



USAID
FROM THE AMERICAN PEOPLE

QUARTERLY REPORT #05 (APRIL – JUNE 2012)
USAID-ACCESO



June 2012

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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I. EXECUTIVE SUMMARY

USAID-ACCESO is a 46-month project, funded by the United States Agency for International Development (USAID) Office of Economic Growth in Honduras, to move rural Honduran households out of extreme poverty and under-nutrition by improving their incomes. USAID-ACCESO represents the core investment by USAID/Honduras in the US government's global hunger and food security initiative known as Feed the Future. The project is working through six key components to enable economic development at the household level:

1. Technical assistance and training to enhance the capacity of Honduras' poorest households in production, management, and marketing skills.
2. Market access focused on linking farmers to market opportunities.
3. Rural financial services through existing rural financial intermediaries, village banks, commercial banks, and other service and input providers.
4. Assistance in eliminating policy barriers that impede rural household access to market opportunities.
5. Malnutrition prevention activities to enhance the capacity of rural households to improve utilization and consumption of healthy food.
6. Sound environmental and natural resource management.

USAID-ACCESO is implemented by the US agribusiness firm Fintrac Inc., in association with Fundación Hondureña de Investigación Agrícola (FHIA), Escuela Agrícola Panamericana (EAP-ZAMORANO), Fundación para el Desarrollo Empresarial Rural (FUNDER), CARE International, and the Global Village Project. Other local nongovernmental organizations (NGOs) were subcontracted during the first three quarters of implementation, and are now directly implementing activities under USAID-ACCESO. These include Hermandad de Honduras, Save the Children, Cooperativa Regional Agroforestal Erandique Limitada (COPRAFEL), Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH), Proyectos e Iniciativas Locales para el Autodesarrollo Regional de Honduras (PILARH), Comisión Acción Social Menonita (CASM), and Instituto Hondureño del Café (IHCAFE).

This is the fifth quarterly report for USAID-ACCESO, summarizing the principal activities carried out from April to June 2012. Key activities this period included expansion of market-based production; technical assistance in production and nutrition; support for small off-farm businesses; support in access to credit and formalization of organized groups; establishment of renewable energy and water conservation projects; identification of new client households; baseline data sampling; and integration of all of the technical components.

Other highlights include:

- 2,612 new client households were incorporated into the project during the quarter, for a total of 16,142 client households, with 71,397 family member beneficiaries. 2,267 micro, small and medium sized enterprises (MSMEs), Atención Integral a la Niñez en la Comunidad (AIN-C) groups, and community-based organizations are also enrolled in the project. For client households with income data, 10,683 are living in extreme poverty, 1,016 are in the poverty category, and 1,413 are non-poor (data remains to be collected for 2,930 client households). More than 18 percent of the client households are registered as female.
- Technical assistance visits and training were provided to basic grain and small-scale coffee producers on soil preparation practices, increasing planting densities, implementing weed control, and improving fertilization use. Harvested corn and bean plots show two or threefold increases in productivity, and in many cases have reduced the risk of climate-related losses. These activities are the starting point for diversification to more profitable high-value cash crops. Initial beneficiaries are also serving as demonstration farms for other producers and potential clients.

- To date, a total of 105,684 reported technical assistance visits have been made in all of the project's technical components, including 5,112 in nutrition and health related areas. Project training has been given to 23,185 individuals, including 1,430 in nutrition and health.
- A total of 11,373 hectares are under project technical assistance with 1,168 hectares already in high-value, cash crop fruit and vegetable production (6,432 in coffee; 3,773 in basic grains). Market-driven production programs have been established with local supermarkets, and initial activities have commenced for small-scale export programs to regional and international markets.
- Other technical areas are fully integrated into the economic development activities (on- and off-farm), including health and nutrition, business skill development, policy, natural resource management, renewable energy, and disaster mitigation.
- Market driven production programs are already linking around 300 families with new market opportunities. The sales volume from the first season is expected to range between four and seven containers per week, translating to estimated weekly sales of more than \$50,000 – all new income for client families. In addition, these projects will generate more jobs in the field and in processing and packing plants.
- The project assisted with and installed 256 renewable energy systems this quarter, for a total of 362 to date.
- During the quarter, the project assisted clients obtain 539 loans with a value of \$203,558, for a project total of 1,153 loans worth \$812,656.
- Private sector investment for the quarter totaled \$565,304, for a total of \$1,584,443 (project clients \$1,282,863; counterparts \$301,580).
- Positive results are already being shown with the introduction of improved feeding practices for children under 2 (diversified food groups, nutrient balance, quality, quantity, etc.), improved hygiene procedures, and the introduction of the healthy household program. Underweight children under 2 years old in communities throughout the six departments are showing consecutive positive growth curves.
- Through continued work on marketing activities and market-driven production programs, 300 MSMEs are now accessing new markets through a broker and 372 MSMEs have entered formal preferred supplier or contract agreements with brokers.

2. PROJECT BACKGROUND

Honduras' social and economic indicators rank it among the least developed countries in the Western Hemisphere, with 65.5 percent of its population living in poverty, the largest portions of which are found in rural areas.

The agriculture sector in Honduras employs 35 percent of the workforce, accounts for an estimated 75 percent of exports, and remains the most important source of income for the poor and extremely poor. USAID-ACCESO targets six departments that are among the poorest in the country. The majority of farm households cultivate traditional crops on small plots, often on hillsides, for which market access is hindered by poor roads and distance. The use of traditional cultural practices has produced poor yields, depleted soil of nutrients, and led to forest encroachment. Malnutrition is also a major problem, with nearly half of all children in extremely poor households exhibiting stunted growth.

USAID-ACCESO represents an important component of USAID/Honduras's new multi-year strategy for Feed the Future. Objectives of Feed the Future include increasing agricultural productivity, preserving natural resources, improving agricultural marketing, increasing the purchasing power of vulnerable households, and maximizing food security. This strategy is in line with the economic growth (Agriculture/Micro, Small, and Medium Enterprise) and natural resource management related aspects of the "Promoting Economic Growth and Prosperity" goals of the US government's Honduras Country Assistance Strategy covering fiscal years 2009 to 2013.

USAID-ACCESO works in six departments: Intibucá, La Paz, Ocotepeque, Lempira, Copán, and Santa Bárbara, with the following high-level targets:

- Bring 30,000 rural households living below the poverty line above the poverty threshold, of which a minimum of 18,000 will be from households living in extreme poverty.
- Generate \$73.95 million in net profits for client households assisted by the project.
- Create 10,425 permanent jobs in the assisted communities.

USAID-ACCESO will assist at least 31,800 client households in these six departments, distributed as follows: 30,000 households living in poverty (of which a minimum of 18,000 households are living in extreme poverty), 1,000 commercial scale producers of horticultural crops, and 800 off-farm rural MSMEs.

The project is increasing sales and incomes by introducing basic production practices and market-driven programs for high-value cash crops, as well as by expanding off-farm microenterprise and employment opportunities. The six key components explained above enable economic development and nutrition improvements at the household level.

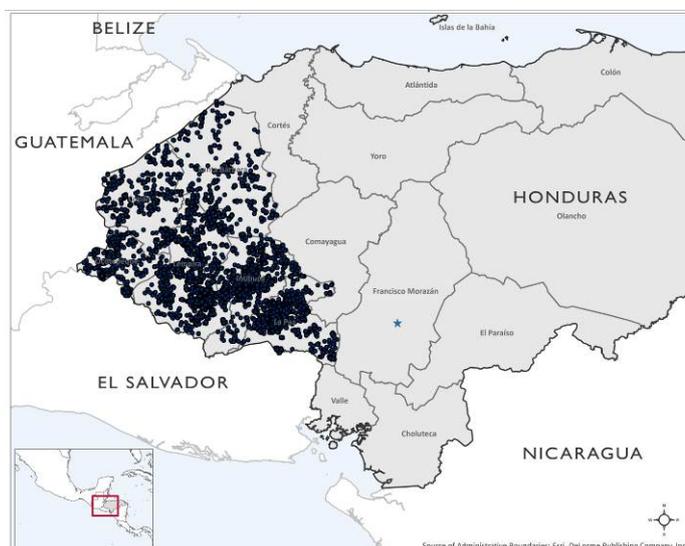
The details on implementation methodology, strategies, and activities are provided in other documents prepared for USAID, including those on the work plan, gender, and environment. Additional information and details are provided in the June 2012 PMP Excel file presented in association with this report.

3. HIGHLIGHTS OF ACTIVITIES AND RESULTS

This section highlights some of the activities and results achieved by the project across the areas of intervention during the reporting period. It details the actions taken by USAID-ACCESO to meet the intermediate and sub-intermediate results established in the contract, and presents the project's progress in achieving milestones and output indicators. The intermediate results are:

- Rural MSME growth increased (*IR 2.1*).
- Honduran biodiversity and natural resources conserved (*IR 2.2*).
- Capacity to mitigate and adapt to climate change strengthened (*IR 2.3*).
- Use of quality maternal and child health and family planning services increased (*IR 4.1*).

Figure 1: Geographical coverage



2,612 new client households were incorporated into the project during the quarter, for a total of 16,142 client households, with 71,397 family member beneficiaries. 2,267 micro, small and medium sized enterprises (MSMEs), Atención Integral a la Niñez en la Comunidad (AIN-C) groups, and community-based organizations are also enrolled in the project. For client households with income data, 10,683 are living in extreme poverty, 1,016 are in the poverty category, and 1,413 are non-poor (data remains to be collected for 2,930 client households). More than 18 percent of the client households are registered as female. The project is working in 129 of 131 municipalities in the six departments. Details on beneficiaries by income, type, department and age are given in Annex III. A GPS map of client households is provided in Figure 1.

The principal components and targets of the USAID-ACCESO work plan for fiscal year two (October 2011 to September 2012) and status to date are as follows:

Activity/Target – June 2012	Status – June 2012
Demonstration plot development and commercial production operations for basic grains, horticulture, and tree crops in all six departments	Ongoing; more than 11,373 hectares planted and under the project's technical assistance program
More than 16,397 individuals will have received agricultural sector productivity or food security training, of which at least 3,375 will be women	Total of 21,755 individuals, of which 6,513 were women
More than 111,800 technical assistance visits to project-assisted households will have been executed	100,572 technical assistance visits to beneficiary households
More than 402 off-farm and processing MSMEs will be receiving technical assistance from the project	638 off-farm and processing MSMEs receiving project assistance.
More than 1,694 MSMEs will have accessed new market opportunities through a broker	300 MSMEs accessed new market opportunities (800 MSMEs also in the process of meeting definition)
A total of 100 brokers will be providing market linkages to MSMEs	15 brokers providing market linkages

Activity/Target – June 2012	Status – June 2012
A total of 110 technical materials will be produced for use and distribution by project staff and counterparts	142 technical materials produced
A total of 835 MSMEs will have accessed market-based financing as a result of the project's assistance	1,153 MSMEs accessing financing
A total of 25 public-private partnerships and 8 private sector alliances will be developed	7 public-private partnership alliances developed and 12 private sector alliances

Activities are behind schedule in some areas due to the project's start-up at the end of the 2011 basic grain planting season, a delayed start-up of six of the CTUs (5 in December 2011 and 1 in January 2012), increased support to improving basic grain production systems, and increased efforts to ensure full integration of all technical areas alongside the production and income generation activities. Most of the targets that are currently behind schedule are expected to be achieved by the end of fiscal year 2012.

3.1. IR 2.1. RURAL MICRO, SMALL AND MEDIUM ENTERPRISE GROWTH INCREASED

USAID-ACCESO's main activities and interventions are targeted towards achieving MSME growth. Not only will increased incomes and increased productivities at the household level have a positive effect on the communities' overall economic growth, it will also increase client purchasing power to reduce the food insecurity situation in western Honduras and the related health problems.

In this section, USAID-ACCESO is reporting on activities that are directly contributing to three of USAID sub-intermediate results (Sub IRs). These are:

- Rural MSMEs access to inputs, practices, and technology for market participation improved (Sub IR 2.1.1).
- Rural MSMEs access to new market opportunities increased (Sub IR 2.1.2).
- Barriers to competitiveness of rural MSMEs improved (Sub IR 2.1.3).

3.1.1. SUB-IR 2.1.1: RURAL MSMES ACCESS TO INPUTS, PRACTICES, AND TECHNOLOGY FOR MARKET PARTICIPATION IMPROVED

The greatest impact on the livelihoods of USAID-ACCESO-assisted households will occur when market-driven production programs are implemented with the basic production practices to enable access to markets and buyers. Competitive, consistent, and coordinated production operations with defined markets are critical to ensuring increased incomes. To achieve this goal, a range of activities have been undertaken by the project. This principally involves the provision of technical assistance and training to on- and off-farm MSMEs to implement technology and updated production practices; expand direct links with markets and buyers; work with groups of growers to introduce market-led production programs; develop private sector alliances; and increase the technical capacities of local NGOs, agricultural schools, and the private sector in the technology transfer process.

Implementation of updated production technologies (on- and off-farm)

The status of activities in the Project Monitoring Plan (PMP) under this component is as follows:

- Number of individuals who have received government-supported short-term agricultural sector productivity or food security training: 21,755
- Number of extension visits to program beneficiaries: 100,572
- Number of technical materials produced (bulletins, manuals, presentations and tools): 142
- Number of MSMEs (off-farm and processing) assisted by project: 638
- Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation: \$1.584 million
- Number of female individuals in training activities: 6,513
- Number of farmers and others who have applied new technologies or management practices as a result of government assistance: 35

Additional information is provided below:

- Over the quarter, a total of 31,485 technical assistance visits were provided to client households on good agricultural practices to increase yields, improve product quality, reduce unit costs, diversify crop production, improve food security, and ensure disaster preparation. To date, USAID-ACCESO technicians have delivered 100,572 technical assistance visits to client households (excluding nutrition & health).
- The project promoted new crop alternatives, based on the potential of each specific region in terms of crop development, cost of production, and availability and proximity to logistics and markets. Since most of the farmers are new to these crops, it has been crucial to guide them in every step of the production process.
- As shown in Table 1, with the start of the rainy season, USAID-ACCESO clients planted mostly basic grains to secure their food supply. A total of 1,151 hectares out of the 1,375 planted during the quarter (84%) represented basic grains, followed by 152 hectares of fruits and vegetables.

