

FINTRAC CDA

Fintrac CDA is constantly introducing new and upgraded production and processing technologies to lead clients, 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 investments ranging from \$200 to over \$1 million. This bulletin provides a summary of the investments made by CDA lead partners in 2003.

Lead Partner Investments

Fintrac CDA 2003 Lead Partner Investment – by Activity Area

Activity Area	Client	Project	Other	Total	%	#
BDS	19,197	0	0	19,197	0.5%	14
Marketing	22,677	7,314	0	29,991	0.7%	7
Postharvest	42,803	25,763	500	69,066	1.7%	13
Processing	933,795	33,481	15,190	982,467	23.6%	118
Production	2,787,569	5,160	268,301	3,061,030	73.6%	134
Total	3,806,042	71,718	283,992	4,161,751	100.0%	286

Fintrac CDA 2003 Lead Partner Investment – by Specific Category

Category	Client	Project	Other	Total	%	#
Legal	5,342	10,481	0	15,823	0.4%	18
Computerization	8,840	0	0	8,840	0.2%	4
Processing Plant Equipment	691,995	0	0	691,995	16.6%	12
Postharvest & Packhouse Equipment	10,478	0	0	10,478	0.3%	4
Irrigation Equipment & Installation	271,057	5,000	265,700	541,757	13.0%	91
Packing Equipment & Packaging	34,558	7,314	0	41,872	1.0%	23
Agricultural Equipment	32,721	23	0	32,744	0.8%	20
HACCP/ EUREP GAP/ Food Safety	3,475	0	0	3,475	0.1%	5
Greenhouse Structures	2,297,370	0	0	2,297,370	55.2%	7
Processing Plant Infrastructure	148,058	0	0	148,058	3.6%	4
Postharvest Infrastructure & Packhouses	85,414	25,390	500	111,304	2.7%	12
Inputs & Hybrid Seeds	40,400	510	0	40,910	1.0%	3
Marketing: Markets Visits & Labels	14,505	7,169	0	21,674	0.5%	64
Others	10,550	15,831	17,792	44,172	1.1%	10
Land Purchase	112,086	0	0	112,086	2.7%	3
Trucks & Other Transport	39,192	0	0	39,192	1.0%	6
Total	3,806,042	71,718	283,992	4,161,751	100.00%	286

Despite the difficult economic situation in Honduras, CDA lead partners invested in agricultural-related activities, improving their existing production and processing systems and developing new projects. The investment were in capital equipment and assets and do not include working capital requirements. These investments were carried out due to the level of confidence in CDA, previous successes of lead partners, and because of new profitable investment proposals and market opportunities developed by the project.

Investment reported during 2003 totaled \$4,161,751 of which \$3,806,042 came directly from CDA clients. Cost sharing with other institutions totaled \$283,992 and included irrigation systems financed by SAG/Pronaders, Funder and Swisscontact, market visits co-financed with FIDE, labels co-financed by GTZ and technical assistance with Swisscontact and SAG.

Grower investment in production systems made up 74% of the total investment, including \$2.3 million by two large companies with the construction of large-scale greenhouses and shade-houses, and more than \$541 thousand in irrigation equipment. Investment in processing plant construction, expansion and equipment totaled \$850 thousand (20% of the total). Other investments included farm equipment, packhouse construction and equipment, construction of seedling greenhouses, market visits, and transport.

Projected investment in 2004 includes construction of a new fruit and vegetable processing plant, upgrading of ripening and processing facilities, completion of new packing facilities, continued expansion of production areas under drip irrigation, and purchase of agricultural and processing equipment.

Fintrac CDA 2003 Lead Partner Investment – by Department

Department	Client	Project	Other	Total	%
Atlántida	6,090	0	0	6,090	0.2%
Choluteca	67,680	1,590	8,601	77,871	1.9%
Colon	698	0	0	698	0.02%
Comayagua	1,616,522	25,559	191,800	1,833,881	44.0%
Copan	266	117	0	383	0.01%
Cortes	698,403	21,412	0	719,815	17.3%
El Paraíso	5,499	0	0	5,499	0.1%
F. Morazán	7,701	15,831	17,790	41,322	1.0%
Intibucá	21,276	1,203	0	22,479	0.6%
La Paz	1,261,528	503	0	1,262,031	30.3%
Lempira	4,067	5,000	0	9,067	0.2%
Ocotepeque	11,545	480	45,500	57,525	1.4%
Santa Barbara	64,974	0	0	64,974	1.6%
Unspecified	2,993	23	0	3,016	0.1%
Valle	11,693	0	20,300	31,993	0.8%
Yoro	25,106	0	0	25,106	0.6%
Total	3,806,042	71,718	283,992	4,161,751	100.0%

While investments were made by lead partners in all departments, those investing most heavily were in Comayagua, La Paz and Cortes (greenhouses, shade houses and processing plants).

Growers invested more than \$480 thousand and grower / exporters more than \$2.3 million. Processor / exporters invested \$914 thousand. Despite working with limited resources, microprocessing clients invested more than \$51 thousand in processing equipment, facility improvement, and packaging/label development. Associations and groups, including coffee cooperatives, invested \$333 thousand. "Other investors" included buyers, service providers, schools and institutions.



GREENHOUSE CONSTRUCTION

Investments were made in large-scale greenhouses and shade houses for production of European cucumber, sweet peppers and oriental vegetables.



IRRIGATION INSTALLATION

Irrigation was the main investment made by small- and medium-sized growers, including 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.



PROCESSING PLANTS

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



MICROPROCESSORS

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



PACKHOUSE FACILITIES

Investments in packhouse construction and upgrades included operations for sweet potato, yuca, cucumber, watermelon and honeydew.