



Monthly Update – September 2009

Rural Economic Diversification Program

PROJECT BACKGROUND

The Rural Economic Diversification Program (USAID-RED), which started August 2005, is a five-year initiative funded by the United States Agency for International Development (USAID) whose main objective is to increase incomes and employment opportunities in the rural communities of Honduras. USAID-RED focuses on increasing the competitiveness of Micro, Small and Medium-Size Enterprises (MSMEs) in Honduras, expanding their local sales, exports and investments and promoting an increase in the production and investments of increased value and value-added products.

USAID-RED will finalize its activities in September 2010. The USAID-RED Monthly Update is available online at www.usaid-red.org. If you would like to receive this or other publications automatically by email, you can subscribe directly on our Website.

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AGRICULTURAL PRODUCTION

Technical Assistance: In the month of September, USAID-RED technicians carried out 654 technical assistance visits.

Plantings: USAID-RED clients planted 89 hectares this month, including 28.5 of plantain, 4.5 of jalapeño pepper, 4.9 of sweet pepper, 21.7 of tomato, 7.7 of cassava, 1.1 of pineapple, 3.3 of onion, 1.0 of papaya, 4.0 of beans and 10 of corn, among others.

Irrigation: 39.6 hectares were installed with drip irrigation in: Francisco Morazán (11.9), Comayagua (2.0), Yoro (20.7) and Colón (5.0).

Training: A total of 106 training events on production took place where 913 people were trained, 751 men and 162 women.

Investments: During the month of September, USAID-RED clients invested a total of \$63,336, for the installation of drip irrigation systems, infrastructure for production, purchase of plantain seeds, fumigation equipment and transport.

Good Agricultural Practices (GAP's): The project continues promoting Good Agricultural Practices through technical assistance visits to clients. Some of the activities



Photos by Fintrac Inc.

Harvesting carrot, Intibucá, Intibucá

Select Crop Sales for Assisted Producers – September 2009

Products	Volume	Sales
Plantain	1,475,900 lb.	\$223,900
Tomato	350,700 lb.	\$87,400
Jalapeño Pepper	878,500 lb.	\$181,800
Sweet Pepper	193,700 lb.	\$38,800
Cucumber	201,300 lb.	\$18,100
Cassava	184,000 lb.	\$21,800

that have been strengthened include the management of planning programs; deep soil preparation emphasizing bed making; weed control, which is problematic during this time period due to the rains that create ideal conditions for development, enforcing the best control methods which are dependent on the weeds present. Disease problems in all crops have increased, which is why workshops are carried out to calibrate equipment and provide training on the use of agrochemicals appropriate for disease control. To improve the management of diseases, a phytopathologist (plant disease specialist) has been contracted to provide workshops on disease control to producers at the national level. In the particular case of plantain, producers have been instructed in the practices of surgery and deleafing, since these practices considerably reduce the quantity of black sigatoka inoculums. These actions represent an economic savings as they minimize applications of systemic fungicides. The installation, lengthening and maintenance of drip irrigation systems is progressing. Root sampling continues to be emphasized as a way of evaluating soil humidity. Drainage systems have been designed. Fertilizer and fumigation programs have been turned in. Follow-up activities have been provided for harvest and postharvest. For virus control and prevention, thermal fabrics and reflective plastic mulch are being used on plant beds, as well as the planting of live barriers. The collection of soil and vegetative tissue samples for laboratory analysis are being recommended to aid in the correct identification of diseases and nutritional deficiencies.

ADDED VALUE

Trainings: Six training events were carried out where 28 women and 38 men participated. The themes included postharvest handling of vegetables at sales locations, Good Manufacturing Practices and preparation of food products.

Investments: Total investments this month amounted to \$100,600 in processing equipment, processing plant infrastructure and equipment for marketing and exhibiting vegetable products. Various initiatives are being pushed including frozen refried beans in San Manuel, fried plantain chips and chili paste in Atlántida, and orange juice in Tegucigalpa.

Assistance continues for 34 clients to help increase their sales by \$2 million in 2009. Selected activities include:

Chip processor (El Progreso): A new plant has been opened, creating new sources of work for the local community.

Pickled products (La Ceiba): Assistance was provided for initial activities, establishing steps to make pickled cabbage, measuring pH, times and temperature. Cost analyses for the product have been done.

Cassava processor: Work is being carried out in the development of fried cassava chips. Samples of the tropical



Checking roots of tomato crop, Comayagua



Training in pest identification, Copán Ruins, Copán



Jalapeño pepper transplant, La Villa, Comayagua

variety and the Valencia variety were evaluated.

Producer in Olanchito: A packing plant has been designed for plantain destined for export and peeled plantain products.

Lemon juice: To improve costs, yields were measured for the extraction of lemon juice. The optimal diameter has been determined for maximum yields.

Processor of plantain and cassava (Choloma): USAID-RED had a direct involvement in the solution to problems with the frying of cassava with a franchise in the US. The causes of the problem were found in the frying procedure. A new procedure was detailed and sent for implementation. Issues regarding quality and contamination of raw materials were resolved. Disinfection practices were improved in the plant and field to reduce risk.

Pre-cut vegetables (Comayagua): Product specification definitions were finished for new products to facilitate their shipping in case they are to be exported. The samples that were sent met expectations.