Table 1. Hectares Assisted as of June 2012

Value Chain	Accumulated Through March 2012	April-June 2012	Total to Date
Fruits and Vegetables	1,016	152	1,168
Coffee	6,361	72	6,432
Grains	2,622	1,151	3,773
TOTAL	9,999	1,375	11,373

- Crops with the highest area of new plantings by USAID-ACCESO client households during the reporting period include corn, beans, watermelon, coffee, potato, cabbage, rice, plantain, pickling cucumbers, and tomato. Details are presented in Table 2.

Table 2. Area Planted, April to June 2012, by Selected Crops

Crop	Hectares
Corn	926
Beans	210
Coffee	72
Watermelon	40
Potato	25
Cabbage	13
Rice	12
Plantain	13
Pickles	8
Carrots	8
Tomatoes	7

- Given the economic limitations of client households (poverty and extreme poverty), one of the project's greatest initial challenges is to achieve competitive yields and acceptable quality with low or no additional costs. The project has taken a similar approach to working with both basic grains and higher value vegetables. The practices recommended by USAID-ACCESO focus on the efficient and proper use of inputs, rather than encouraging farmers to use more or additional inputs, and prevention of problems before occur. The application of basic production practices, such as land preparation, seed selection, planting densities, weed control, and the introduction of fertilization where feasible enables the first jump in productivity with minimal increases in cost.

- More than 2,855 growers made new plantings this quarter. Most farmers (1,901) planted corn, beans, and rice, and 134 planted coffee. There were 820 growers who planted high-value crops, with most of these being in small areas ranging from 0.02 to 0.35 of a hectare. These included potato, carrots, cabbage, cucumber, green beans, watermelon, passion fruit, and tomato. Technical assistance was provided to client households in marketing, postharvest handling, certification, processing, and off-farm activities. Additional data on project technical assistance is provided in Annex III, Tables 14 and 15.
- In addition to technical assistance visits, a total of 3,302 training events were provided to 28,308 participants (20,868 male and 7,440 female). A total of 21,755 individuals (15,242 male and 6,513 female) have received training since project startup (excluding nutrition and health). Training subjects have included basic practices in coffee production, soil conservation practices, pest and disease identification and control, planting methods, weed control practices, efficient use of water, fertilization techniques, farm certification, costs of production, recordkeeping, and processing systems. Additional data on project training activities is provided in Annex III, Tables 10 to 13.
- To date, client households have planted new or have rehabilitated planted areas totaling 11,373 hectares. A summary of plantings by value chain is provided in Table I, with detailed information of all the plantings presented in Annex III, Table 13.
- Project activities related to off-farm production, food processing, and animal husbandry increased significantly during the quarter. The goal for FY 2012 is to provide technical assistance to at least 483 processors and off-farm MSMEs. The total number of MSMEs assisted by USAID-ACCESO as of June 2012 was 638.
- USAID-ACCESO clients continued investing in value-added off-farm and animal production activities. During the quarter, 943 clients registered investments of more than \$565,304 (clients \$479,984; counterparts \$85,320).
- For value-added off-farm activities, 122 training events were carried out with 947 participants (240 male and 707 female) and 1,838 technical assistance visits were carried out. To date, 1,343 individuals have received training (438 male, 905 female) and 5,890 technical assistance visits have been made in support of value-added off-farm activities.
- New income generating projects under analysis or in development in the quarter include:
 - *Essential oils*: identified an essential oil consultant to evaluate the potential of a viable essential oil industry for the allspice, cardamom and lemongrass growers.
 - *Bean project*: met with a local bean processor and US distributor Goya on product quality requirements and raw material demand. A bean production project for export is in development.
 - *IQF snow peas*: process and cost structures were developed with liquid nitrogen IQF; samples were prepared for marketing trials.
 - *Dried aromatic herbs*: basic drying process and cost structures were developed using solar coffee drying infrastructure in Lempira; samples were prepared for marketing trials.
 - *Frozen French fries and potato chips*: technical support provided to Copraul in Ocotepeque on product development, specific gravity measurement, and market links using new potato varieties with high dry matter content suitable for these applications.
 - *Pepper mash project*: technical advice provided to Especies Madona in San Pedro Sula complementing an outgrower tabasco pepper production program in Santa Bárbara.
 - *Crude edible oil*: quotes for processing equipment were obtained for the production of crude edible oils from peanuts, sunflower, linseed and sesame seed as part of a feasibility process for ACCESO client households.
 - *Goat cheese*: feta and chevre cheeses in development with a goat farmer in Pinalejo, Santa Barbara, as part of determining process and cost structures; marketing trials will follow.
- New product development to support USAID-ACCESO's nutrition and health activities: new products were developed using the project's pilot kitchen included dehydrated local fruits, dried cassava, sweet potato and plantain flours; snow pea, snap pea and (high altitude) banana purees. These are being tested for acceptability and shelf-life stability.

DEPARTMENT SNAPSHOTS: SELECTED ACTIVITIES & RESULTS FROM THE PRODUCTION COMPONENT

Ocotepeque:

- As part of an export program for the Canadian market, seven farmers initiated plantings of sweet potato (2.5 hectares) and four farmers with chayote (0.7 hectares). Jicama (yam bean) will be added to the export program with more than 60 families participating.
- Fourteen growers have diversified into passion fruit production, each with lots averaging 1,000 square meters.
- Three new market fairs have been created in San Francisco del Valle, Mercedes, and San Jeronimo. A vegetable planting program for these markets has been developed.

Copán:

- Eight clients are now exporting one refrigerated container (40,000 pounds) per week of Chinese eggplant. This is an entirely new crop for Copán. Results to date include 132,000 pounds produced and exported from Jose Tabora's farm (from 1.7 hectares), 26,000 pounds exported from Juan Alvarado's farm (0.35 hectares), 37,290 pounds from Daniel Machorro's farm (0.80 hectares), and 75,000 pounds from Carlos Madrid's farm (1.4 hectares). Together, these farmers have exported over 270,000 pounds which has left an additional \$46,000 in new income in the region. This activity is providing an attractive alternative for farmers with a fixed price of \$0.17 per pound, and has generated dozens of new employment positions both in the field and in the packing facility.
- Bean production with the implementation of basic practices is showing results. Marta Julia Manchame, Gustavo Gutierrez, and Julio Cesar Escobar achieved yields of 6,400, 6,800 and 7,000 pounds per hectare, respectively. Their previous yields ranged between 2,000 and 3,000 pounds per hectare.

La Paz:

- Field technicians from FUNDER, ISEN, Vegetales Lencas, FUNBANCAFE, municipality technicians, technical institutes led on-site trainings and workshops and published various bulletins and manual.

Santa Bárbara:

- *Agropecuaria el Sembrador*, in Azacualpa, began offering an array of new hybrid and improved seeds and better-performing and more environmental-friendly agricultural inputs, which has supported and stimulated the expansion of new crop development, including cucumber, tomato, and peppers.
- In coordination with IHCAFE, field trips have been conducted to their training and research facility in Atima. Coffee farmers are improving their productivity after receiving training on best practices.
- Supermercado La Colonia is providing follow up on the new plantings of carrots and beets in the communities of San Luis Planes, El Dorado, and El Jute. Weekly deliveries are expected to begin next quarter.

Intibucá:

- A trial program for the production and export of snow and sugar snap peas was carried out (both new products for Honduras). Logistics systems were developed for produce harvest and delivery to a packing facility, which was upgraded to meet certification and efficiency requirements. Export and local market trials were carried out to determine buyer acceptability, future opportunities, and costs determined throughout the chain. More than 250 growers were involved in the program, the majority with 1 to 2 tareas of production. While volumes were not achieved due to adverse weather conditions, the production and handling systems, costs, infrastructure, and logistics are in place to enable future export.

Lempira:

- A trial program for the production and export of fresh herbs was carried out (a new product for Honduras). Small-scale production plots of organic basil were planted to determine performance, quality and costs. Trials exports shipments were sent to the US with acceptable results. Logistics, grading, and packing systems were developed and priced. The program is now in the second phase with expanded plantings and additional herb types.

PROCESSING SNAPSHOT: SELECTED ACTIVITIES & RESULTS

- *Grupo de Mujeres Las Cañadas* in Belen, Lempira: the six members of this group are now processing 2,400 plantains per month, which generates \$214 in new monthly income. USAID-ACCESO provided technical support in plantain processing, as well as assistance in preparing a business plan for submission to the local municipality and FAO, for equipment purchases is expected to more than triple their processing capacity.
- *Envasados Nuevo Renacer* in Mejocote, Lempira: nine families are now producing pickled vegetables and tamales twice weekly, resulting in \$300 in new income per month. The group received technical assistance on processing practices from USAID-ACCESO and is working to increase production to six days per week.
- *Panadería Sumpul* in San Francisco, Plan del Rancho, Ocotepeque: 12 families are now earning \$107 in additional monthly income through sales of baked products on the local market. This group was formed by the participants of one of USAID-ACCESO's hands-on bakery workshops.
- *Tajadas y Panadería La Laborcita* in Sinuapa, Ocotepeque: a group of 18 women who process green banana chips, sweet bread, and cakes, has collectively saved \$1,070 of their earnings in order to expand their business. The project provided the technical know-how for processing of banana chips and a variety of bakery products and helped them prepare an investment plan for basic equipment, which they have presented to the Asociación de Municipios del Valle de Sesecapa (AMVAS).
- *Tajadas Pinabetal* in Talgua, Lempira: with USAID-ACCESO assistance, coffee grower Noel Edgardo Ayala Valladares diversified into plantain production and is now vertically integrated from farm to market, producing plantain chips and selling them in the local market. Since mid-April he and his brother have invested more than \$1,000 in processing equipment and are now processing approximately 6,000 plantains per month. This micro-enterprise has also generated two full-time jobs.
- *Frijoles del Rancho* in San Juan de Planes, Copan: this bean processing company began with USAID-ACCESO's technical assistance and has already created two full-time jobs. The company has invested more than \$4,000 to improve processing operations, and now process an average of 30 pounds of raw red beans into frozen mashed beans each day for daily sales of \$60.
- *La Candelaria, La Esperanzana, Panadería Flores, and La Casa del Trigo* in Intibucá: USAID-ACCESO put these four bakeries in contact with a supplier from El Salvador offering wheat flour at competitive prices. Thanks to this market linkage these four bakeries were immediately able to cut production costs by a combined total of \$7,114 per month.
- *Cooperativa Palisal* in Yamaranguila, Intibucá: USAID-ACCESO transferred technical skills in charcoal production to this cooperative. The operation created 10 new jobs and now produces 30 bags (50 pounds each) of charcoal per day, selling at \$9.63 each, and resulting in \$1,445 of sales per week. Market links have been established with blacksmiths in Tambla, Lempira.
- *Apiario El Colibri*: previously the apiary sold its pollen in bulk at \$8.56 per pound. USAID-ACCESO marketing specialists introduced a three ounce container for retail, selling at \$4.01 per container (\$21.39 per pound). Even with the added costs of the new packaging, the change in marketing strategy increases sales income by \$11.55 per pound.
- *Granja Avícola San José*: the poultry farm and eight contractors were trained in proper broiler management and processing techniques. Eliminating inefficiencies has already saved \$48 in processing costs for every 1,000 birds. USAID-ACCESO is also assisting with the design of a new processing facility that will comply with food safety and processing standards.
- *Tortillería La Cosecha de Toño* in La Paz: USAID-ACCESO provided technical assistance for this company to expand sales to local retail stores and to open a new distribution route into Marcala. With project assistance, they have begun to develop new products such as flavored nacho chips to further increase their sales.

Private Sector Investment

During the quarter USAID-ACCESO clients and other counterparts invested \$565,304 in fixed assets, of which \$479,984 (85%) came from project clients, for a total of \$1.584 million invested to date. More than \$1.23 million has been invested in production related activities.

Private sector alliances and integration of private sector equipment, input and service providers

Status of activities under this component:

- Number of organizations / companies providing business development / extension services to MSMEs: 48
- Number of public-private partnerships formed: 3 in current quarter (7 to date)
- Number of private sector alliances developed: 1 in current quarter (12 to date)

Three private sector alliances were signed during this quarter with private sector buyers and exporters: COAPIGOR, Productos PANTHEOD's, and ILAMEX.

- **COAPIGOR:** Cooperativa Agrícola de Pimienta Gorda, in Ilama, Santa Bárbara. This group of allspice growers is targeting the export market with USAID-ACCESO capacity building and support. A thresher to improve harvesting efficiencies and a cleaner/polisher machine were provided through the Small Grants Fund.
- **Productos PANTHEOD's:** private packing house partnering with USAID-ACCESO's snow pea export program. Located in La Esperanza, Intibucá, this plant provides employment to local women and consolidates snow pea production for packing for export to the United States and sale on the local market. The plant was recently upgraded to handle snow pea grading and packing with partial support through the Small Grants Fund.
- **ILAMEX:** a private grower group in Ilama, Santa Bárbara dedicated to allspice production for export. ILAMEX will provide its facilities to USAID-ACCESO clients for training and capacity building events. A thresher to improve harvesting efficiencies was provided through the Small Grants Fund.

An alliance developed in the previous quarter was also formalized the current quarter:

- **ODECO:** Organización para el Desarrollo de Corquín, Copán. Honduran NGO with operations in Ocotepeque, Copán and Lempira. Besides sharing geographic presence, USAID-ACCESO and ODECO both work providing technical assistance to generate income through agriculture, among other activities.

One private sector alliance was developed with the input supplier AGRITRADE:

- **AGRITRADE:** distributor of plastics, and other agricultural materials required for solar dryers, which are being installed with client households through the Small Grants Renewable Energy Fund.

Formal public sector alliances were made this quarter with Regional Health Centers in Copán Ruinas, Ocotepeque, Intibucá and Marcala, as well as the Ministry of Agriculture (SAG), and Instituto Polivalente San José Cupertino in La Paz.

To date, 12 private sector alliances and seven public-private partnerships have been developed. An additional 12 letters of agreement have been developed with government institutions.

