

# Fintrac Inc. - Centro de Desarrollo de Agronegocios <sup>2</sup>



Summary of Activities

# 24 – December 2003

Fintrac - Centro de Desarrollo de Agronegocios (CDA) is USAID-funded project that assists producers, processors and exporters of non-traditional agricultural products. The main goal is to widen production and sales of horticultural and fruit products, in order to increase incomes in this sector. This report provides a brief summary of some of the most relevant activities. USAID will continue its support of the non-traditional agricultural sector through CDA and its activities will continue until September 2004.

## Partners

There are 320 clients in the program for the year 2003, which include a total of 5,125 individual producers and processors. The new clients registered in the project are producers from the zone of El Paraíso, as well as microprocessors.

## Updates

**Jalapeño Pepper:** In 2003, project partners sold 11.38 million lbs (US\$ 2.01 millones) to their main buyer in Honduras, 2.3 millions lbs (\$ 420,000) more than what was sold to this company in 2002. This increase includes the introduction of two new products: "Sweet" Jalapeño peppers, and Red Jalapeños, which yielded a combined 900,000 lbs and were sold by the producers for \$307,000. Penetration into neighboring markets increased substantially. Shipments to Guatemala increased from 820,000 lbs (\$174,000) in 2002 to 1.6 million (\$300,000) in 2003; shipments to el El Salvador totaled 95,000 lbs (\$12,000) in 2002 and 150,000 lbs (\$24,000) in 2003. Sales to secondary markets in Honduras increased from 127,000 lbs (\$9,000) to 800,000 lbs (\$64,000). New markets were opened in Nicaragua, and trial shipments were sent to Mexico. Comparing shipments to other markets in 2002, sales for this period exceed those for the previous one by 1.55 millions lbs (\$201,000 more). The producers that have

already completed their cycle are averaging 93,067 lbs/ha, 26,200 lbs/ha more than the average yields of 2002 (a 39% increase). There are 68 producers that have already finished their production, at 137 hectares, and there are 41.5 hectares currently being harvested.

**Onion:** In 2003, 81 hectares were planted in nurseries; 21 hectares have been harvested, and the rest are in the field. The production of the harvested area is estimated at 13,000 bags during the year (\$110,000). For December, 10 hectares were planted in the nurseries, and 16 were transplanted to the field.

### Crops for the Export Season:

Crops	Containers Total for Week# 52 2003	Containers Total for Week # 52 2002
Watermelon	0	1
Cantaloupe	572	353
Honeydew	118	141
Butternut	0	0
Cucumber	87	7

**Sweet Potato and Yuca:** Exports to Europe started in October 2003. The year ended with a total of 5 containers, and shipments of 121,000 lbs of sweet potato and 90,000 lbs of yuca.

## Technical Assistance

● **Technical Assistance in Marketing:**

Provided a producer interested in entering the market in El Salvador with market information on carrots and onions. Continued support for market linkages for the distributors that supply supermarkets, hotels and souvenir shops with products from microprocessors. Reinforced commercial linkages and fixed price contracts with the special coffee buyers. A link was made between a plantain processor and a freight company servicing Mexico, to open markets there. Support in commercial linkages for ginger in the local market. Link between a lemon producer and a marketing company that resulted in the export of lemons to Costa Rica.

● **Technical Assistance in Production:**

Provided fumigation and fertilization calendars to several producers working with onion, sweet peppers, butternut squash, jalapeño peppers and yuca. Review of the nurseries for honeydew production, support for the production of butternut squash, cucumber, watermelon and melon for export. Provided support in the production of onion, tabasco peppers, and jalapeño peppers. Installation of drip irrigation systems, assistance in the handling of beehives for cucumber production for export. Fertilizations and growing practices for plantain, periodic programming of the plantain harvest.

● **Technical Assistance in Postharvest:**

Provided a plantain processing company with conclusions and recommendations on plantain ripening procedures. Continued with the banana ripening procedures for a banana puree processor.

