



USAID
DEL PUEBLO DE LOS ESTADOS
UNIDOS DE AMÉRICA

HONDURAS

MONTHLY UPDATE – March 2006

RURAL ECONOMIC DIVERSIFICATION PROGRAM

PROJECT BACKGROUND

The Rural Economic Diversification Program (USAID-RED), which started August 2005, is a three-year initiative funded by the United States Agency for International Development (USAID). The program's main objective is to increase incomes and employment opportunities in the rural communities of Honduras. USAID-RED focuses on increasing the competitiveness of Honduras' micro, small and medium-sized enterprises (MSMEs) by expanding their local sales, exports and investments and by promoting increased production and investment in high-value and value-added products.

For additional information please contact USAID-RED in La Lima, Honduras at (504) 668.2078; fax (504) 668.1190 or write to: red@fintrac.com

MARKETING AND MARKET INFORMATION

Established commercial contacts between chayote producers in Francisco Morazán and supermarkets in Tegucigalpa; established a contact between Nathaly sweet pepper producer from Paraíso and a buyer in El Salvador; cashew samples were sent to national and international providers including Target (US), Sason (Guatemala), Andrew Lam (US), Expofram (Honduras) and Trader Joes (US); created US price and market volume bulletins for melons, watermelon, chayote, eggplant, plantain, cassava, cucumbers, pineapple and butternut squash; coordinated delivery of tabasco peppers for export to Nicaragua; established connections between processors and producers of sweet corn; established connections between carrot producers in la Paz and Hortifruti and SPS markets; established a connection between plantain producers and a processing plant in San Pedro Sula; sent flower samples to Miami; coordinated the export of jalapeños to Costa Rica-Guatemala; established a connection between a jalapeño producer and a processing plant in San Pedro Sula; coordinated the visits of Supermercados la Colonia's manager to producer operations in the Intibuca zone; sent pineapple juice samples to a potential client in the US; sent pineapple and organic IQF mango samples to a client in the US; provided a snack processor with a list of cassava, plantain and potato producers; provided INMAPASO a list of potential national buyers; provided information about coconut buyers; connected papaya producers in Comayagua and La Paz with Guatemalan importer; provided an interested processor with information about pineapple producers in the Lago de Yojoa zone.



Calla Lilies Harvest, Francisco Morazán

TRAINING

USAID-RED conducted 159 trainings in March; 2,481 received training – 2,089 men and 392 women.

Area	# Events	# Persons
Food Safety	22	289
Postharvest	6	57
Processing	23	260
Production	105	1,855
Credit/Finances	2	18
Marketing	1	2
Total	159	2481

Examples: Crop residue management; adequate use of agrochemicals; pest, disease and weed control; transplanting and planting; maintenance and repair of irrigation systems; fertilization management; hygiene and public health in processing plants; packaging and labeling of processed fruit and vegetables; postharvest management; creation of purées and fruit concentrates; agricultural credit analysis; Good Agricultural Practices/EurepGAP.



Jalapeño Pepper Harvest in Lejamani, Comayagua

TECHNICAL ASSISTANCE ACTIVITIES

PROCESSING

Developed hot sauce branding; developed list of ingredients for “ranchera” salsa; developed hot tomato sauce; enhancement of sweet potato chips with barbecue sauce, pepper, lemon and salt; assessed Brix grades of eggnog; provided list of fruit and vegetable machinery, equipment and utensil providers; standardized jam enhancement process; delivered art designs for processed products (wine, jams and pickled vegetables); revised price sheet; tests done on clear plastic containers; distributed formulas, and flow process for tabasco peppers and barbecue sauce; revised bean with chorizo recipes and tested samples to verify weights; revised investment, administrative control and sale costs; visited providers of plastic containers with tops; inspected processing plants; designed dairy and vegetable processing plants including sanitary designs to comply with Good Manufacturing Practices; registered brands and obtained sanitary permits.