Grower organization and the development of market-driven production programs

Activities to organize growers and processors around buyer purchasing requirements continue expanding, and new markets have been identified in the present quarter. In addition, the project is working with groups of client households to improve access to input supplier and credit programs. During the reporting period, USAID-ACCESO marketing specialists continued to work closely with production managers and processing specialists to link client households and other MSMEs with existing local, regional, and international market opportunities. Given the limitations of farmers in the region, it is essential that these efforts are supported by activities to improve postharvest infrastructure, irrigation, logistics, access to inputs and seed, finance, and local investment to ensure

farmers meet quality standards and safety regulations. Select examples of new market driven production programs for the quarter include:

- A potato growers group was formed in La Esperanza (Apralin). Links were made for them to supply custom packed potatoes to La Carreta, a large Central American distributor in April and with local supermarket La Antorcha. Both buyers have assigned initial weekly volumes for this group. The production team is also working with the group to implement production technologies to assure consistent volumes and quality and the business skills specialist to formally register the group.
- A meeting between growers from Guajiquiro, La Paz and representatives of Wal-Mart resulted in weekly orders of carrot, potato, cabbage, lettuce and cauliflower.
- Deliveries of snow peas for La Esperanza growers to La Carreta were initiated in May during a short production window. The program will start up again in October.
- Negotiations are taking place with a large foodservice company that provides vegetables to fast food restaurants. Volumes and pricing for weekly deliveries of lettuce, tomato, and cabbage are being finalized.
- Marketing specialists introduced an exporter of sweet potato, yuca, and chayote to project growers in Ocotepeque, after which a dedicated production program was developed. These products are currently being shipped on a monthly basis to Canada.
- MSMEs producing value added products are being linked to brokers who are dedicated to supplying retail local markets. This activity is being promoted on all six departments.
- Honey producers have started to custom pack their products for a large local distributor.
- Regular deliveries to supermarkets in San Pedro Sula were initiated with a grower Group from Ocotepeque.
- The eggplant export program in Copán has continued regular deliveries since late April. This production program will be expanded.
- Two truckloads of cucumber were shipped from communities in Santa Barbara to a new buyer in El Salvador. Regular planting programs will continue and a new range of product will be added.
- The first samples of snow peas, sugar snap peas and fresh herbs were exported to the US market during the present quarter.
- Plantings of red kidney beans were made in all six departments. There several are local, regional and international buyers who will start receiving small quantities once harvests start. The growers groups are being presented with the different options to determine commercial partners.

During the quarter, the project also focused on expanding existing production programs. These include calendarized plantings of broccoli, carrots, cauliflower, cucumber, passion fruit, plantain, and potato. Production is oriented to the local market, including supermarkets such as La Colonia, Wal-Mart and La Antorcha, distributors such as ASOFAEL-CICOM, ECARAI, ODECO, and ISEM; and municipal markets such as Dandy and Central de Abastos de San Pedro Sula.

USAID-ACCESO is developing activities with community-based organizations in order to increase outreach and improve the quality of services. By working with community level organizations, the project generates client confidence. Problems and opportunities are identified through a participatory process by the communities themselves. As of June 2012, a total of 978 organizations are enrolled as USAID-ACCESO beneficiaries. These include 159 water associations, 261 finance service providers (cooperatives, village banks), 391 community child care groups (AIN-C), and 118 health service providers.

Increasing the technical capabilities of agricultural schools and local NGOs

As the project develops, coordination with local actors continues to increase. Both NGOs and agricultural, technical, and social promotion schools are invited to participate in the many project training events and activities held in all six departments, and in some cases, specialized training courses have been developed to meet the needs of government organizations, schools and local NGOs.

During the present quarter, more than 10 technical schools from all project regions have developed close working relationships with USAID-ACCESO. Many of the students are doing internships in areas such as processing, business skills and finance, production, and health and nutrition. Other schools have been trained in executing community cleaning campaigns and others are participating in the food preparation workshops. Coordination has been done with the World Food Programme in training the mothers who prepare the *merienda escolar* in select communities within the project regions.

As of June 2012, 38 NGOs and donor institutions and more than 10 schools have participated in project-sponsored activities. These are: AHPPER, Aldea Global, ANDESAIN, ANED – Consultores, Caritas, CASM, CESAL, CEPUDO, CHF Honduras, Child Fund, CODESSE, COMUCAP, COPRAFEL, CRS, Escuela San Pablo, Escuela Agrícola Pompilio Ortega, FAO, FIDA, FIDE, FOPRIDEH, Fundación Adelante, FUNDAHRSE, Fundación Banhcafe, Fundahmicro, Fundación Vida, Funder, Heifer, IHCAFE, OCDIH, ODECO, Veco-MA, Oxfam, PILARH, Save the Children, SOCODEVI, Swiss Contact, World Food Programme, and World Vision. Representatives from government organizations receiving USAID-ACCESO training include PRONADERS, DICTA, and selected municipalities and municipal organizations.

3.1.2. SUB-IR 2.1.2: RURAL MSMEs ACCESS TO NEW MARKET OPPORTUNITIES INCREASED

Development of buyer linkages and logistics

Status of activities in the PMP under this component:

- Number of MSMEs accessing new market opportunities through a broker: 300
- Number of brokers providing market linkages to MSMEs: 15
- Number of market surveys conducted: 2

USAID-ACCESO marketing specialists continued to monitor new product and market opportunities, as well as recommending crops, varieties, and value-added products for commercial trials. Calendarized production programs are underway in each department for both the local and export markets, and will expand as more growers join these programs and new ones are developed. In addition to fresh produce, the project has emphasized developing new markets and improving logistics for MSME products. Due to current low production volumes and difficulties competing in the large markets in the main and secondary cities, USAID-ACCESO has begun developing local farmers markets and distribution routes for sales to *pulperias* (home shops) in the same zones where they are produced. This reduces transport costs and speeds up payment time. More than 480 of these rural retail outlets have been identified and logistics routes to supply them have been developed. This line of activity will continue to be expanded in the next quarter. Products include sweets, baked goods, pickles, sauces, plantain chips, and others.

Another key activity this quarter was the expansion of local produce fairs (*ferias del agricultor* or *mercaditos verdes*). USAID-ACCESO worked closely with local authorities and community organizations to develop fairs to provide producers a nearby market at which to sell their goods. Six local fairs were established in the previous quarters and three additional fairs were established in the current quarter. These are Colinas (Santa Bárbara), Marcala (La Paz), La Labor and Nuevo Ocotepeque (Ocotepeque), La Unión (Lempira), Santa Rosa (Copan), Finca El Carmen (Comayagua), Feria del Agricultor y Artesano, Mercedes (Ocotepeque), and Feria de Gracias (Lempira). Ten to 35 client producers have participated in each of the weekend fairs, grossing between \$289 and \$665.

The project's policy component has also developed the documentation templates for legalization of these local produce fairs.

Production and systems implementation to meet buyers' quality and standards

In order for micro and small businesses (including farmers) to build sustainable relationships with new markets, it is essential they comply with buyer expectations, not only for volumes, consistency, and frequency, but also in terms of quality and product standards. USAID-ACCESO's postharvest and certifications specialists provide direct technical assistance to farmers so they can achieve this goal. By the end of the project, a minimum of 2,000 producers or microenterprises will have implemented systems to meet buyers' demands. This is verified when actual sales to a specific market demanding a particular quality or standard take place.

This activity is tracked by the number of MSMEs that have entered formal preferred supplier or contract agreements with brokers, which to date stands at 372 MSMEs. These buyers include collection centers, cooperatives, supermarkets, and exporters. Details are provided in the ACCESO PMP 06/2012 Excel file.

USAID-ACCESO is working with selected buyers to develop quality standards. This has been done for passion fruit (three different specifications for fresh passion fruit for supermarkets, for frozen pulp, and for juice), selected vegetables for La Antorcha Supermarkets, for allspice to the North American markets, and for potato and carrot for CICOM. Other examples include fresh herbs and oriental vegetables for export to the US, a range of fresh products for El Salvador buyers, and cardamom to a European importer. The range was expanded during the present quarter, including snow pea and sugar snap pea for the export and local supermarket buyers, cucumber, loofah and coffee to local buyers for subsequent export.

Given the informal nature of local markets, there are very few buyers with specifications for fresh produce. For this reason, postharvest specialists, working with marketing specialists, have focused on supporting USAID-ACCESO clients in meeting buyer quality standards so they can enter more reliable formal markets. Support has been provided to both buyers and growers in the development and use of product standards. Additional activities are being initiated with quality and standards for processed and other off-farm products, such as pickled vegetables, dehydrated herbs, dairy products, honey products, wood, and woven items.

Implementation of business certification programs

USAID-ACCESO specialists are providing support to vegetable growers to enter formal markets with quality standards and to obtain farm and product certifications. Project specialists are also assisting coffee growers meet the requirements for a range of certifications (depending on buyer requirements), including Rainforest Alliance, UTZ, 4C, Certified Organic, and Fair Trade. The current status of activities in the PMP under this component is:

- Number of MSMEs that have been verified to meet market standards for their products: 452

Details of the MSMEs and buyers are provided in Annex I and in the ACCESO PMP 06/2012 Excel file.

It should be noted that not all market links facilitated by the project have been recorded to date. The project is working to collect the data, in order to accurately reflect project achievements in this area.

3.1.3. SUB-IR 2.1.3: BARRIERS TO COMPETITIVENESS OF RURAL MSMEs REDUCED

Increased access to finance

USAID-ACCESO is introducing client households to existing financial services and assisting in the development of new services to enable the poorest households to access credit. A total of 539 loans, totaling \$203,558, were made this quarter. The status of activities in the PMP under this component is as follows:

- Number of MSMEs accessing market-based financing as the result of government assistance: 1,153
- Value of agricultural and rural loans made to MSMEs: \$812,656
- Number of MSMEs implementing sound business management practices: 128

More details on loans and lenders are provided in Annex I and Annex III, Tables 17 to 19 and in the ACCESO PMP 06/2012 Excel file.

BUSINESS SKILLS AND FINANCE SNAPSHOT: SELECTED ACTIVITIES AND RESULTS

La Paz / Intibucá:

- New credit programs are being developed for project vegetable growers with CACIL (credit), Disagro (input supplier) and a buyer; CACIL, INA and PACTA; project clients with carrots, tomato, pigs and milking cows with the Cooperativa Unidas para Progresar in Marcala; visits with CACIL representatives to project clients to open savings accounts and access loan funds; support to two grower growers for group registration and legalization.

Copán / Ocotepeque:

- New finance line implemented with Agrofacil from Del Campo (input supplier); bean seed financing provided by buyer; production costs established for flour tortilla and refried bean microenterprises; costs calculated for improved household floors; costs revised for animal concentrate production, and corn and bean with basic production technologies; presentations our business plans to WB/COMRURAL project; training of rural banks in basic accounting (with PRONADERS); training of bee producers in costs and records (with the bee keepers association and SAG-PRONAGRO).

Santa Bárbara / Lempira:

- Preparation of 14 business plans for submission to WB/COMRURAL; two new agro-stores were opened with rural banks; production cost were developed for yucca, harvest, handling, grading and packing of allspice, fresh garlic and garlic paste, and fresh basil production; 53 rural banks supported in the process of registration and legalization;

In all departments, training activities were carried out in the use and implementation of recordkeeping and good business practices.

Policy and value chain sector constraints identified and eliminated

Prioritized policies and barriers were identified through a short-term consultancy finalized in December 2011. Activities under this component were initiated in the current quarter with the hiring of a full-time specialist. The list of priority activities and actions taken during the period are the following:

- **Simplification of processes to constitute and operate a micro or small business:** through a cooperative agreement signed between USAID-ACCESO, UNITEC, and the SIC simplified procedures for the establishment, registration, and operation of MSMEs were developed and implemented. USAID-ACCESO actively participated in the establishment of the following standard formats: i) statutes; ii) certificate of deposit; iii) power of attorney; and iv) certificate of incorporation. These procedures have enabled 55 MSMEs in Santa Barbara and Lempira to complete the requirements for their legalization within a 30-day period. From these, a total of 31 MSMEs have now acquired their legal status, and the remaining ones are scheduled for the next reporting period.

- **Finance:** an inventory of “static” loan capital in the Ministry of Agriculture was carried out, including trust funds, project specific and unused balances, and then procedures and needs for consolidation to make them available for the sector. Six trust funds operating in BANHPROVI, with available resources of L. 376.7 million (\$19.3 million) for the agricultural financing and seventeen trusts funds in BANADESA with a balance of L. 236.0 million (\$12.1 million), are now being revised. The operating regulations for granting loans are being analysed in order to simplify and harmonize procedures and eliminate requirements that hinder access to credit for small and medium producers; the aim is to consolidate these trust funds into one or two mechanisms.

New operating guidelines for the access to credit for farmers trust fund have been developed in order to expedite access to financial resources for agricultural producers in general, regardless of the productive activity carried out, and to expand the value of the credit lines that may be granted to financial and non-financial intermediaries in order to increase the number and value of loans to small and medium sized agricultural producers. The new operating guidelines will be submitted for approval to the Technical Committee in the meeting scheduled for the third week of July.

- **Regulate, standardize, and communicate technology packages, manuals, etc. to harmonize and ensure quality extension services:** to improve the level of production and productivity of important agricultural activities and to increase the quality of the public and private technical assistance services, the Ministry of Agriculture and Livestock has defined and initiated a process of formalization of the technological packages recommended and validated by the USAID-ACCESO project for the production of corn and beans at three different technology levels. These activities mark the start of a process of formalization and institutionalization of technology packages and its application in a harmonized manner among government and non-government institutions.
- Other activities in progress:
 - Through the revision of the regulations of the phytosanitary law, the required changes have been identified to simplify processes of import and export licensing, registration of inputs and decentralization of services in strategic areas of the country.
 - Standard formats for the legalization and functioning of agricultural fairs have been defined for the area of influence of the project.
 - Simplified procedures for the granting of tax records to beneficiary producers have been defined in coordination with the DEI (Executive Direction of Revenue).

