

Livelihoods Case Study

PRODUCERS' ASSOCIATIONS: SUPPORTING FARMERS IN HONDURAS

COUNTRY: Honduras

THEMES: Farmers training; accessing markets

BACKGROUND

PAG are working with 150 farmers in the mountainous region of Belen Gualcho close to Mt Celaque. PAG has supported the creation of a producers' organisation called APROCEL. Farmers pay 500 Lempira to join APROCEL and an annual subscription of 350 Lempira. Through this membership they can access technical support from PAG, access to irrigation schemes (which they repay per vegetable cycle), access to inputs in the shop and access to market/transportation. Farmers can also access credit from PAG directly. Greenhouses are provided to interested/ committed APROCEL members who have to pay 30% of the funding of the greenhouse upfront.

THE PROJECT

APROCEL has a board of 9 members and has 3 committees who focus on three areas: irrigation, marketing and vigilance. Farmers are provided with vegetable seed and are given a schedule for planting and a quota to produce. PAG/APROCELL will then discuss with Walmart/other supermarkets what will be available to sell in 3 months' time. They are then provided with technical assistance during planting including on management of pests and diseases and also for fertiliser usage (farmers are encouraged to use fertiliser dissolved in water system to then drip onto land to reduce fertiliser run-off and overuse). Farmers previously used to only grow rice and beans but through the project are growing a variety of vegetables including tomatoes, peppers, lettuce, cabbage, broccoli, carrots, onions etc. The vegetable cycle is 90 days – 60 for growing and 30 for land preparation. Cycles can continue for 7 months if there is irrigation and tunnels to allow for production in dry/wet seasons.

As the work is labour intensive farmers are often hiring additional staff on a permanent basis or during times of harvest and land preparation. After harvesting, PAG/APROCELL will collect the produce from the farms in large boxes and they will be packed into refrigerated lorries or refrigerated warehouses at the PAG base. PAG has tried encouraging farmers to take the products to

market but due to long distances farmers still require produce to be picked from the fields directly. PAG are giving APROCELL 2 lorries to enable them to do this.

PAG/APROCEL will check the produce for quality and produce which does not meet the required quality is sold locally or used for value addition products. PAG will record the volumes of crop produced per farmer. APROCEL transports the collected produce via the refrigerated trucks directly to the supermarket wholesaler in San Pedro Sula. After 14 days the funds are transferred from the supermarkets to PAG and PAG will provide farmers with a cheque as per the value of their produce sold but minus the cost of transporting/marketing which is retained by PAG for their services.

Women are also being trained to produce crops such as strawberries and blackberries which can be processed into jams, juices, sweets and pickles to reach other markets and increase value through processing. This area of work needs to be strengthened but currently USAID is training the women's group and providing technical support.

SUCSESSES

Anecdotally community members say that through the project 'everything has changed' as farmers have moved from subsistence to surplus and have more resources and income. The health project has also met with high approval by the community members as it allows them to purchase simple medicines in the communities themselves under the guidance of a trained volunteer. Complicated cases are referred to the local health centre.

CHALLENGES

PAG are experiencing some problems with farmers being unable to produce their quota, challenges of quality and also of sideselling –especially if farmers need money faster they sell for a lower price locally. Price stability depends on the season.

At the moment PAG are providing substantial support to APROCL but future plans include capacity building of APROCEL to market products on its own now that it has received legal status. APROCEL wish to include more farmers in the group and increase volume of sales. The key for this project is the secure and defined market which the farmers are able to produce for – however there are challenges of accessing this market, transportation from the farm to collecting centres and onwards to San Pedro Sula.