POSTHARVEST

Postharvest training was provided for cut flowers including maturity grades, harvesting, classification, washing, putting in bags, packing in boxes and transporting; export tests performed on red ginger and flame ginger; training in postharvest management of red onions and pumpkin; sampling of sweet potato to evaluate physiological maturity and to determine time of harvest; tests conducted for ripening and shelf-life tests of plantains for export; evaluated weight and quality of chayote for export; created study for harvesting and packing 52 hectares of pineapple; prepared plan for new unloading and selecting prime material area in packing plant; created investment scenarios for 200 hectares of vegetable production, including investments in high and low-technology fresh produce packing plant; redesigned cucumber packing plant; conducted sampling and quality inspections in fields and packing plants for butternut squash, cucumbers, sweet potatoes, and green plantain.

INVESTMENT

USAID-RED clients reported investments of \$405,200 in March. The areas with the highest investments were: equipment, irrigation system installation and infrastructure, processing plant

infrastructure, legal documentation, packing, EurepGAP infrastructure, infrastructure and seedling propagation materials, vehicles and transportation.

OTHERS

Met with ANACH’s executive regional committee in San Pedro Sula to provide them with information about production systems for sweet potatoes, plantain and cassava; visited Cooperativa Brisas de Chameleconcito in Puerto Cortes where the land was evaluated and information was presented on production systems for sweet potatoes, plantain and cassava; agreements signed between 10 academic institutions and 11 private companies.

PUBLICATIONS- PRESENTATIONS

Training provided to technicians from different institutions on pineapple production and safe use of insecticides (external consultant); bulletin on chayote production; presentation of six training modules for pineapple, sweet potatoes, insecticides, rodent control; presented alliance program to nine academic institutions from around the country; postharvest technical bulletin on sweet potatoes; presentation of the Integrated Quality System.

Advances on Select Crops – March 2006

Plantain.

488,000 pounds harvested; 1.5 containers of peeled plantains exported this month, worth \$12,600 and 30,000 pounds of fresh plantain, worth \$9,300.

Naturally Sweet Peppers:

1.6 million pounds sent to El Salvador; \$142,000 in sales; 45.5 hectares in harvest and 4 new hectares were planted this month.

Tomatoes:

More than 115,000 flats sent to El Salvador; \$751,000 in sales; 89 hectares in harvest and 8.5 hectares planted.

Sweet Potatoes.

15 containers exported: 4 to Holland, 5 to England and 6 to Canada; 16 hectares were planted.

Chayote.

118,000 units of the new variety were harvested, with more than \$8,000 in sales; 8.6 hectares in harvest and 1 new hectare planted.



PRODUCTION

Defined strategies with agrochemical providers for the distribution of liquid fertilizers for fertigation programs; calibrated fumigation pumps, used ultraviolet lamp and fluorescent tint; distributed forage sorghum for live barriers; training offered at farms on pest and disease diagnosis; liaisons between producers for the purchase of plantain, sweet potatoes, chayote, and Valencia cassava seeds; distributed fertilization programs for various crops; supervision of soil preparation; designed greenhouse structures; designed, installed and maintained irrigation systems; prepared land and raised beds; samplings on crops; terraced production of vegetables; continued to plant MD2 pineapple seeds; organized planting of 7 hectares of cassava; 12.5 hectares of plantain planted at high density using drip irrigation; used rhizotrons on various crops; training on removing suckers and de-handing plantain; selection of seeds for planting based on size and thickness for plantain and Valencia cassava; preparation of seedlings; demonstration of steam sterilization of planting substrate; measured electrical conductivity; recommendations on the use of starter solution in the transplant of seedlings; preparation of carnations in trays; elimination of stubble and weeds; nitrogen and potassium analysis; implemented yellow sticky traps, crop rotation; virus prevention; soil pest prevention; sampling of soil; applied vitamin and salicylic acid through irrigation system; systems to improve the distribution of water in the soil; systems to improve distancing between plants; implementation of contour farming.