Applied research and development programs developed

Applied research programs in technical areas to support USAID-ACCESO’s production activities and crops were initiated during the quarter, under the auspices of a partner fund with FHIA. This applied research will result in information and scientifically validated practices that will help Honduran farmers achieve higher yields, utilize more resistant and productive crops, and improve production and postharvest practices. Status of activities in the PMP under this component:

- Research and development projects and activities identified: 9

The current status of the research activities as of June 30 is as follows:

- Management practices for bacterial wilt caused by *Ralstonia solanacearum* in Solanaceas (potato, tomato, pepper, eggplant, etc.): Tomato and eggplant plantings were transplanted in the open field midmonth in May. The first tutoring row was installed at the end of May. Continuous monitoring is in effect per research profile.
- Optimization of drip irrigation practices for improved soil-borne pest control and application of agricultural inputs: experiments and trials were designed and field activities were initiated in June.

- The effect on productivity and harvesting curve in plantain with different bed heights and land preparation systems: soil preparation began in May and planting of the fields were done in June.
- Agronomic performance of different varieties of onions and shelf life analysis for each variety: shelf life analyses were conducted for 12 different yellow onion varieties. Samples were evaluated under ambient conditions in La Lima. Results include identification of those varieties with the longest and shortest shelf life as well as those which have a long shelf life but are susceptible to disease. These independent findings will be used to provide onion growers with alternatives to their postharvest and marketing systems. By using varieties proven to have a longer shelf life, onion growers can preserve their product in order to prolong their market window of opportunity.
- Identification of virus species affecting Solanaceas, mainly potato, tomato and pepper, in the western region of Honduras: samples collected in late April, packed and sent to AGDIA early in May. Initial results were received in June. A document will be presented to USAID-ACCESO with findings during the next quarter.

3.2. IR 2.2. HONDURAN BIODIVERSITY & NATURAL RESOURCES CONSERVED

On-farm natural resource management activities to maintain healthy soils and conserve water are integrated into the good agricultural practices at the centerpiece of the USAID-ACCESO extension program. Under this component, the project works in collaboration with community groups to improve overall natural resource management practices at the community, micro-watershed, and municipal levels. USAID-ACCESO uses a participatory municipal and community planning process to develop and implement municipal natural resource management plans that identify existing, proposed, and potential areas of public interest; biological and economic corridors, including areas with potential for ecotourism and irrigation or hydropower development; as well as areas under current or future environmental threat due to deforestation, soil erosion and sedimentation, chemical and organic pollution, and natural hazards.

During the life of project, USAID-ACCESO will work with at least 20 municipalities to develop and implement natural resource management plans.

Implementation of natural resource management practices on farm

Activities in the PMP under this component are:

- Number of additional hectares under improved technologies or management practices as a result of USG assistance.
- Number of companies (including farms) that have made conservation-friendly changes in their business practices.

Reporting on these two targets will be done in September 2012, based on random sampling.

USAID-ACCESO incorporates on-farm natural resource management activities to maintain healthy soils, prevent contamination, and conserve water, as part of the good agricultural practices. The following practices are being promoted on a regular basis in all regions covered by the project:

- **Land preparation:** use of contoured beds, raised beds, drainage systems, low tillage techniques, and wind/erosion barriers; introduction of appropriate tools and machinery.
- **Crops:** crop rotation (including use of leguminous cover crops that fix nitrogen in a more economical way than chemical fertilizers), elimination of crop residues, use of border weed control (alternative hosts), use of hybrid seeds, and improved planting materials with greater disease tolerance.
- **Water:** protection of water sources from contamination for better water management, better water quality, less soil erosion, and less pesticide and fertilizer use. This also increases yields for farmers, reduces input costs, and increases gross and net incomes.

Implementation of natural resource management practices at community and municipal levels

The activity in the PMP under this component is as follows:

- Number of local municipal governments effectively implementing natural resource management policies: 35 municipalities have been identified and work is ongoing.

During the quarter, the USAID-ACCESO natural resource management and disaster mitigation team has continued activities with 35 municipalities and 48 communities. These municipalities were selected based on existing project presence, rates of poverty and child malnutrition, and high vulnerability to environmental disaster. Many NRM practices have been implemented by these municipalities and community involvement is high. As per the indicator's precise definition, a municipality is counted once implementation of three out of five NRM practices have begun. Assisted municipalities have made significant progress and are in different stages of the process, from awareness to implementation. Selected results achieved in the present quarter include:

- Ordinances and municipal accords: a total of 28 were approved during the present quarter. These include six regulating water quality delivery, eight for solid waste management, 10 for coffee waste treatment, three for forest fire prevention and management, and one declaration of water source protection.
- A total of 31 coffee mills are now properly treating their effluents and pulp.
- Two communities in Intibucá (Belen Manazapa and Santa Catarina) implemented the legalization protocol of their water producing sources. Ten more communities are in process of implementation.
- 13 communities with their hypo-chlorinators re-activated and fully operational.
- Supported seven communities with the design, construction, and use of their landfills to treat solid waste.
- Eight communities and six schools have been trained in recycling practices.
- Technical assistance to five communities for improving or re-locating their crematoriums.
- Technical support in the community of Llano Largo, La Iguala (Lempira) in handling their potable water emergency.
- The effluent treatment plant for Dolores Merendon was designed using appropriate technology, budgeted, and presented to the local authorities. This project will solve a serious contamination problem caused by 100 houses located in the higher water producing areas. This project will benefit 20,000 people downstream that use this water in Sinuapa and Nueva Ocotepeque. The total cost for this project is estimated at \$40,000 and the community will contribute with 62.5 percent of this total.
- The field work was started on the effluent treatment project for Santa Maria de Planes in La Paz.
- Field visits were made in coordination with FHIS-USAID to execute four potable water projects using the PEC methodology.
- A technical bulletin on the use of beneficial micro-organisms for coffee pulp treatment and organic fertilizer production was prepared.

3.3. IR 2.3. CAPACITY TO MITIGATE AND ADAPT TO CLIMATE CHANGE STRENGTHENED

3.3.1. SUB-IR 2.3.3: DISASTER VULNERABILITY REDUCED

Work under this component includes support to communities with high vulnerabilities in disaster prevention, mitigation, and preparedness. As with all other components, reducing communities' disaster vulnerabilities will ultimately put USAID-ACCESO-assisted households in a position to increase their incomes. USAID-ACCESO is utilizing the small grants mechanism for select projects.

Two main activities tracked in the PMP are being developed under this component:

- Number of communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity: 42 communities are being assisted to date

- Number of rural micro-generation clean/renewable energy projects established: 363

Development and implementation of disaster mitigation plans

Activities under this component are targeted to reduce vulnerability to disasters both at the farm-level (introducing good agricultural practices that minimize potential losses), and by strengthening or forming at least 40 community-level disaster emergency committees (CODELS) in the most vulnerable target communities.

Select activities during the period included:

- Two EDAN courses implemented in coordination with COPECO training a total of 66 participants from 34 municipalities in Copan, Ocotepeque, and Lempira.
- A total of six CODELS were organized or re-activated
 - San Marquitos, Tomala, Lempira
 - El Higuito, Trinidad, Santa Barbara
 - Belen Manazapa, Intibucá
 - Linderos, Guajiquiro, La Paz
 - Bajillal, Guajiquiro, la Paz
 - Llano Largo, la Iguala, Lempira
- One CODEM was reorganized and reactivated in San Marcos de La Sierra, Intibucá.
- Eighty-six training events with 1,373 people trained in disaster prevention and mitigation and natural resource management.
- One small grant approved for a box culvert construction in Santa Catarina, Intibucá. Total investment: \$28,480; USAID-ACCESO: contribution \$9,743 (34%). This box culvert will mitigate annual flooding, which currently affects neighboring communities' capacity to market their produce during the rainy season.
- In coordination with the World Food Programme (PMA), a nursery establishment project for the production of wood and fruit trees started in in Yarula and Santa Elena in La Paz. These will help in reforestation of cleared land which will mitigate risks of landslides and provide improved conditions in watersheds.

USAID-ACCESO is utilizing COPECO's curriculum and training programs in risk assessment, mitigation, preparedness, and response and recovery (based on USAID/OFDA-LAC materials).

Simulations will be supported in all 40 assisted communities.

Installation of renewable energy technologies

USAID-ACCESO's renewable energy component is focusing on identifying and promoting low-cost renewable technologies for both small communities and individual rural households. Priority support is being given to investments that provide energy for economic activities, health clinics, and schools, in addition to individual households.

Status of activities in the PMP under this component is as follows:

- Number of rural micro-generation clean/renewable energy projects established: 363

During the period of January to March 2012 the installation of small-scale renewable energy systems continued. More important than the installation of the systems was training of the beneficiaries to ensure they will be able to operate the systems correctly. Additionally, trainings were directed to staff of NGOs and municipalities on the installation, operation, and maintenance of small-scale renewable energy systems such as the bio-digesters, improved stoves, solar dryers, and solar photovoltaic (PV) systems.

The project assisted and performed the installation of 256 renewable energy systems this quarter with investments totaling \$26,951, 49 percent of which was financed by USAID-ACCESO, 46 percent by the beneficiaries, and a total of 6 percent by project counterparts. The high leverage of investment from beneficiaries and other counterparts will allow a larger amount of renewable

energy projects in the upcoming periods. The fact that the end beneficiaries are making a large contribution reflects the acceptance of these technologies and, therefore, their sustainability.

Activities started with “hydraulic ram pumps” (*ariete hidráulico*), a new renewable energy category for USAID-ACCESO, which use the momentum of a relatively large amount of moving water to pump a relatively small amount of water uphill. They do not need an external power source as the force of moving water provides the power that is needed. The pumps are being used to fill tanks for irrigation and household use.

In all cases, capacity is being developed with local micro-enterprises for building and maintaining these technologies. During the quarter, activities centered on bio-digesters, solar dryers, and improved stoves.

During the installation of all of the renewable energy systems, a total of 19 training events were developed for the users and other interested farmers. A total of 142 participants (104 male, 38 female) received training on the installation and operation of bio-digesters, installation and maintenance of solar dryers, construction and maintenance of improved stoves, and operation and maintenance of solar photovoltaic systems. A total of 125 technical assistance visits were performed on renewable energy topics and systems.

During this period USAID-ACCESO worked with NGOs, municipalities, and other organizations to schedule trainings, to analyze financing opportunities, and to establish alliances for the installation of future systems that will benefit USAID-ACCESO clients.

EXAMPLE ACTIVITIES

- 227 improved stoves installed in client households (267 to date). This will continue to increase as an alliance with ADHESA for the installation of 500 stoves was initiated during the quarter.
- Five polyethylene bio-digesters built (20 to date).
- 23 solar drying units installed (38 to date). These units, initially designed for coffee drying, are now being used by project clients for drying allspice, basic grains and basil.
- Six solar panels installed (37 to date).
- Investments in renewable energy totaled \$26,951 (\$70,489 to date, 47 percent client households; 32 percent USAID-ACCESO; and 22 percent other institutions).

3.4. IR 4.1. USE OF QUALITY MATERNAL AND CHILD HEALTH AND FAMILY PLANNING SERVICES INCREASED

USAID-ACCESO has fully integrated the nutrition and health activities with all other technical areas, including economic development (access to food), renewable energy (improved stoves), natural resource management (drinking water access and chlorination, waste disposal), and value-added products and animal production (diet diversity).

Implementation of improved health and nutrition practices at the household level

- USAID-ACCESO beneficiaries continued receiving training in health and nutrition-related activities complementary to assistance being provided in production systems and economic development. Both men and women are receiving basic training in child care, prevention of illnesses, nutrition practices, keeping a healthy household, and family planning. During this quarter, the project held 325 training events in nutrition and health, with 5,007 participants (539 male, 4,468 female). Training subjects included breastfeeding for children under 6 months, hand washing, good hygienic practices in the household, safe water for human consumption, family planning, consumption vitamin- and nutrient-rich foods. A total of 2,034 individual technical assistance visits were made to client households.

- As part of the healthy household activities, a total of 267 eco-stoves have already been installed. These have all been set up in prioritized communities and in households with children under the age of two. This activity will continue expanding in the upcoming quarter. Other activities initiated during the present quarter included land fill construction for solid waste management in 12 households and 18 projects for residual water treatment.
- Follow-up on the implementation of the feeding guidelines for families with children with nutritional problems has continued. USAID-ACCESO technicians have provided direct technical assistance through household visits, and results are quickly becoming evident. Some communities are already showing adequate weight gain trends in children who were presenting consecutive low measurements. The average of children in the bottom third percentile for weight who are now showing adequate growth has grown steadily from 25 percent in April, to 29 percent in May, and to 34 percent in June.
- The project is supporting activities to improve the availability of nutritious foods at the household level, selecting those families which present greater problems in this area. During the present quarter, a total of 594 family plots were established. These have been carefully designed to ensure the availability of nutritious foods year round, with crops that produce their own planting materials.
- Through USAID-ACCESO staff, AIN-Cs, and health volunteers, activities have begun with expanding and improving the health and nutrition messages to the wider population. As part of the Information, Education and Communication plan, the following materials and campaigns have been designed: “Breastfeeding,” “Health care for the family,” “Waking up a child’s intelligence,” “The food circle,” and “Feeding guidelines.”
- Training on food preparation has been delivered to priority communities in all six departments. A total of 720 food preparation workshops were delivered this quarter. The main focus on these workshops was diet diversity and the preparation of foods high in important nutrients.
- The first training center for food preparation has been installed in the community of El Tabor, Intibucá.

