



## SUCCESS STORY

### Certification boosts sales for USAID-RED processors

USAID-RED support has led to two American Institute of Baking certificates for Honduran processing companies. AIB (American Institute of Baking) certification is a world-recognized standard that assures consumers that food products are safe, healthy and have consistent quality. Rinagro, a banana processing company, and Guanolola, a meat processing company, were certified in May 2007 after more than a year of working toward compliance.

After certification, Rinagro won a contract to make banana purée for Chiquita. Rinagro is producing 6,000 metric tons of banana purée per year, about three hundred containers. That is generating \$2.6 million in sales per year for the company, which employs 85 people who may have been out of a job had USAID-RED and AIB certification not come through.

Before AIB certification and the Chiquita contract, Rinagro was struggling to get enough produce to stay in business. Most of the growers in the area were producing to supply Chiquita.

“Most likely, we would have shut down because the door to Chiquita would have closed,” said Rinagro Manager Ricardo Bueso.

With USAID-RED guidance, Rinagro started working toward AIB compliance in January 2006. The AIB certification and subsequent work upgrading the Rinagro facility included good manufacturing practices such as sanitation controls, pest controls, personal hygiene, traceability, and chemical controls.

All in all, Rinagro invested about \$50,000 to upgrade the facility with new floors, equipment such as a metal detector, and other control measures. Rinagro’s banana purée is used in products like baby food, yogurt, and ice cream.

USAID-RED also helped Guanolola achieve AIB certification. Guanolola is a restaurant and meat distributor specializing in pigs and cattle. USAID-RED is working with the company’s processing division to improve and establish sanitation, pest control, employee hygiene, system maintenance, product traceability, and chemical control. The goal of the work is to assure safe, healthy food produced under conditions that are acceptable to both local and international markets.

Both Guanolola and Rinagro achieved scores higher than 800 points during the AIB audit, scores that qualify as “excellent.” USAID-RED is also working to help six other



Bananas are received at Rinagro before they are processed into a purée.

At left, a Guanolola restaurant sign.

Photos by Fintrac Inc.

clients earn AIB certification.

The audits focus on food safety programs, management systems, pest control programs, operational methods and personnel practices, maintenance for food safety, and cleaning practices.

USAID-RED is working to ensure that small farmers and processors are able to compete on the ever expanding playing field created by the Central American Free Trade Agreement. The program’s effort to help companies achieve AIB certification is a step for these companies to take advantage of the opportunities under CAFTA.

In its first year, USAID-RED’s processing clients generated \$9.32 million in new sales. USAID-RED is a three-year program designed to significantly increase rural incomes and employment opportunities throughout Honduras. It is providing support to 742 lead clients and more than 10,000 beneficiaries. By July 2008, the program expects to generate \$30 million in new sales by lead clients alone.