Supermarkets – northern zone: Improvements continue to be implemented in the area of perishables. A considerable improvement is beginning to be observed in fresh product shelves and above all in the quality of the vegetables that are being displayed. Specifications for vegetables have been defined with providers, for potato specifically. Work has begun with a vegetable provider to continue with plans of improvement and to involve project producers to supply these markets.

Pre-cut vegetables (Cortés): Some changes in lettuce processing have been finalized. Follow-up assistance activities have been carried out for producers/providers of the lettuce so that yields can be improved in the plant and reduce payment penalties due to losses.

Concentrate Juice (Cortés): The processing flow for three flavors of horchata was drawn up and construction has begun for these processing areas.

PROGRAM WITH INSTITUTIONS

In September, 107 workshops were held in which 151 women and 883 men participated. A total of 574 visits were carried out with NGO technical personnel. These NGO's, along with their beneficiaries, reported investments of \$68,205. The work directed at the NGO's and their beneficiaries is now being carried out in Copan, Lempira and Ocotepeque in the form of trainings for technicians and producers led by a pest and disease specialist.

Other specific events and activities were held for each organization, with the following summaries being the most relevant:

FUNDER: A potato farm tour and training day were carried out in Esperanza, Intibucá, with 67 producers attending. Field lots grown with traditional fertilization methods were compared and have been designated for cultivation with fertigation technology. A calendarization of staggered carrot plantings has been established so that 7,000 pounds



Packing fried plantain, La Ceiba, Atlántida



Maintenance of irrigation filter, Macuelizo, Santa Bárbara

can be produced weekly for a distributor in Tegucigalpa. Technical assistance has been provided for potato, carrot and chayote.

WORLD VISION: Made possible by a USAID-RED donation of seedling trays and other agricultural equipment, high quality plantlets are being produced. Trainings in basic practices were carried out to enable higher density plantings.

CARITAS: Topographical raising of 21 manzanas in Guaimaca, Teupasenti and Marale was carried out so that drip irrigation systems could be installed in those communities. A market link was established for lettuce crops marketed by FUNDER. Trainings were offered in basic practices and irrigation.

OCDIH: An educational farm tour was carried out in La Esperanza, Intibucá, in which 10 producers interested in implementing GAP's to their potato cultivation participated.

GLOBAL VILLAGE: Two studies were carried out on 30 manzanas of drip irrigation systems. Plantain, cassava, and sweet pepper were planted for the first time there.

BROTHERHOOD OF HONDURAS: Market links were made for women's groups producing vegetables. They also received training in plantlet production.

ODECO: An educational farm tour was carried out in the community of La Esperanza, Intibucá, where 19 producers learned about crops of the same agro-ecological characteristics as motivation for them to implement the same practices.

AGROFORESTRY

- In September, 28 producers from Altiplano Intibucano planted 3.08 hectares of vegetables and 1.2 hectares of plantain. Meanwhile, 21 producers of Litoral Atlántico planted 34 hectares of different crops and created 12.6 kilometers of timber tree borders.
- A total of 28 training events were held on different topics that were relevant to crops grown by the partners in attendance. A total of 137 people were trained at these events.
- 315 technical assistance visits were carried out on the establishment and agricultural management of the different agroforestry systems, including designs, bed-making construction and nursery construction, among others.

MARKETING

- Direct market links were made with a chain of supermarkets in the northern zone. During this month, potato was continued to be supplied by a rural business from Intibuca, supplying 75,000 pounds on a regular basis with new sales worth \$31,580.
- 15 market links were made this month. The most significant are the start of a relationship between a wholesale buyer of fruit and vegetables, who had already been linked with a tomato producer; two



Donation of seed trays to producers from Los Olivos, Yamaranguila, Intibucá



Planting potato with adequate density and lime, El Tabor, Intibucá



Tying leaves of uchuva, El Pelón, Intibucá

plantain producers with a processor; and a grape producer with a juice processor.

- A Salvadoran buyer and an American buyer were taken to visit client farms.
- Participation with a stand in the Market Fair of Olanchito of the Agriculture and Livestock Society of Olanchito.

GENERAL

- Results were presented for the first group of potato samples collected in the field, an activity implemented by FHIA and financed by partner funds.
- A work day was carried out with the technical team of the NGO and monitoring and evaluation component to present the results of the collection of indicators in the field and to evaluate the strategy being implemented. Moreover, the method and work plan have been defined for validating the data from the field.
- With the private sector link between INALMA and the Empresa Asociativa Campesina 25 de Marzo (EAC), the well drilling effort is behind schedule. However, the activities for establishing a tree nursery and soil preparation are going according to initial project plans. Also, with the collaboration of ACA, they have begun strengthening EAC's business operations by organizing their administration and accounting, which are necessary for guaranteeing the success of the business.
- A fund has been approved for the NGO component. The fund is for the purchase of agricultural equipment and tools for working in the field, benefitting the producers attended to by 10 NGOs participating in the project. This equipment will be directly given to the producers and the technicians of the NGOs and they will be trained in the usage of the equipment.
- Various businesses of the agricultural sector have patronized training events, including: SEAGRO, BAYER, COHORSIL, DUWEST and AGROVAL.



USAID-RED stand in the Olanchito fair, Yoro



Marketing training for producers of Olanchito, Yoro



Field test of underwater pump donated by USAID – RED to a farm business, El Negrito, Yoro