Strengthening of health center services

- Project health and nutrition technicians continued with the coordination of activities with 20 health centers and volunteers to deliver the primary attention services (*Servicios de Atención Primaria*) to 50 communities (despite the termination of the contracts between the Ministry of Health and the service providers). The primary attention services include the delivery of a basic package that includes dietary supplements, vaccines, pre-natal care, and education of AIN-C mothers in family planning, nutrition, and breastfeeding. USAID-ACCESO has provided support in logistics to improve the delivery of the basic package, to target prioritized communities, and to increase outreach.
- The equipment for the 20 health centers was not procured because of delays with the exoneration documents. These will be procured and distributed in the following quarter. With this equipment health centers will improve their capacity to manage acute under-nutrition and other critical health conditions. The selected health centers are:
 - Intibucá: CESAR Zacate Blanco, CESAMO San Isidro, CESAR San Nicolás
 - La Paz: CESAR Florida de San José, CESAR El Encinal, CESAR Sabanetas
 - Ocotepeque: CESAMO San Jorge, CESAMO Belén Gualcho, CESAR Jocotan
 - Lempira: CESAMO San Rafael, CESAMO San José, CESAR Rodeo Quelcasque, CESAR Platanares, CESAMO San Bartolo
 - Santa Bárbara: CESAR Paso Viejo, CESAR San Francisco Carrizal
 - Copán: CESAR Vega Redonda, CESAR de Capuca, CESAR Río Amarillo, CESAMO Nueva Armenia

3.5. SUPPORTING ACTIVITIES

3.5.1. ADMINISTRATIVE ACTIVITIES

Most of the senior level technical and management team were in place within two weeks of project start-up. Contracts were developed in the first quarter, with the initial five subcontractors operating six of the 12 local field implementation teams by the end of the second quarter. In the third quarter, contract mechanisms were developed with six local NGOs for five local implementation teams. By the end of 2011, 11 of the 12 CTUs were operational. The final CTU was finalized in January 2012.

During the current quarter a policy specialist and communications specialist were hired. New hires were also made to replace selected members of the technical team. Delays with tax exoneration documentation resulted in delays of equipment purchases related to health and nutrition and irrigations activities.

3.5.2. MONITORING AND EVALUATION ACTIVITIES

Activities carried out by the monitoring and evaluation (M&E) unit enable all project employees to report their activities in the field, to provide recurrent and real time feedback to department managers on performance and major advancements in their regions, and to collect information on assisted client households. Specific activities carried out during the period include:

- Client profile information was completed in parallel with Base Line and End of Harvest (EOH) forms from the six departments.
- The M&E team has completed 13,403 client household and MSME profiles, representing 80.4 percent of the total number of active clients registered in CIRIS.
- More than 1,000 baseline surveys were completed from clients selected on the second round sampling. This process will continue until the completion of a maximum of 3,000 baseline surveys in the six departments.
- 1,228 EOH forms were completed from clients selected on the first and second round sampling from the six departments.
- Data entry technicians have registered in CIRIS 70 percent of baseline surveys and 56 percent of EOH forms collected during this quarter and continued entering data on training participants.
- M&E specialists have participated at all department level meetings, presenting CIRIS reports, and providing critical feedback on project progress.
- Developed new CIRIS reports to provide information on activities, outputs, and results.
- Provided ongoing training as required to all project employees on M&E systems and data collection.
- Continuous maintenance of the CIRIS database.
- Provided management reports on advancement of all project components to department and zone managers for performance evaluation and decision making.
- Developed activity and status reports for subcontractors.
- Prepared inputs for monthly and quarterly reports.

3.5.3. SMALL GRANTS, SUBCONTRACTS AND ALLIANCES PROGRAM

Small grants funds have continued to develop this quarter, with new activities beginning and others continuing their process. Following is a table with their overall status to date.

Table 3. Small Grants Status

Name	Description	Status
Renewables Fund		
Photovoltaic Systems	Installation of 37 solar panels in Intibucá for project client households	Completed
Solar Dryers	37 Solar dryers installed.	Ongoing
Eco Stoves	267 eco stoves for client households installed and functioning	Ongoing
Bio-digesters	20 Bio-digesters installed and functioning	Ongoing
Smallholder & MSME Technology Fund		
Marketing Jumpstart	Sending trial shipments, startup costs for potential exporters	Ongoing
MSME Kitchens	Demonstration kitchen in Intibucá for MSME training	Completed
Herb Seeds	Aromatic herb seeds for export program in Lempira	Completed
Snow Peas	Pea seeds for export and local market production programs	Completed
Allspice Thresher	Thresher and cleaners for allspice producing cooperative & MSME in Sta. Bárbara- installed and operating	Completed
Irrigation	Irrigation systems restoration, installation and capacity building.	Approved
Snow Pea Packing Plant Conveyer	Conveyer equipment for snow pea packing plant in La Esperanza, Intibucá- installed	Completed
Weather Stations	6 weather stations to monitor climatic events and provide data.	Approved
Bean Seeds	5,585 Lbs. of beans distributed among 334 smallholders for bean program	Ongoing
New Crop & Product Development	Support for smallholders starting new crops and products.	Ongoing
Disaster Planning & Mitigation Fund		
Box Culvert	Box culvert in Intibucá to maintain communities communicated	Approved
Community Health Fund		
Nutritional Training Centers- Equipment	Equipment for nutritional training centers where beneficiaries will receive training	Approved
Improving Rural Health Centers	Equipment to increase rural health volunteers capacity for assistance	Approved
Research Fund		
FHIA Research	Research in virus, pest management, and diseases	Ongoing

Activities focused on the development of technology and partner funds in marketing, production, postharvest and nutrition and health. Selected grants will start implementation this upcoming quarter.

3.5.4. GENDER MAINSTREAMING

USAID-ACCESO continued to emphasize and implement its gender mainstreaming strategy. The gender strategy includes details on gender disaggregated indicators and data analysis, as well as for including women in technical training in the cultural context of Honduras. The strategy identifies the

types of technical assistance, technologies, and crops that best address the constraints faced by women. Key activities include focusing crop selection on production of herbs that are easy to grow and require smaller areas of land for cultivation; production of garden-grown vegetables to generate food for the family; and fruit tree production. Good opportunities exist to increase women's involvement in the economy in animal production and off-farm and value-added microenterprises. Targeted technologies include drip irrigation and the introduction of low-cost greenhouses. Sowing, harvesting, and postharvest activities are also activities that provide women with labor opportunities. Selected gender related activities include:

- 18 percent of the project's client households are registered as women clients.
- 6,513 of the 21,755 individuals that have received project agricultural sector productivity or food security training are women (30 percent).
- 1,193 of the 1,430 individuals that have received nutrition and health training are women (83 percent).

3.5.5. OTHER

Supporting US government-related activities included:

- Representatives from USAID/Honduras, USAID/Brazil and the Brazilian government visited project clients in La Paz.
- Representatives from USAID/Honduras visited project activities in Ocotepeque, Santa Bárbara and Intibucá.
- Collaborative activities with the World Food Programme as part of the alliance agreement USAID/Honduras and WFP.

4. PLANNED ACTIVITIES FOR NEXT REPORTING PERIOD

Rural MSMEs access to inputs, practices and technology for market participation improved

- Continue the client household recruitment processes.
- Initiate and continue the development of market-led production programs in all six departments for high-value cash crops including potato, carrot, broccoli, cauliflower, peppers, garlic, Asian vegetables, plantain, a selection of herbs (basil, marjoram, chives, rosemary and thyme), onion, and cucumbers.
- Procure and install irrigation infrastructure for more than 375 hectares and 1,900 beneficiaries on all six departments.
- Continue with recruitment of new project clients, both on- and off-farm.
- Introduce new technologies, crops, and processed products with high market potential.
- Develop market-driven production programs to meet local and regional demand.
- Follow up with the resin processing equipment installation at the three different locations.
- Incorporate new client groups into fat wood production business and establish new distribution channels.
- Development of creamy honey and *propoleo* with honey producers.
- Prepare a business plan to connect poultry growers with local processors under contract.
- Locate interested investors for organic fertilizer production from coffee pulp and start pilot projects in all six departments during next coffee crop.
- Identify best location for pilot project and prepare investment plan for *panela* production.
- Conduct field visits for essential oils project.
- Prepare business plan for dehydrated peppers and pepper mash. Promote dehydrated pepper with solar dryers.
- Support in the development of the bean program by promoting SME creation for grading, cleaning, selection and packing operations
- Initiate the promotion of dried coffee operations to improve sales prices for farmers.
- Implementation of the bean, oriental vegetable, and fresh herb export programs to the US market.
- Continue with the development and distribution of a technology investment fund small grants program for productive infrastructure.

Rural MSMEs access to new market opportunities increased

- Consolidate and formalize the local farmers' fairs.
- Increase the number of local buyers working with USAID-ACCESO for increased market links and production programs.
- Expand the local distributor and retail outlet network in local towns for MSME sales with off-farm value added products.
- Expand outgrower programs for local exporters and processors.
- Expand calendarized production programs for local market buyers.
- Support to expand the allspice exporters through growers groups.
- Promotion of local market fairs.

Barriers to competitiveness of rural MSMEs reduced

- Standardization of marketing units (weight and volumes) for the coffee market to create a healthy, fair, and transparent market.
- Formalization of local market fairs.
- Simplification of export permit processes for the regional (Central American) markets.
- Simplification and decentralization of services from SENASA to obtain sanitary licenses and permits for imports and exports.
- Expand implementation of project clients' access to financial products developed with input providers and exporters, including Del Campo Soluciones Agrícolas, CADELGA, Original Maya, and others.
- Training and technical assistance to first and second tier rural banks.
- Continue with the contracted research and development activities targeted to increase productivity for key crops.

Biodiversity and natural resources conserved

At the farm level

- Expand technical assistance in soil conservation, water resource management, wildlife preservation, pest and disease identification and control, and the safe use of pesticides.

At the municipal and community levels

- Implement in the field the work with FHIS and USAID in four potable water projects.
- Develop infrastructure for potable water and basic sanitation through the small grants.
- Continue testing alternatives for coffee pulp treatment with natural microorganisms.
- Implementation in of two pilot effluent treatment projects in Santa Maria de Planes in La Paz and Dolores Merendon in Ocotepeque.
- Continue the rehabilitation of chlorinators.

Disaster vulnerability reduced

- Continue implementation of mitigation plans in 20 communities.
- Continue to use the small grant program for disaster mitigation projects (roads, flood prevention, landslide prevention, disaster mitigation capacity building, etc.).
- Continue disaster mitigation training to CODELS in coordination with COPECO.
- Continue training of Municipal Emergency Committees to strengthen their operational capacities.
- Organize and or strengthen at least 30 Local Emergency Committees.

Renewable energy projects to be implemented during the next period

- Install 300 improved stoves, 30 bio-digesters, and 50 solar crop dryers.
- Training on the use and maintenance of improved stoves.
- Training on the concepts and critical points of design and installation of bio-digesters and solar dryers.
- Expand the use and implementation of hydraulic ram pumps.

Use of quality maternal and child health and family planning services increased

- Continue with the expansion of the IEC strategy in targeted communities.
- Expand the installation of eco-stoves to an additional 300 households.
- Install at least 200 safe water systems in kitchens to families with children under the age of two.

- Expand the creation of family plots for increased food availability.
- Install and initiate operations of the 19 food preparation centers.
- Install and initiate operations of the health center facilities with capacity to manage acute under nutrition.
- Continue promoting family planning and quality maternal and child health practices in the basic messages that are conveyed in the training events.
- Provide training in food preparation and diet diversity to ensure nutrient uptake.
- Continue adding activities of the healthy household program to the targeted families, until these have completed the targeted practices.
- Continue with the provision of direct technical assistance through the domiciliary visits to those families with children below the third percentile.
- Continue coordinating field activities with the health units to improve access to the family planning methods.
- Continue coordination with WFP activities.

Gender mainstreaming

- Follow up on gender inclusion activities in the day-to-day implementation of USAID-ACCESO.
- Follow recommendations and focus on opportunities highlighted in the gender mainstreaming plan for implementation of all activities.
- Accommodate training events and technical assistance delivery times and methodologies to the intended audience based on focus group findings (male, females, and youth).
- Present PMP indicator data by sex.

Project management and administrative activities

- Continue developing formal alliances with selected counterpart institutions and private sector companies.
- Review and analysis of PMP indicator and high level target data for preparation of Year 2 Annual Report and deliverables.

Monitoring and evaluation activities

- Prepare and regularly update the PMP monitor.
- Meetings with technical production staff to evaluate performance against results and to prepare strategies for the achievement of project goals.
- Priority will be given to collecting EOH forms.
- Continue collecting baseline and client profile forms in parallel with EOH forms.
- Analyze findings of current baseline data surveys carried out in the previous quarter in all six departments.
- Provide management reports on advancement of all project components to department and zone managers for performance evaluation and decision making.
- Develop activity and status reports for sub-contractors.
- Prepare inputs for monthly, quarterly, and annual reports.
- Participate in project management meetings.
- Sampling of beneficiaries for maternal and child anemia.

Small grants, subcontracts and alliances program

The first major purchases under the grants mechanism will be carried out in the upcoming quarter as client beneficiaries' needs have now been identified in production (irrigation), health and nutrition

(health centers, water filters), and natural resource management and disaster mitigation. Activities under this component will include:

- New private sector alliances.
- Irrigation system installations.
- Household garden plots for adequate nutrition at the household level.
- Rural home improvements.
- Water filters for households with children under the age of 2 with little or no access to adequate drinking water.
- Natural resource management activities and investments.
- Disaster mitigation activities and infrastructure.
- Marketing activities investments.
- Additional alliances with similarly-minded NGOs.

ANNEX I: PERFORMANCE MONITORING PLAN

The PMP and work plan targets for each indicator is provided below, together with the overall status as of June 2012. These are now separated by IRs and sub-IRs to be consistent with the quarterly and work plan formats. Note: data for selected indicators are collected on an ongoing basis while others will be collected via annual surveys.

