

Fintrac CDA is continually introducing new and upgraded production and processing technologies to lead partners, in addition to new products, presentations and market opportunities. Capital investments are required to enter into these new commercial activities and, in some cases, simply to stay competitive and maintain market share. Partners of all sizes have made individual investments ranging from \$200 to over \$2 million. This bulletin provides a summary of the investments made by CDA lead partners during 2004.

Lead Partner Investments

CDA Lead Partner Investment in 2004 – by Activity Area						
Activity Area	Client	Project	Other	Total	%	#
BDS/Logistics	63,284	0	210	63,494	0.5%	17
EurepGAP	69,478	2,550	10,016	82,044	0.7%	19
Information Tech	22,584	0	0	22,584	0.2%	9
Marketing	52,161	14,580	420	67,161	0.6%	39
Postharvest	3,039,186	0	32,258	3,071,444	25.9%	28
Processing	1,666,880	132	21,000	1,688,012	14.2%	71
Production	6,678,617	416	133,412	6,812,445	57.5%	242
Specialty Coffee	43,078	0	0	43,078	0.4%	8
Total	11,635,268	17,678	197,316	11,850,262	100%	434

Despite the difficult economic situation in Honduras, CDA lead partners invested in agricultural-related activities, improving their existing production and processing systems as well as initiating entirely new ventures. Investment reported by CDA includes capital equipment and assets; it does not include working capital requirements. Investments were carried out due to the level of confidence in CDA, previous successes by lead partners, and new profitable investment proposals and market opportunities developed by the project.

Investment reported during 2004 totaled \$11.85 million, of which \$11.64 million came directly from CDA clients. Cost sharing with other institutions totaled \$197,316 and included irrigation systems, technical assistance, and training financed by SAG/Pronaders, Swisscontact, PACTA, FAO, Red Rural and APS (Sweden).

Grower investment in production systems made up 57.5% of total CDA client investment, and included more than \$2.16 million in irrigation infrastructure and equipment. Investment in processing plant construction, expansion and equipment totaled \$1.4 million (12% of the total), with \$3.1 million (26%) invested in postharvest infrastructure and equipment and \$4 million (34%) in greenhouse/shade house structures. Other investments included farm equipment, land purchase, EurepGAP/Food Safety, market visits, fumigation equipment, and transport.

CDA Lead Partner Investment in 2004 – by Specific Category						
Category	Client	Project	Other	Total	%	#
Technical Assistance/Training	83,948	15,130	22,120	121,198	1.0%	16
Land Purchase	260,844	0	0	260,844	2.2%	9
Processing Plant Equipment	1,198,995	132	0	1,199,127	10.1%	23
Postharvest & Packhouse Equipment	1,336,404	0	0	1,336,404	11.3%	17
Irrigation Infrastructure, Equipment & Install	2,049,791	0	115,696	2,165,487	18.3%	158
Fumigation Equipment	13,670	0	0	13,670	0.1%	18
Agricultural Equipment	191,197	0	0	191,197	1.6%	20
HACCP/EurepGAP/ Food Safety	42,799	0	0	42,799	0.4%	17
Greenhouse Structures	4,026,051	0	11,500	4,037,551	34.1%	11
Processing Plant Infrastructure	228,278	0	0	228,278	1.9%	3
Postharvest Infrastructure & Packhouses	1,704,007	0	32,258	1,736,265	14.7%	12
Inputs & Hybrid Seeds	72,591	0	0	72,591	0.6%	9
Markets Visits	45,492	300	630	46,422	0.4%	29
Trucks & Other Transport	109,712	0	0	109,712	0.9%	13
Others	271,489	2,416	37,232	311,137	2.6%	79
Total	11,635,268	17,678	197,316	11,850,262	100%	434

In 2005, CDA clients are expected to continue to make significant investments in construction of new packing and processing facilities, shadehouse infrastructure, upgrading of processing plants, continued expansion of production areas under drip irrigation, and purchases of agricultural and processing equipment.

CDA Lead Partner Investment in 2004 – by Department					
Department	Client	Project	Other	Total	%
Atlántida	20,295	0	210	21,135	0.2%
Choluteca	543,020	0	0	543,020	4.6%
Comayagua	5,393,495	416	36,433	5,430,344	45.8%
Copan	31,161	0	0	31,161	0.3%
Cortes	1,289,652	0	14,210	1,303,862	11%
El Paraíso	129,471	0	113,847	243,318	2.1%
F. Morazán	169,786	14,280	210	184,276	1.6%
Intibucá	382,602	0	0	382,602	3.2%
La Paz	3,406,062	0	222	3,406,284	28.7%
Lempira	88	0	0	88	0%
Ocotepeque	15,756	0	15,168	30,924	0.3%
Santa Barbara	40,716	0	0	40,716	0.3%
Unspecified	127,016	2,982	0	129,998	1.2%
Valle	6,508	0	0	6,508	0.1%
Yoro	79,010	0	0	79,010	0.7%
Total	11,635,268	17,678	197,316	11,850,262	100%

While investments were made by lead partners in all departments, those investing most heavily were located in Choluteca, Comayagua, La Paz, Intibucá and Cortes (packhouses and processing plants).

Growers and grower/exporters invested more than \$9.5 million in irrigation, packhouses, greenhouses and equipment. Processors and processor/exporters invested \$ 2.4 million in plants, equipment and infrastructure. Microprocessing clients invested \$18 thousand in processing equipment, facility improvement, and packaging/label development. Associations and groups, including coffee cooperatives, invested \$300 thousand. "Other investors" included buyers, service providers, schools and institutions.



EUREPGAP INFRASTRUCTURE

Investments were made in mixing stations, store rooms, field bathrooms, protective equipment and clothing.



IRRIGATION

Irrigation was the main investment made by small- and medium-size growers, and included accessories such as filters, pumps, wells and fertilizer injection systems.



PLANTLET PRODUCTION

Almost all of the small growers involved in calendarized vegetable production have invested in low-cost seedling production structures and hybrid seeds.



PACKHOUSE FACILITIES

Investments in packhouse construction and upgrades included operations for sweet potato, yuca, cucumber, zucchini and local market vegetables.



MICROPROCESSORS

Microprocessors invested in company legalization, new label development, bar codes, trademark registrations, new packaging, and market development.



PROCESSING PLANTS

Investments in processing plants included equipment upgrades, new equipment, plant extensions, and new processing plants for fruit and vegetable processing.