

# Chile Jalapeño



**Fintrac CDA has completed the first season introducing jalapeño pepper to small independent growers, who in the process have sold product for more than \$780,000. The program has been successful and will continue for the upcoming season.**



## GLOBAL RESULTS

■ For the 2000/2001 season, 120 hectares were planted by 68 growers in the West, Central and Southern zones. 4.4 million pounds of jalapeño were sold to the processing plant for a total value of US\$740,000. In addition, 400,000 lbs were sold to local and regional markets for \$45,000.

## BACKGROUND

■ Fintrac CDA worked with Chestnut Hill Farms to develop an out-grower program for contract production of jalapeño on a fixed price basis. Fintrac developed the investment plan, grower pre-requisites and then identified growers.

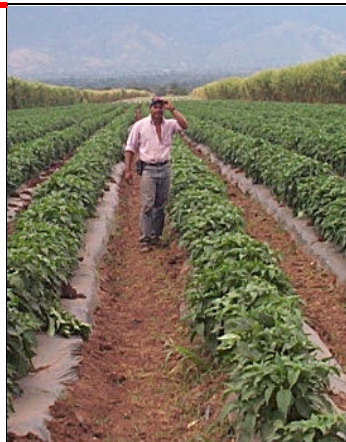


## YIELDS

■ Average yields for the overall program were 44,911 lbs/ha. By production zone, the South averaged 39,790 lbs, the West 48,693 lbs and 52,630 lbs in the Central region. On an individual basis the maximum production obtained was 102,515 Lbs/ha.

## ASSISTANCE PROVIDED

■ After the contract had been agreed, within 30 days Fintrac CDA established the calendarized program for planting 120 ha. Technical assistance was provided to the growers covering all aspects of the production systems from pre-planting to delivery to the plant and set up all logistics.



## INCOMES/EMPLOYMENT

■ Average gross incomes: \$7,635/ha; net incomes: \$2,186/ha. The best growers have been selected to continue. They averaged 54,350 lbs/ha and net incomes of \$3,605/ha. 450 permanent and 3,000 temporary jobs were created. Other beneficiaries included suppliers of plantlets, transport, crates, inputs and equipment.

## TECHNOLOGY FUND

■ In order to reduce the inherent risk with a new crop and to enable rapid implementation, Technology Funds were used to cost share with the growers in up-front investment in seed and plantlets, representing more than 40% of the total production costs.



## FUTURE ACTIVITY

■ 21 ha. of summer planting are already being harvested. Plans are being completed for the 2001 – 2002 season to plant 120 to 140 hectares, producing 6.5 million pounds and resulting in gross incomes of \$1.1 million for the small growers.