ACTIVITY	YEAR 1 (FY 2011) ACHIEVED	YEAR 2 TARGETS (Oct. 2011 to Sept. 2012)				Total Year 2 Target	TOTAL EXPECTED LOP	DELIVERABLE / UNITS	Year 2 Target Breakdown		Previous Reported Status (03/2012)	Additional Reported for Previous Quarter	Current Quarter (06/2012)	Updated Status (06/2012)
	Apr. 2011 to Sept. 2011	Q1	Q2	Q3	Q4				Male	Female				
1	Program Administrative Activities													
	Start-Up Activities													
1.1	Key Personnel Fielded	done									done			
1.2	Grants Manual Submitted	1									done			
1.3	Project Intranet/Internet Sites Designed & Launched	2									done			
1.4	Vehicle/Equipment Procurement	cars/motorbikes	on-going	on-going							done			
1.5	Local Project Team Fielded	done	on-going	on-going							done			
1.6	Local staff trained in Fintrac implementation methodology	done	on-going								done			
1.7	Remaining team hired and fielded		on-going								done			
	Communications & Reporting													
1.8	Branding & Marking Plan Prepared & Submitted	1									done			
1.9	PERSUAP	1									done			
1.10	EMP			1							done			
1.11	Monthly Reports	6	3	3	3	3	12	46	Reports		12		3	15
1.12	Quarterly Reports	2	1	1	1	1	4	15	Reports		4		1	5
1.13	Annual Workplan	1	1				1	4	Workplans		2			2
1.14	Final Report							1	Reports					
1.15	Steering committee meetings		1		1		2	7	Meeting Minutes		1		1	2

ACTIVITY	YEAR 1 (FY 2011) ACHIEVED	YEAR 2 TARGETS (Oct. 2011 to Sept. 2012)				Total Year 2 Target	TOTAL EXPECTED LOP	DELIVERABLE / UNITS	Year 2 Target Breakdown		Previous Reported Status (03/2012)	Additional Reported for Previous Quarter	Current Quarter (06/2012)	Updated Status (06/2012)
	Apr. 2011 to Sept. 2011	Q1	Q2	Q3	Q4				Male	Female				
2 Project Monitoring & Evaluation Activities														
2.1	Fintrac M&E System (CIRIS) customized and installed	done									done			
2.2	Staff trained in M&E methodology and CIRIS	done									done			
2.3	M&E Plan / PMP Developed and Submitted	1					1	Plan			done			
2.4	Baseline Data on Program Clients Collected							Data				on-going		
2.6	Follow-up indicator data collected and verified							Data						
2.7	Performance Indicator Review													
2.8	Success Stories Produced and Disseminated	2	3	3	3	3	12	40	Publications		12	4	16	
3 Small Grants Program														
3.1	Technology Fund (households)		1,035	1,035	1,035	1,052	4,157				0	75	75	
3.2	Nutrition / Health			5	10	5	20				0	0	0	
3.3	Disaster Mitigation / NRM			5	10	5	20				0	0	0	
3.4	Renewable Energy			50	100	50	200	890			49	58	256	363
3.5	Number of grants awarded by community small grants mechanism		1,035	1,095	1,155	1,112	4,397				49	58	331	438
High Level Targets														
GOAL: Increased Rural Household Incomes														
PIRS # 1	Number of households living in poverty moved above the poverty line						6,000	30,000	Households	4,800	1,200			
PIRS # 2	Number of rural households living in extreme poverty moved above the poverty line ¹						4,500	18,000	Households	3,600	900			
PIRS # 3	Value of new net income of participant rural farmers and MSMEs						14.79	73.95	US\$ Million	13.31	1.48			
PIRS # 4	Number of jobs attributed to FTF implementation						2,085	10,425	FTEs	1,251	834			
Increased Agricultural Productivity														
PIRS # 5	Value of incremental sales (collected at farm/firm level) attributed to FTF implementation						26.73	133.65	US\$ Million	24.06	2.67			

ACTIVITY	YEAR 1 (FY 2011) ACHIEVED	YEAR 2 TARGETS (Oct. 2011 to Sept. 2012)				Total Year 2 Target	TOTAL EXPECTED LOP	DELIVERABLE / UNITS	Year 2 Target Breakdown		Previous Reported Status (03/2012)	Additional Reported for Previous Quarter	Current Quarter (06/2012)	Updated Status (06/2012)	
	Apr. 2011 to Sept. 2011	Q1	Q2	Q3	Q4				Male	Female					
IR 2.1: RURAL MICRO, SMALL, AND MEDIUM ENTERPRISE (MSME) GROWTH INCREASED															
Sub-IR 2.1.1: RURAL MSMEs' ACCESS TO INPUTS, PRACTICES, AND TECHNOLOGY FOR MARKET PARTICIPATION IMPROVED															
Implementation of updated production technologies (on-farm and off-farm)															
WP # 1	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	5,045	3,784	3,784	3,784	3,784	15,136	55,500	Individuals	12,208	2,928	19,771	1,559	425	21,755
WP # 2	Number of extension visits to program beneficiaries	34,400	25,800	25,800	25,800	25,800	103,200	378,400	Extension Visits			68,458	629	31,485	100,572
WP # 12	Number of technical materials produced (bulletins, manuals, presentations and tools)	50	20	20	20	15	75	225	Technical materials			133		9	142
WP # 10	Number of MSMEs (off-farm and processing) assisted by project	161	81	81	80	80	322	805	MSMEs	129	193	530		108	638
PMP # 6	Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation		1.08	1.08	1.08	1.08	4.32	21.60	New private sector investment (Millions)			0.928		0.565	1.584
WP # 11	Number of female individuals in training activities	1,800	525	525	525	525	2,100	8,300	Female Individuals			5,818	558	137	6,513
PIRS # 7	Number of farmers and others who have applied new technologies or management practices as a result of USG assistance		1,000	1,000	1,205	1,205	4,410	22,050	MSMEs	3,528	882	7		28	35
Private sector alliances and integration of private sector equipment, input and service providers															
PIRS # 30	Number of organizations / companies providing business development / extension services to MSMEs	23	5	15	25	25	70	465	organizations / companies providing services to MSMEs			43		5	48
PIRS # 32	Number of public-private partnerships formed	10	3	3	9	10	25	50	PPP formed			3	1	3	7
PIRS # 33	Number of private sector alliances developed	2	2	2	2	2	8	15	PSA's Formed			11		1	12
Grower organization and the development of market driven production programs															
PIRS # 31	Number of producers organizations, water users associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance	20	15	15	20	20	70	210	Organizations / associations / CBO's receiving assistance			170		6	176
WP # 3	Number of small farmer associations formally established as businesses			2	2	2	4	55	Associations formally established as businesses			0		0	0

ACTIVITY	YEAR 1 (FY 2011) ACHIEVED	YEAR 2 TARGETS (Oct. 2011 to Sept. 2012)				Total Year 2 Target	TOTAL EXPECTED LOP	DELIVERABLE / UNITS	Year 2 Target Breakdown		Previous Reported Status (03/2012)	Additional Reported for Previous Quarter	Current Quarter (06/2012)	Updated Status (06/2012)	
	Apr. 2011 to Sept. 2011	Q1	Q2	Q3	Q4				Male	Female					
SUB-IR 2.1.2: RURAL MSMEs' ACCESS TO NEW MARKET OPPORTUNITIES INCREASED															
Development of buyer linkages and logistics															
WP # 4	Number of MSMEs accessing new market opportunities through a broker	218	492	492	492	492	1,968	10,932	MSMEs	1,771	197	195		105	300
PIRS # 12	Number of brokers providing market linkages to MSMEs	25	25	25	25	50	125	500	Brokers providing market linkages to MSMEs			10		5	15
WP # 6	Number of market surveys conducted	6	2	3	4	3	12	24	Market Surveys			2			2
Production and systems implementation to meet buyers quality standards															
WP # 5	Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers		74	150	150	225	599	2,996	MSMEs	509	90	223		149	372
Implementation of business certification programs															
PIRS # 13	Number of MSMEs that have been verified to meet market standards for their products		50	50	100	100	300	2,000	MSMEs			205		247	452
SUB-IR 2.1.3: BARRIERS TO COMPETITIVENESS OF RURAL MSMEs REDUCED															
Increased access to finance															
PIRS # 14	Number of MSMEs accessing market-based financing as the result of USG assistance	215	180	210	230	243	863	4,314	MSMEs accessing finance	690	173	552	62	539	1,153
PIRS # 15	Value of Agricultural and Rural Loans made to MSMEs	0.32	0.27	0.31	0.33	0.35	1.26	6.33	Value of loans (millions)	1.01	0.25	0.395	0.214	0.204	0.813
PIRS # 11	Number of MSMEs implementing sound business management practices		300	360	480	556	1,696	8,482	MSMEs	1,357	339	82		46	128
PIRS # 16	Number of value chain / sector constraints identified and resolved			3	5	7	15	40	Constraints			0			0
PIRS # 17	Number of policy reforms, regulations, administrative procedures passed for which implementation has begun with USG assistance	1			1		1	4	Policies, regulations or administrative procedures passed			2			2
Applied research and development programs developed															
xx	R&D projects and Activities Identified	1		1			1	1				9			9

ACTIVITY	YEAR 1 (FY 2011) ACHIEVED	YEAR 2 TARGETS (Oct. 2011 to Sept. 2012)				Total Year 2 Target	TOTAL EXPECTED LOP	DELIVERABLE / UNITS	Year 2 Target Breakdown		Previous Reported Status (03/2012)	Additional Reported for Previous Quarter	Current Quarter (06/2012)	Updated Status (06/2012)	
	Apr. 2011 to Sept. 2011	Q1	Q2	Q3	Q4				Male	Female					
IR 2.2: Honduran Biodiversity and Natural Resources Conserved and IR 2.3: CAPACITY TO ADAPT AND MITIGATE CLIMATE CHANGE STRENGTHENED															
Implementation of NRM practices on farm															
PIRS # 8	Number of additional hectares under improved technologies or management practices as a result of USG assistance		700	700	781	800	2,981	14,904	Hectares	2,683	298	0			
PIRS # 10	Number of companies (including farms) that have made conservation-friendly changes in their business practices		1,000	1,000	1,205	1,205	4,410	22,050	Companies (including farms)			0			
Implementation of NRM practices at community and municipality levels															
PIRS # 9	Number of Local Municipal Governments effectively implementing natural resource management policies				3	4	7	20	Local Municipal Governments			0			
SUB-IR 2.3.3: DISASTER VULNERABILITY REDUCED															
Development and implementation of disaster mitigation plans and systems															
PIRS # 28	Number of communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity				5	10	15	40	Communities with adequate disaster prevention and mitigation capacity			0			
Installation of renewable energy technologies															
PIRS # 29	Number of rural micro-generation clean/renewable energy projects established	10	52	90	100	109	351		Projects established			102	5	256	363
IR 4.1: USE OF QUALITY MATERNAL AND CHILD HEALTH AND FAMILY PLANNING SERVICES INCREASED															
PIRS # 18	Prevalence of households with moderate to severe hunger							-20%	% reduction from baseline						
PIRS # 19	Prevalence of underweight children under 5				-5%	-5%		-20%	% reduction from baseline	-5.0%	-5.0%				
PIRS # 20	Prevalence of stunted children under 5							-20%	% reduction from baseline						
PIRS # 21	Percent of children 6-23 months that received a Minimum Acceptable Diet							30%	% increase over baseline						
PIRS # 22	Prevalence of exclusive breast feeding of children under 6 months				5%	5%		20%	% increase over baseline						
PIRS # 23	Prevalence of anemia among women of reproductive age							-5%	% reduction from baseline						
PIRS # 24	Prevalence of anemia in children 5 - 59 months							-20%	% reduction from baseline						
PIRS # 25	Women's dietary diversity: mean number of food groups consumed by women of reproductive age							30%	% Change in HDDS						
PIRS # 26	Number of health facilities with established capacity to manage acute under-nutrition							20	Health Facilities						
PIRS # 27	Modern contraceptive prevalence rate						2.5%	10%	% Increase over baseline	2.5%	2.5%				

ANNEX II: SNAPSHOTS & MONTHLY SUMMARIES

SNAPSHOT

Renewable Technologies Help Improve Coffee Quality

With assistance from USAID-ACCESO, smallholder coffee farmer installs a solar dryer, improving both the yield and quality of his crop.



Photo by Fintrac Inc.

The solar dryer in Jose Antonio Pérez's home is helping him save time and money, improve the quality of his product, and increase his income.

“The results are better. I can dry my coffee in two or three days.”

*José Antonio Pérez,
Coffee producer.*

José Antonio Pérez is a coffee farmer in the small community of Camalote, Copán. He supports his family of five on his limited coffee income.

Five months ago, Pérez became involved with USAID-ACCESO after a project technician visited his community. The project is providing technical assistance and training to Pérez in order to improve both the yield and quality of his coffee. By introducing good agricultural practices such as raised bed planting, irrigation, and fertilization, Pérez has already noticed significant improvements in the quality of his coffee trees.

Another key component of USAID-ACCESO's approach is to provide training in postharvest practices. Through the project, Pérez learned about the benefits of solar drying. For his recent harvest, following USAID-ACCESO's recommendations, Pérez installed his own solar dryer to ensure a high-quality product. The dryer is more efficient, less labor-intensive, and requires fewer expensive materials.

“The results are better,” he said. “I can dry my coffee in two or three days.”

Quicker drying times make coffee production more efficient and less vulnerable to weather or pests. Pérez is saving significant time and money in the critical drying process, while also ensuring improved quality, all of which means a higher income for Pérez and his family.

With coordination from the project, Pérez also benefitted from lower prices for his fertilizer and technical assistance on its use. In addition, he was introduced to a local buyer who paid higher prices for his coffee, which is now being exported.

A respected member of the community and president of the local rural savings bank, Pérez is an important link for transferring the knowledge he learned from USAID-ACCESO.

The project is now promoting the use of solar dryers with other growers in the area and has already installed 15 demonstration solar coffee dryers, impacting the lives of 94 project clients.

USAID-ACCESO is currently working with more than 4,300 coffee farmers on a total production area of 4,800 hectares. The farmers are receiving technical support in value-added processing, farm certification, market linkages, cupping quality, waste management. The project will assist more than 30,000 client households over four years.

SNAPSHOT

Business Dream Becomes Reality

Rural potato producers finally form their own business, thanks to support from USAID-ACCESO.



Photo by Fintrac Inc.

Gavino Perez supervises the potato drying process held on his farm. With improved postharvest practices and formal market linkages, the farmer group is earning more money from their potato crop.

“With USAID-ACCESO’s support, we were able to connect to a steady, lucrative market.”

Gavino Pérez, producer and entrepreneur

In the rural villages of Malguara and Chiligatoro, Intibucá, 20 small-scale potato producers shared a dream of one day owning an agribusiness, which would allow them to earn more money for their families. Despite their ambition and perseverance, the idea remained out of their reach for years.

