



SUCCESS STORY

Small and large growers work together to grow plantains

The USAID-funded Rural Economic Diversification (RED) program's work with plantain growers has hit its stride. Throughout Honduras, the project is promoting plantains to meet the insatiable local and export markets. For local consumption and processing, Honduras needs to import 30 percent of local demand, meaning there is still lots of room for local producers to get into the market. USAID-RED is working with more than 500 plantain producers from small farmers to large plantations to improve quality and yields and all players in the supply chain. USAID-RED has generated \$1,551,313 in plantain sales and program farmers are producing on 321 hectares as of September 2007.

USAID-RED is improving yields through better planting material, raised beds, drip irrigation and pest and disease management. Farmers are quickly noticing the benefits of program assistance and are expanding production levels. USAID-RED continuously integrates plantain growers into the supply chain by working with local market agents, large producers such as IAGSA, processors such as Inalma, exporters such as Chiquita and Dole, and small producers such as Adriana Munguia.

Munguia basically had nothing. She rented a small house in Olancho for her two children and grew corn for a living, but, by her own admission, "I didn't really know what I was doing." In November 2005, she sought the help of USAID-RED and became one of the program's 742 lead clients. In her first crop cycle, USAID-RED technician Rony Alvarez advised her to grow onions and on less than half an acre she earned \$1,368. With a taste of what she was capable of, she diversified into other crops, including plantains on one hectare. After just two months of harvesting, Munguia earned \$3,684 for plantains and another \$4,947 for selling plantain plantlets. With the money, she bought the house she was renting.

Munguia is working hard to expand and improve plantain production. USAID-RED recently took her to visit a large plantain producer, IAGSA, a USAID-RED client with 75 hectares of plantains in Olancho. Munguia toured the farm with Alvarez and IAGSA Farm Manager Carlos Galvez.

"I don't care if I have to work all day, I want a farm like this," Munguia said as she bounced from one plant to another, looking at IAGSA's advanced growing techniques and high-quality fruit. She particularly took note of the farm's plant density and nursery. "I'm going to apply these techniques at home," she said.

IAGSA frequently allows USAID-RED to bring small growers



Photo by Fintrac Inc.

Adriana Munguia and her daughter, Selena, at her plantain farm in Olancho.

to view the farm. "They learn about good farming practices and our fertilization program. They ask a lot of questions." Galvez said. "If people get something positive from the visits, it's a benefit to the community."

IAGSA previously planted other crops at the Olancho farm but because USAID-RED found them a plantain buyer, they diversified into plantains last year and have recently started to harvest. Their first 4.4 hectares yielded 446,000 pounds during the first month. Because they calendarize production to have year round yields, they will harvest 11 hectares in September and continuously plant 1.5 hectares per week.

On the day of Munguia's visit, representatives from Chiquita were at the farm to check on the plantains for potential buying contracts. Currently IAGSA sells plantains to Inalma for processing. Inalma and IAGSA began receiving technical support from the USAID-funded CDA project in 2000.

The focus of USAID-RED's plantain program is in Olancho, Yoro, Francisco Morazán, Cortés, Santa Bárbara and Comayagua. In July alone, USAID-RED producers planted 28 hectares and nurseries were established for 23 hectares. New producers in Yoro recently entered the program with financing from FUNED, a microfinance company in Honduras, and USAID-RED provided technical assistance

and marketing support. The quality of USAID-RED producers' plantains is getting noticed. Growers in Yoro recently exported a sample container of plantains to the US through Chiquita and are negotiating export contracts. Growers in the region are also reporting increases in the prices they receive for their plantains.

Francisco Cerrato used to work for a sugar cane company and took out a loan for \$31,579 to start his own farm. He started growing plantains on 4.2 hectares. He credits USAID-RED with improving his plantain quality and yields, linking him to the market and increasing his income by 70 percent. He re-invested his profits into the farm and expanded production to 61 hectares. Since starting with USAID-RED's plantain strategy, Cerrato's yields increased from 49,700 pounds to 67,200 pounds per hectare. He is also earning a better price in the market. With improved quality, Cerrato is earning 12 cents per unit, 88 percent more than before USAID-RED assistance.

"I've really grown with the program's technical assistance," Cerrato said. Cerrato repaid his loan by the second year.

USAID-RED generated \$584,078 in plantain sales in 2005, \$650,869 in 2006, and \$316,366 through August 2007. With only 60.5 of 320.7 hectares harvested, plantain sales this year are expected to be \$1.7 million.

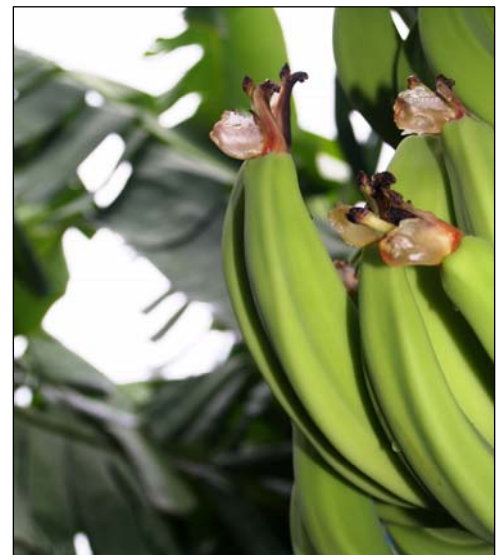
USAID-RED is a three-year program designed to significantly increase rural incomes and employment throughout Honduras. It is providing support to 742 lead clients and more than 10,000 beneficiaries. By July 2008, USAID-RED expects to generate \$30 million in new sales by lead clients alone.



Plantain plantlets are kept in the nursery before transplanting at IAGSA in Olancho.

"If people get something positive from the visits, it's a benefit to the community."

— IAGSA Farm Manager Carlos Galvez



Plantains growing at IAGSA, above.

At left, Munguia and her daughter Selena tour IAGSA's nursery on a field visit organized by USAID-RED.