

# Fintrac - Centro de Desarrollo de Agronegocios



## Partner Profiles – Client Base. March, 2003

During the first two months of 2003, CDA technical representatives (TR's) and staff have been analyzing the project's client base from December 2002. While some of the partners need further assistance, others have reached a higher, more competitive production level and have been "graduated" from the project. Another small group of beneficiaries have been canceled as lead partners due to low levels of commitment or lack of interest. Some long standing clients have been maintained as they are used for demonstrations, training, trials and as marketing channels. The graduation of clients and evaluation of client response to technical advice allows TR's to take on new clients and expand the number of producers, processors and exporters benefiting from the project (more outreach). It also allows TR's to use their time more effectively, since mature clients have the ability to operate on their own, and others are not open to advice. Both cases result in reduced impact from technical assistance.

During the first 2 months of 2003, 45 lead partners have been "graduated" and 18 have been dropped from the program. These 63 lead partners (29% of the December 2002 client base) are being replaced by other growers in the different regions. During the first two months of 2003, a total of 33 new clients have been incorporated to the program, for a total of 188 lead partners (3,721 individual farmers/processors). The goal is to maintain around 250 lead partners at any given moment, and to graduate/incorporate new clients on a continuous basis.

As in the previous years, the Fintrac CDA project has continued to work with a diverse range of agricultural sub-sectors and programs. The principal aim of the project is to introduce profitable and viable alternatives that may be implemented by growers, exporters and processors to increase incomes, employment, sales and exports. One of the successes of the project has been the identification and development of specific crops and/or programs that may be carried out by a wide variety of growers, considering their technological backgrounds, size and economic possibilities. Alternatives have been designed for micro, small, medium and large sized growers covering the local, regional and export markets. This has enabled the project to work with lead partners of all sizes and backgrounds and respond to market conditions and requirements.

As of February 2003, the Fintrac/CDA project has 188 lead partners (3,721 individual growers/processors).

## CDA Partner Profiles

The following summary provides a description of the 188 clients that are currently being assisted by the Project. Most of CDA clients are considered micro and small with 74 percent having less than 10 employees and 95 percent having less than 50 employees (Table 1). The smaller-end of CDA's client base (the lower 30%) are mostly growers in the calendarized vegetable program in Intibuca and San Marcos de Colon, growers in the yuca program in the southern and Lake Yojoa regions, some watermelon growers in the south, and several microprocessors in different regions. Growers in the \$6,000 to \$58,800 turnover range (46% of client base) are mostly involved in jalapeño peppers, green peppers, onions, tomato, and most out-growers for exports of fresh vegetables, including cucumbers and oriental vegetables. With the plantain, papaya, green pepper and onion programs being incorporated into 2003 activities, the greatest increase in CDA's client base is expected to be in the middle-end category. The larger companies (24% of client base) are producer/exporters and processors, both of which buy from small independent growers. The annual turnover of the partners is also concentrated at the micro and small levels (Table 2).

# of Employees	CDA Partners
1 to 5	101
6 to 10	33
11 to 50	37
> 50	9
Sample size: 180 partners (96%)	

Turnover	Total	%
< Lps 100,000 (\$ 5,880)	54	30
L. 100,000 - 250,000 (\$5,880 to \$14,700)	28	15
L. 250,000 - 1.0 million (\$14,700 - \$58,820)	57	31
> Lps 1.0 million (\$ 58,820)	44	24
Sample Size: 183 partners (97%)		

Although most of the partners receiving CDA assistance direct their sales to the local market or sell to exporters and processors (Table 3), the percentage of clients selling **exclusively** to the local markets has gone down from 58% to 51%, while clients selling in both the local **and** regional markets has gone up from 12% to 26% in just 7 months. The main reason for this change is the opening of new markets for Honduran fruits and vegetables in supermarkets, markets and processing companies in El Salvador and Guatemala, which were made possible due to visits by CDA personnel (and their clients) to these markets. There are also 42 lead partners selling to international markets. Some of the products being exported are specialty coffee, cucumber, squash, yuca, papaya, oriental vegetables, jalapeños, watermelons, melons and other processed fruits. CDA has placed considerable emphasis on developing links between producers and exporters and processors as well as direct local market links. CDA partners are located in 13 departments throughout Honduras.

Markets	Total	%
International	8	4
Local	96	51
Local & International	10	5
Local & Regional	48	26
Local, Regional & International	24	13
Regional & International	2	1

Exports are made principally to the USA, the Netherlands, Germany, El Salvador and Guatemala. CDA's technical approach is to work with systems and with selected target crops products, enabling rapid technology uptake across a wide range of products.

## CDA Partner Location and Sectors

CDA partners are divided into 16 locations (Table 4). Fintrac advisors are based in Choluteca, Valle, Comayagua, La Paz, Intibucá, Copan, Lake Yojoa and La Lima (SPS). Of the 188 partners, 133 - (71%) are located within these regions. Each field advisor travels to a neighboring location one or two days of the week to attend the remaining partners. With this system, almost all partners are visited at least once a week.

<b>Location</b>	<b># Of Partners Total</b>	<b># Of Growers Total</b>
Atlantida	2	21
Choloma	1	1
Choluteca	25	445
Comayagua	23	538
Copan	15	19
Cortes	7	443
Danli, El Paraiso	1	1
Intibuca	21	271
La Paz	23	718
Lempira	5	150
Ocotepeque	13	415
Olancho	1	1
Santa Barbara	3	4
Siguetepeque	18	180
SPS	6	71
Tegucigalpa	1	1
Valle	14	355
Yojoa	5	84
Yoro	4	4
<b>Grand Total</b>	<b>194</b>	<b>3,726</b>

74% of CDA's clients are dedicated to production. For the present year, new medium sized processing clients will be added, while some of the microprocessors will be graduated once their particular objectives are accomplished. New growers will continue joining the program. The expected ratio for this year is approximately 80% production and the remaining 20% processing (coffee included as processing).

<b>Sector</b>	<b>Total</b>	<b>%</b>
Education	3	2
Microprocessor	22	12
Processor / Exporter	7	4
Producer	124	66
Producer / Exporter	15	8
Producer/Processor	8	4
Producer, Processor & Exporter	9	5
<b>Grand Total</b>	<b>188</b>	<b>100</b>

For additional information, please contact Andy Medicott, CDA Director ([andy@fintrac.com](mailto:andy@fintrac.com)) or Antonio Coello ([antonio@fintrac.com](mailto:antonio@fintrac.com)), CDA Monitoring and Evaluation, Tel: (504) 668.2078 or Fax: (504) 668.1190