● **Special Coffee:** Continued the coffee tastings in different coffee zones, grouping the coffees according to the quality, in order to be able to offer special coffees, assistance with drying, warehouse and patio cleaning in order to maintain the quality of the coffee. Provided the tasting methodology and the formats to personnel from IHCAFE. Provided support for setting up of several washing facilities (beneficios) as well as in the installation and improvement of environmentally sound beneficios. Studied the possibility of setting up a special roasted coffee enterprise aiming at the export market. Supervised the coffee drying operations, as well as the patio drying operations.

● **Eurepgap:** Visited the farms that are carrying out Eurepgap certification activities and followed up on the assigned activities. Advised producers

on the following: design and use of warehouses for the farm chemicals, letrine location, locker rooms, emergency showers and eye washing procedures. Carried out audits in packhouses and farms to verify which areas have improved. Training for personnel in sampling and the use of log books. Support for the calibration of sprayers. Remodeling of the existing warehouses, in order to comply with the regulations. Production of a CDA Eurepgap manual.

● **Processing:** Provided technical support for a frozen products plant that started working this month in San Pedro Sula. Followed up on the approval process for exporting processed products to the US. Provided support to a Jalapeño freezing plant in Choluteca. Registered companies with the FDA in order to comply with the bioterrorism law. Obtained information to put together a pre-feasibility study for a dehydration plant. Carried out trials for yuca valencia of different ages for the manufacture of pre-fried products. Carried out dehydrated chile trials.

## Training

● December 2003 - 410 trained for the month; 4,966 trainees so far for 2003. Training per area during the year was as follows:

● **Postharvest 2003:** - 814 trainees. Temas en December: onion curing, baby corn harvesting, sweet potato harvesting, jalapeño and sweet pepper harvesting; use of iodine as a disinfectant in the harvest, onion grading and packing, coffee tastings.

● **Production 2003:** - 2,855 trainees. December subjects: distribution of beehives in the field, selection of hives for polinization, cut and grading of sweet potato seeds, onion nursery, pest sampling, main chile pepper plagues, onion transplant, main onion pests and diseases, and their prevention and control, application of herbicides for onion, installation of drip irrigation systems, installation and use of barrel filters, cleaning of pumpkin fields, training in calendarized vegetables, transplant of tomatoes with starter solution.

● **Eurepgap 2003:** - 512 trainees. December subjects: sampling of plagues and diseases, monitoring and use of records, filling in and using the log book.

● **Processing 2003:** - 554 trainees. December subjects: Arrival notices mandated by the new bioterrorism law.

● **Marketing 2003:** - 219 trainees.

● **Other 2003:** - 16 trainees.

### General Activities

- Drafted an article regarding the activities and results obtained with the microprocessors.
- Meeting with FIDE to explore the possibility of doing joint work.
- Meeting of CDA and all the clients from San Marcos de Colón to discuss the new markets for jalapeño pepper and the onion project.
- Meeting with the producers of jalapeño peppers to present the options of entering markets outside Honduras, and to plan the assistance that will be provided to those clients.
- Meeting with a large producer-exporter who is interested in planting onion monthly under the CDA calendarized program.
- Meeting with Banadesa executives to support the financing of several plantain producers groups working under the CDA program.
- Visit by one of the watermelon, cucumber and butternut squash brokers to the farms of CDA producers.

- Drafted an article concerning the activities of jalapeño peppers.
  - Artículo sobre instalación de minilaboratorios de catación en varias comunidades rurales del país.
- An article concerning the zucchini production program was published in Diario Tiempo.
- Started the production of market bulletins for winter export crops.
- Worked with FIDE in the search of market information for agricultural products.
- Meeting with CDA personnel to analyze the results obtained in 2003 and plan the activities for 2004.
- Visit from Fintrac Vicepresident to implement the new monitoring and evaluation system.
- A presentation was made on the strengths and weaknesses of the program during 2003.
- Mediated between the COVELO foundation and CDA producers so that they may obtain financing for their production and the acquisition of agricultural equipment.
- Provided consultants from SAG with information regarding the CDA project.



Initial shipment of Jalapeños to El Salvador



Onion planting, Cantarranas



Honeydew planting, Choluteca



Onion pest ID



Zucchini greenhouse, La Esperanza



Zucchini planting, Siguatepeque



Jalapeño producers' meeting



CDA clientes' meeting in San Marcos de Colón