efficient and environmentally sustainable technologies. Priority was given to the production chains of cotton, citrus, livestock, and dairy, benefiting more than 2,000 family farmers.

UNIVERSE



Type of evaluation and database:

- (i) Quasi-experimental evaluation using the Inverse Probability Weighting (IPW) method based on a survey of 898 agricultural households. (543 beneficiaries and 364 controls)
- (ii) Quasi-experimental evaluation using the Event Study method based on a satellite data panel of 321 cotton and citrus producers. (187 beneficiaries and 134 controls)

Why are we doing this evaluation?

- (i) To present evidence on the impacts of a smart subsidy project on the family farming sector.
- (ii) To verify the complementary use of satellite data as an effective tool for monitoring and evaluating interventions.

RESULTS

Compared to the control group, program beneficiaries..

Based on survey data:



Increased adoption rate of technologies by 21%



Increased access to credit by 47%



Increased net agricultural income per hectare by US\$327



Based on satellite data:



For cotton yields, there were no significant differences in the 5-year post-treatment period.



For citrus yields, there was a significant increase in the second and third year post-treatment.

CONCLUSIONS

Smart subsidies are an effective instrument for overcoming market failures. When smart subsidies are part of a longer-term strategy aimed at improving the productive system of the farm, they can contribute to an increase in productivity and income for family farmers. In addition, the evaluation confirms that remote sensing is an effective and cost-efficient tool for monitoring and evaluating the agroecological impacts of programs in the agricultural sector.

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