



Seedless Watermelon, Mickylee Watermelon & Canary Melon Export Program

HONDURAS
Programa de Exportación de Sandía sin Semilla,
Sandía Mickylee y Melón Canario

Fintrac CDA Watermelon Export Program 2002/2003

The watermelon export program has been developed following Fintrac CDA's normal mode of operation with market led production. A production program has been developed with independent small and medium sized growers linked to two exporters with defined buyers in the US, Canadian and European markets. The exporter contracts include seedless and normal watermelon and Canary melon with an estimated volume of 585,000 cartons (480 containers) and a total FOB value of US\$ 3.0 million. A total of 35 individual growers and 5 grower groups will be involved with more than 600 manzanas of production (420 hectares). Almost 150 manzanas of this area is in farms which have not been used since Hurricane Mitch and which have been rehabilitated specifically for this activity. The production operations utilize up to 160 person days of labor per crop cycle for each manzana. For the overall watermelon program, an estimated total of 96,000 person days of labor will be used, equivalent to 320 permanent jobs and Lps 4.8 million in salary payments.

Planting is being carried out on a calendarized basis; the first seedlings were transplanted in the second week of October and will continue until the middle of February 2003. The first exports will begin the end of December and continue until the end of April 2003.

This program contains several areas which are important or new to the Honduran non-traditional agricultural sector:

- Expansion of the watermelon export volumes overall and development of the seedless watermelon production and exports.
- Coordination between the private and public sectors in commercial production and export operations.
- SAG have made available loans funds totaling Lps 10 million which are being disbursed through Banadesa – these loans are non-collateralized – a first in agriculture for Honduras.
- Loans are being made based on three factors: guaranteed market for the producers, professional technical assistance (including credit supervision) and agricultural insurance.
- Exporters will pay the bank, who will deduct the loan payments prior to disbursing payment to the producers.
- The direct cost of the technical assistance provided by Fintrac CDA is being covered by Swisscontact (70%), the growers (15%) and the exporters (15%). This totals US\$ 28,000. SAG is providing the vehicle for the field technician.
- Fintrac CDA is providing other assistance to this program through the main USAID funded activities.

More information is available on www.fintrac.com/sandia