With help from USAID-ACCESO, the group is finally seeing its dream come to fruition. Project specialists are providing agricultural production trainings, technical assistance, and business advice, which are helping the potato producers farm smarter and formalize their business operations.

The group learned how to create a calendarized planting program to ensure continuous product availability. They are now using good agricultural practices such as better seed selection, soil preparation, and proper fertilization application, which have improved both quality and productivity.

“Our potatoes are much bigger and healthier now,” said Gavino Pérez, one of the producers.

After six months of USAID-ACCESO assistance, the farmers are seeing impressive results. Yields have improved by nearly 60 percent.

In addition to receiving technical assistance, the potato producers are also learning basic business skills. With better knowledge of recordkeeping, computer skills, and market information, plus their increased productivity, the farmers are finally able to operate as the business they had dreamed about.

The Association of Lencan Agricultural Producers of Intibucá (APRALIN) formed in January 2012. With USAID-ACCESO’s help, they contacted potential buyers, and thanks to their new skills and high-quality products, they negotiated a deal to become the official supplier to La Carreta, a national potato distributor.

APRALIN meets twice a week to clean and package the potatoes for La Carreta, who is paying them a fixed price, creating a regular and reliable source of income for the group.

The association members are committed to continually improving and expanding their business, and plan to open up membership to additional producers in the area.

USAID-ACCESO is working with other producers in the area, helping them diversify production and access new markets. The project will assist more than 30,000 clients in western Honduras over its four-year lifespan.

SNAPSHOT

Female Entrepreneurs Find Success at Long Last

With hard work, perseverance, and support from USAID-ACCESO, women's group starts turning a profit on value-added baked goods.



Photo by Fintrac Inc.

Empowered women packing plantain chips destined to supply local businesses in the area.

“If it weren’t for USAID-ACCESO, we wouldn’t have specialized on anything.”

Reina Salazar, Treasurer

Mujeres Emprendedoras de La Laborcita

For years a group of women in La Laborcita, Sinuapa struggled to find ways to earn extra money for their families. In between their household chores and responsibilities, they cooked tamales and other types of food to sell to their neighbors. But without a formal business plan, it was difficult for them to earn a substantial income.

The 18 women of the *Mujeres Emprendedoras de La Laborcita* group began receiving assistance from USAID-ACCESO specialists. The program taught the women how to process value-added goods such as plantain chips, which are a popular snack in Honduras with a high demand on the local market.

“If it weren’t for USAID-ACCESO, we wouldn’t have specialized on anything,” said Reina Salazar, current treasurer of the group.

Now the women are specialists in plantain chip processing. They have received additional training in packaging, delivery, and basic accounting. They are better organized now, scheduling weekly meetings and dividing labor to improve efficiency and productivity. The group already has steady buyers in local stores, restaurants, and schools.

USAID-ACCESO is also helping the women think more about their market; based on their observations, the women now offer different package sizes at different price points. The four-ounce bag (L. 10 or \$0.50) is their current bestseller.

Thanks to project support and the women’s dedication, their business is now turning a profit. The women earn an average of L. 500 (\$25) a day, all of which is new income. Their success is also benefitting the larger community as the women purchase their plantains from local farmers, many of whom are neighbors or family members. These producers are also receiving technical assistance from USAID-ACCESO to improve quality and yields.

With the support of the municipal government of Laborcita, the women were able to purchase industrial-grade equipment, allowing them to cost-effectively increase production, thereby further increasing their income potential.

The women are not content to rest on their newfound success. They already have an eye to the future – they plan to build their own store and production space.

“We all like to work, that is why people believe in us,” Salazar said.

USAID-ACCESO will work with more than 800 off-farm small- and medium-sized businesses, providing the training and market access they need to become profitable engines of rural economic growth. Many of the business are female-led, empowering women to improve the quality of life for themselves and their families.

SNAPSHOT

High-Value Crops Create New Income Streams

With project support, small producer diversifies plantings and takes future into his own hands.



Photo by Fintrac Inc.

Ovidio Escalón stands proudly in his highly-productive farm. By introducing good agricultural practices and new crops, he is seeing income increases he never dreamed possible.

“Not even in my wildest dreams did I think of planting carrots, let alone selling them.”

– Ovidio Escalón
Smallholder farmer

Surrounded by mountains in the remote village of El Prado, San Marcos de Ocotepeque, Ovidio Escalón toiled to eke out a living on with his small plot of corn and beans. Escalón, a father of 11 and a part-time musician, had resigned himself to subsistence farming until USAID-ACCESO opened his eyes to his farming potential.

Escalón began working with the project in early 2012. Despite a lack of experience and limited resources, Escalón has proven to be one of the most productive farmers in the area. Project technicians site his leadership and dedication as two major contributors to his early success.

Over the past six months, Escalón participated in a number of trainings on topics including raised bed preparation, drip irrigation, and proper fertilizer use. With support from project technicians, he planted carrots (a new, high-value crop for his farm) on 1 tarea of previously-uncultivated hectares (1/23 of a hectare). He invested L. 600 (\$31) for this expansion.

By employing the good agricultural practices he learned, Escalón yielded 1,200 kilograms of carrots after his first harvest. The calendarized planting approach he learned from USAID-ACCESO will help ensure his farm is productive year round.

“Not even in my wildest dreams had I thought of planting carrots, let alone selling them,” he said.

With help from the project’s marketing specialist, Escalón sold his carrots to a national supermarket distributor for a total of L. 7,000 (\$360), all of which is new income. He plans to use his expanded income to invest in future plantings, including purchasing quality fertilizer and other inputs.

The Escalón family is extremely grateful and pleased with the project’s ongoing support. They plan to follow all of the project technicians’ recommendations to further improve their quality of life.

USAID-ACCESO’s integrated approach addresses income, nutrition, and food security, helping rural families make comprehensive and sustainable changes and improvements to lift themselves out of poverty and malnutrition.

The project is working with other producers in the area of San Marcos de Ocotepeque to increase the volume of high-quality products and stimulate economic activity in their communities.



USAID | ACCESO

FROM THE AMERICAN PEOPLE

MONTHLY UPDATE – APRIL 2012

BACKGROUND

This is the thirteenth edition of the USAID-ACCESO monthly update with information on current and future project activities. USAID-ACCESO is a four-year initiative funded by the people and government of the United States of America through the US Agency for International Development (USAID). This project is part of the global Feed the Future initiative of the US government and the main investment by USAID in Honduras.

USAID-ACCESO will assist more than 30,000 clients in the departments of Copán, Intibucá, La Paz, Lempira, Ocotepeque, and Santa Bárbara. The project is working to lift these rural households out of poverty, extreme poverty and malnutrition conditions through economic development and increased incomes.

AGREEMENTS AND ALLIANCES

Memorandums of understanding were signed with AGRITADE, a solar dryer input provider, and ODECO, a Development Organization of Corcuín, which respectively, will provide project clients with inputs for renewable energy and technical assistance.

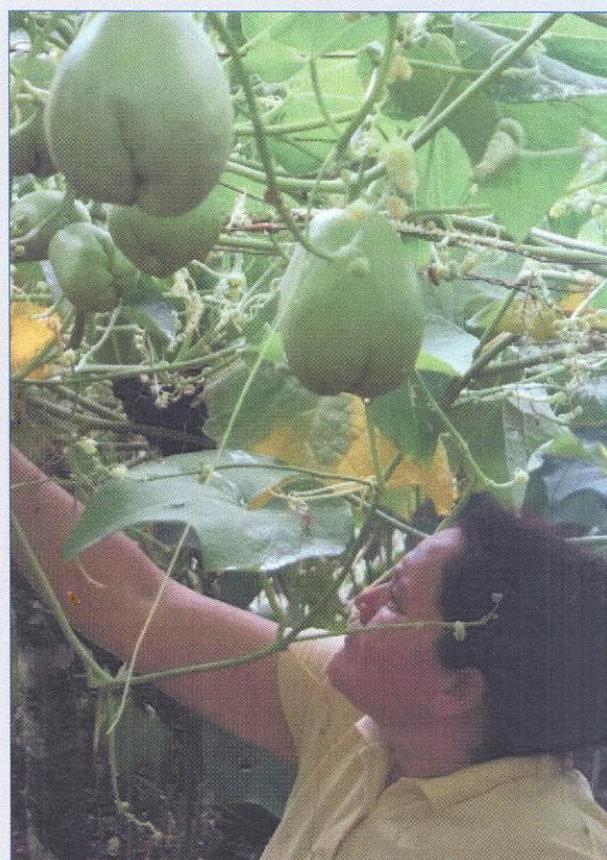
As part of an alliance with a local packing facility, construction began on a packhouse in Intibucá which will purchase and pack snow peas from project clients, for subsequent export to the US market.

SUSTAINABLE TECHNOLOGY FAIR

More than 40 organizations, private companies, and government entities participated in the Earth Day event at The Sustainable Technology Information Fair in Tegucigalpa. USAID-ACCESO had its own booth, which displayed a model biodigester and an ecofriendly stove and lamp. The event provided the opportunity to promote the technologies and to make links with private sector suppliers of inputs and materials.

PROJECT VISITS

Representatives from USAID/Honduras, USAID/Brazil, and the Brazilian government visited USAID-ACCESO project clients in La Paz. Representatives from a US drip irrigation company also visited several project sites, to view current technologies, and to develop an equipment and financial package for project growers.



Proper pruning practices improve chayote productivity, Copán.

USAID-ACCESO client households, beneficiaries and other clients, April 2012

Department	Client Households	Beneficiaries	Other Clients *
Copán	2,222	7311	205
Intibucá	2,382	13,096	218
La Paz	1,890	9,099	416
Lempira	3,249	17,322	333
Ocotepeque	2,208	8,443	233
Santa Bárbara	2,122	8,295	342
Others	24	97	96
TOTAL	14,097	63,663	1,843

*Includes: MSMEs, buyers, input and service providers, Municipal Corporations, counterpart organizations, among others.

This monthly update was made possible by the generous support of the American people through the United States Agency for International Development (USAID). The content is Fintrac Inc.'s responsibility, the main implementing partner of USAID-ACCESO, and does not necessarily reflect the opinions of USAID or the United States government.



PRODUCTION

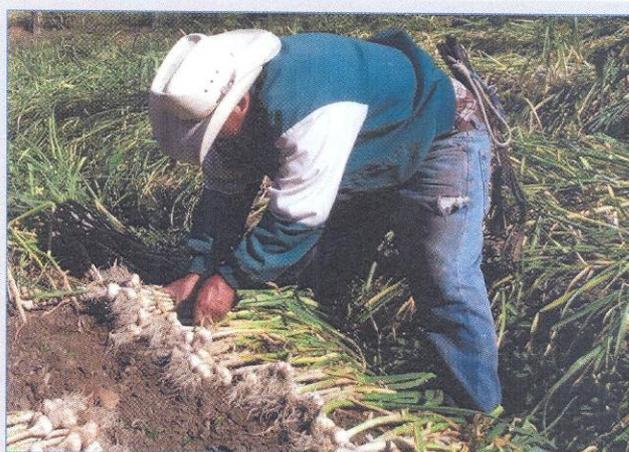
- An additional 41 hectares were planted with 35 different crops in April, for a cumulative total of 8,996 hectares of production area under the technical assistance program. The main crops planted, which will supply local markets, included corn, plantain, cabbage, and potato. Smaller scale crops included celery, red onion, sweet pepper, tabasco pepper, cilantro, and cauliflower. To date, 5,378 hectares have been planted in coffee, 2,577 hectares in basic grains and 1,936 hectares in horticulture crops.
- The project carried out 596 workshops on agricultural production with 4,804 participants. The trainings focused on good agricultural practices such as soil preparation and management, irrigation, integrated pest management and plantlet production. Participants in coffee-related events received training in the use of organic fertilizers and pest prevention.
- More than 6,000 technical assistance visits were carried out; highlights included farmer exchange tours, where farmers learned about new crops and best practices from other project beneficiaries.
- Project specialists carried out 72 technical assistance visits to small scale livestock producers, covering feed preparation for pigs and cattle and basic tilapia production systems.
- Postharvest specialists held nine events for 87 participants in areas including harvesting, grading and packing of basil for export to the USA, grading and bagging of potato for local supermarkets and training in farm certification requirements.

ACCESS TO MARKETS

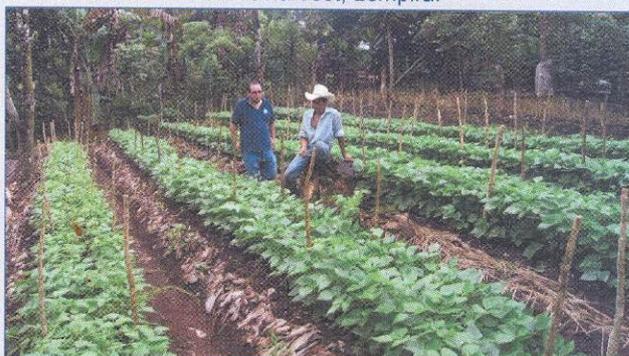
- Marketing and logistics specialists trained 72 participants in five events on calendarized planting systems needed to meet buyer requirements for volume, consistency of supply and quality. Producers met directly with buyers, with selected groups of growers overseeing cucumber deliveries to the market, providing them firsthand knowledge of the farm-to-market process.
- Chinese eggplant producers in Copán increased the harvesting and grading operations for sale to a local exporter shipping to the US market.
- With assistance from a regional buyer, potato producers groups in Intibucá received training in potato washing, grading and packing to meet quality requirements set by a local supermarket chain.

NATURAL DISASTER MANAGEMENT AND MITIGATION

- A "Prevention Plan" workshop was carried out with municipal representatives to prepare participants in response to natural disasters such as landslides and floods through practice drills. They also learned appropriate techniques for wildfire prevention and control.
- Community water boards received training on the need and implementation of appropriate water treatment methods, necessary to improve the potable water quality in rural communities.



Garlic harvest, Lempira.



Bean crop survey, Copán.



Basil harvest, Lempira.