AGROFORESTRY (FHIA)

Intibucá: 17 producers trained in tracing, making and filling up holes for the planting of fruit trees; 2.2 new hectares planted with vegetables that included 9 products; installation of 1.3 hectares of drip irrigation in the fields of 5 producers; 7 peach tree fields planted (for a total of 11 fields and 1.24 hectares).

Atlántida: 16 producers trained in the production of pineapple and 26 producers in the production of Valencia cassava; 14 fields established with various fruit & wood trees, plantain, cassava, cacao, dwarf coconut and vegetables (19.5 hectares).

AGRICULTURAL RESEARCH (FHIA)

Variety Tests: Completed variety and wind barrier tests on cucumbers; tests are being performed on table tomatoes, sweet peppers, jalapeño pepper, onions and orchids.

GAPs and GMPs

EurepGAP certification of farm in Santa Bárbara and farm in La Paz; follow up on the progress made by farms that are implementing corrective plans to obtain EurepGAP certification; support given to the organization of agrochemical storage facilities; created risk analysis; supervised work done for the preparation of insecticide mixing, construction of field latrines, warehouses for inputs, empty container storage and others; trainings on safe management of forklift and agricultural equipment; talks on first aid as part of security and occupational hygiene.



*Drying White Onions,
San Marcos de Colon, Choluteca*



Assessment of Pests on Tomatoes



Packing of "Spaghetti" Squash



Support to Agriculture and Livestock Industry



Assessment of Drip Irrigation on Chayote

USAID

Participated in the signing of agreements with academic institutions; visit to producers from El Negro; Calvin College students visited USAID-RED in Comayagua; activities related to the closing of various USAID-RED components.

RESULTS/IMPACT

Raised beds for peppers, tomatoes, watermelons in areas where this activity wasn't in practice; improvements in average yields of chayote; the flower induction process for mango provided excellent results and the first container was exported to Europe; carnations were germinated in trays for the first time; packing of butternut squash was improved; storage facilities created for empty pesticide containers; brand registers, sanitary licenses and sanitary registers for various processed products were obtained; two farms received EurepGAP certification; the first 1-hectare field of onion was planted with drip irrigation in Olancho; seven hectares of Valencia cassava were planted at high density with drip irrigation; agreements signed with 10 academic institutions with the participation of 11 private companies; nurseries were built to produce seedlings; replication of GAPs on various crops; implementation of GMPs in processing plant; first delivery of chayote to supermarket la Colonia; first delivery of roses to distributor in Tegucigalpa; expansion of pineapple harvested areas with drip irrigation.

FINANCIAL INSTITUTIONS

General Activities: FINSOL, Comayagua's credit officers and manager were trained on minimizing risks in agricultural credit; developed focus group with FINSOL participants, ideal characteristics of agricultural credit products were identified; continued to compile information on production costs, yields and prices of several crops to prepare cash flow scenarios for banks.

Institutional Meetings: Meeting with executives from Hermandad de Honduras to define cooperation strategies; follow up meetings with executives from FINSOL, PILARH and ODEF.

Field Trips: Went on field trips with executives from BANHCAFE in El Paraíso and with executives from PILARH in Ocotepeque; visit from Financial Specialist to several producers in Cantarranas that are interested in obtaining financing for their crops.

Progress: Created a Pilot Plan for Pilarh Agencia Cucuyagua's agricultural credit products with the participation of administrative personnel and credit advisers.

ACTIVITIES WITH COLLABORATORS

Support given to CURLA and CUROC through trainings; visits to the field and USAID-RED clients with BID; insecticide registries with SENASA; met with various companies to form alliances with academic institutions.



Training on Seedling Production, Ocotepeque



Microprocessors Training in Santa Rosa de Copan



Academic Institution Directors with USAID-RED Alliances