Profile of USAID-ACCESO families to date

- 9,500 of the 14,097 household clients (67%) are in extreme poverty and 917 household clients (7%) are poor.
- 8,215 of the 63,663 beneficiaries (13%) are children under 5 years in age; 17,545 (28%) are children between 6 and 14 years old; 31,215 are between 15 and 49 years in age (49%); 10 percent are adults over the age of 50.
- 52 percent of the beneficiaries are men (33,190) and 48 percent are women (30,473).



BUSINESS AND FINANCE SKILLS

- Business and finance skills specialists trained 425 participants in 230 events on improving management information, cost controls and efficiency through practices such as recordkeeping and time management. Financing options and credit management were also covered.
- Several small businesses received training in document preparation, legal requirements and company options to enable formal registration.

NUTRITION AND HEALTH

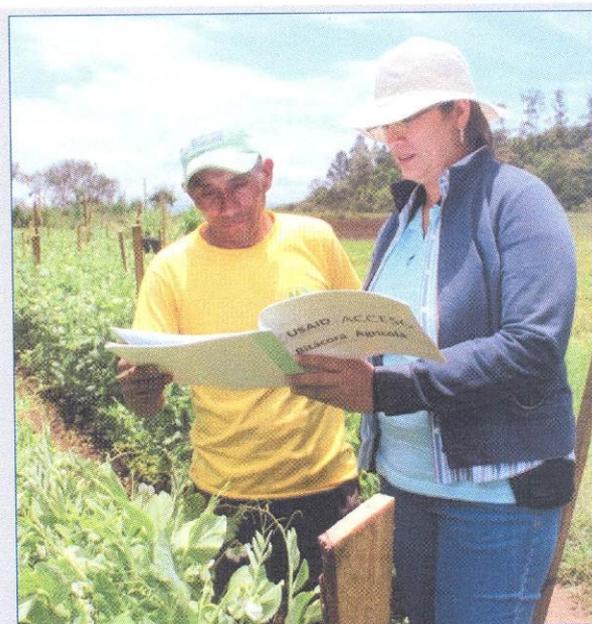
- Nearly 1,500 participants (1,339 women) received training in healthy practices such as diet diversity and the preparation of nutrient-rich soups and fortified tortillas (with carrots and leafy greens).
- Parents participated in basic hygiene trainings that included topics such as hand washing and proper cleaning of fruits and vegetables. The parents indicated a willingness to change their daily habits to ensure improvements in their children's health.
- Events were carried out with mothers on proper breastfeeding practices, while others focused on feeding/nutrition requirements of pregnant mothers to prevent future problems.

VALUE ADDITION AND MICROENTERPRISE

- 166 participants were trained in 20 events, in which 81 participants benefited from baking workshops. These clients practiced baking pizza, donuts and pastries, all of which can be sold in local markets to generate additional household income. Other participants received instruction in basket-weaving using readily-available and inexpensive materials.
- In order to obtain market access and exposure, project specialists provided training in the product commercialization, promotion and distribution.
- Forestry specialists conducted trainings on adding value to previously discarded pine woodchips, which can be sold and used to light stoves.

RENEWABLE ENERGY

- 29 participants were trained in six events on the installation and management of biodigesters and the use, and benefits, of ecofriendly stoves.



Training on the use of production logs, Intibucá.



Mothers monitoring their children's weight, La Paz.



Training on production of pickled vegetables, Santa Bárbara.

Trainings - April 2012

Area	Participants	Events
Renewable Energy	29	4
Business Skills / Finance	425	88
Disaster Mitigation	284	24
Postharvest and Certifications	99	10
Processing and Added Value	166	20
Production	4,792	568
ACCESO project	7	2
Market Information	72	5
Nutrition and Health	1,465	99
TOTAL	7,339	820



BASIC PRACTICES INCREASE PRODUCTIVITY AND QUALITY OF STAPLE CROPS AND COFFEE

The main objective of USAID-ACCESO's economic growth component is to bring rural households out of poverty through increased incomes. In order to reach this goal, a 6-person family needs to earn an annual net income of \$5,300.

Understanding that most client households depend on basic grains or low-quality coffee crops for the majority of their household incomes, USAID-ACCESO recommends the following basic practices to improve productivity and quality of these crops:

Corn and bean crops

- Liming of soils with a pH lower than 6.0.
- Basic soil preparation, with contouring on hillsides.
- Select seeds that are viable and treated against soil pests and diseases.
- Follow the recommended plant spacing and plant one seed in each position.
- Fertilizer should be applied in solution and applied weekly.
- Keep crops free of pests for at least 35 days after germination.
- In corn, control tar spot fungus according to samplings carried out 25 to 40 days after planting.

Following these basic principles, producers can expect to more than double their yields from 900 Kgs to 2,200 Kgs/hectare in corn and from 450 Kgs to 1,100 Kgs/hectare in beans.

Coffee crops

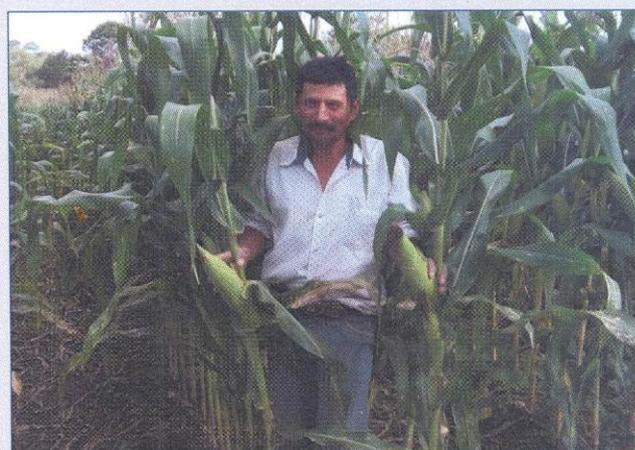
- Liming of soils with a pH lower than 6.0.
- Plant pruning: young plants topped to 1.7 m; old plants pruned down to allow for regeneration. Shade trees pruned in a funnel shape to allow light to enter through the center.
- Fertilizer should be applied in solution and regularly.
- Sample to determine presence of white grub and wire worm and control when necessary.

Following these basic principles, coffee producers can expect to quadruple their yields from 225 Kgs to 900 Kgs/hectare.

A family of six needs an average of 900 kilograms of corn and 280 kilograms of beans per year for self-consumption. By increasing basic grain productivity, families ensure they meet their own basic needs and have surplus volume to sell for extra income. Just as important, the increased productivity also opens up area and resources to plant high value crops under market driven production programs to generate cash income – and achieve food security.



Corn planting with the basic production practices.



By introducing basic production practices, farmers can double their corn yields.



Pruning of old plants is necessary to regenerate and increase productivity from old plants.



USAID | ACCESO

FROM THE AMERICAN PEOPLE

Monthly Update – May 2012

BACKGROUND

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AGREEMENTS AND ALLIANCES

Letters of understanding were signed with the Ministry of Health in Copán, Lempira, and Ocotepeque to strengthen the project's nutrition and health component, with specific emphasis on maternal/child health and household conditions.

“OPERATION CLEAN UP”

With the goal of promoting project key messages, strengthening ties with communities, and promoting basic hygiene practices, the health and nutrition component began a new initiative with schools called “Operativo Limpieza” (Operation Clean Up).

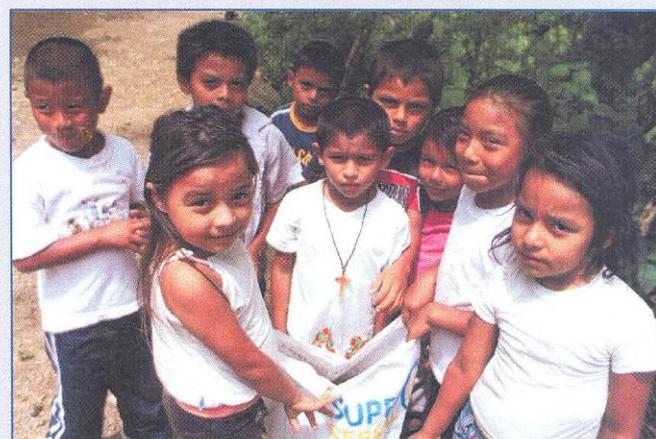
Operation Clean Up is a weekly activity where students, teachers, volunteers, and project staff spend a couple of hours picking up trash in their community. Even the youngest students are empowered to care for their environment and serve as examples for other members of the community. USAID-ACCESO is organizing and implementing these cleanup activities in all six departments where it works.

PROJECT VISITS

Representatives from USAID/Honduras visited project clients in Santa Bárbara, Ocotepeque, and Intibucá who are receiving technical assistance in crop diversification and calendarized planting, as well as access to markets and export opportunities.



Snow pea producer, Intibucá.



“Operativo Limpieza (Operation clean up)”, Santa Bárbara.

USAID-ACCESO client households, beneficiaries, and other clients, May 2012

Department	Client Households	Beneficiaries	Other Clients *
Copán	2,246	7,613	223
Intibucá	2,547	13,664	252
La Paz	2,087	9,651	454
Lempira	3,358	17,531	357
Ocotepeque	2,369	9,066	260
Santa Bárbara	2,075	8,061	416
Others	23	97	97
TOTALS	14,705	65,683	2,059

*Includes: MSMEs, buyers, input and service providers, Municipal Corporations, counterpart organizations, among others.

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PRODUCTION

- An additional 352 hectares with 42 different crops were planted during May for a cumulative total of 9,679 hectares of production area under the technical assistance program. The main crops were corn, 129 hectares; high altitude corn, 126; bean, 23; watermelon, 11, rice, 9; and pickling cucumber, 8 hectares. Other minor crops planted during the month included carrot, cabbage, beetroot, potato, sweet potato and passion fruit. To date, 5,666 hectares have been planted in coffee, 2,938 hectares in basic grains, and 1,075 hectares in horticulture crops.
- The project trained 8,947 participants in 997 production events covering basic production and cultural practices for horticulture crops, soil preparation and contoured beds and transplanting of various crops.
- 506 participants were trained in 67 events on basic production practices for coffee, including exchange visits with other growers to observe tissue management practices and soil liming. Other important workshops included the use and management of basic practices for high density corn planting and procedures for mixing and safe use of pesticides.
- 10,279 technical assistance visits were given in horticultural production and 148 visits in livestock production. In the technical assistance for animal production participants were shown how to revise and move beehives and how to construct drinking and feeding containers for chickens.
- 68 participants were trained in 10 postharvest events on harvesting, grading and packing snow peas for sales on the local and export markets, and preparing sample shipments of fresh organic basil for export to the USA.

ACCESS TO MARKETS

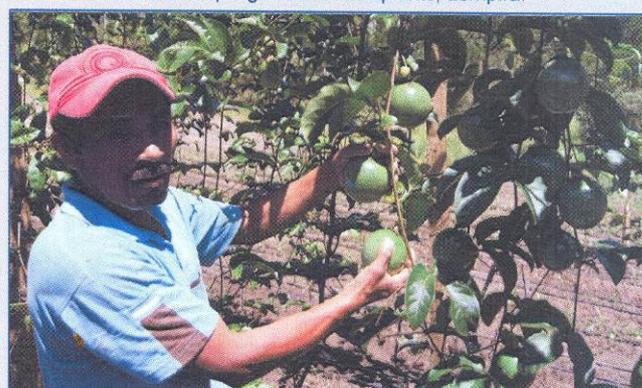
- Several field visits were made with potential buyers to show the technified production systems being used by project growers with calendarized vegetable plantings. The first cucumber and watermelon shipments from project growers in Santa Bárbara were shipped to El Salvador. Marketing and logistic specialists trained 61 producers in 2 mayor events on market opportunities, requirements and new crop potential.
- Project specialists also provided assistance to eggplant producers and an exporter to diversify the export product lines.

NATURAL RESOURCE MANAGEMENT

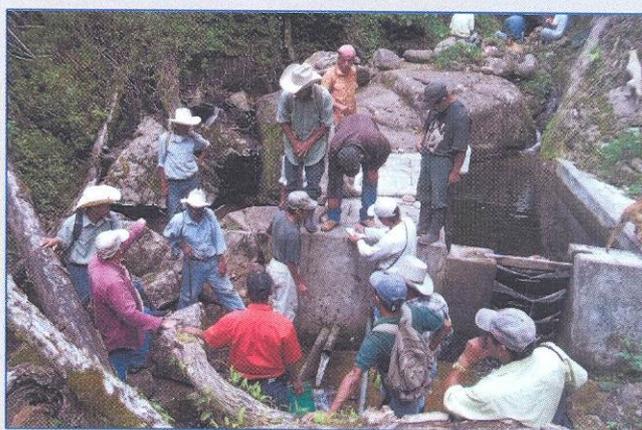
- 28 NRM and disaster mitigation training events were carried out with 644 participants. Videos and dynamics that encouraged producers' participation with personal and previous experiences enabled real risk and accident scenarios to be developed at the community level.
- In selected communities, project clients were provided support to develop their community potable water management plans, while others received training in the use and management of household water filters.



Pest sampling in cucumber plants, Lempira.



Passion fruit quality revision, Intibucá.



Visit with FHIS representatives, community water boards and USAID-ACCESO to assess water sources, Lempira.

Profile of USAID-ACCESO families to date

- 9,831 of the 14,705 household clients (67%) are in extreme poverty and 953 household clients (6%) are poor.
- 8,456 of the 65,683 beneficiaries (13%) are children under 5 years in age; 18,046 (27%) are children between 6 and 14 years old; 32,288 are between 15 and 49 years in age (49%); 10 percent are adults over the age of 50.
- 52 percent of the beneficiaries are men (34,240) and 48 percent are women (31,443).



BUSINESS AND FINANCE SKILLS

- Business and finance skills specialists held 89 workshops in which 612 participants learned about improved business practices through the use of basic tools, including as production logbooks, inventory records and daily sales controls.
- 77 participants were trained on accessing finance, managing loans and compliance with micro-credit loan application requirements.

HEALTH AND NUTRITION

- The Health and Nutrition component carried out 118 training events with 1,722 participants, including teaching parents to prepare meals rich in iron and vitamins to improve their children's health and development.
- Though activities and the use of visual aids, 75 participants were trained in the importance of food diversity and the use of the feeding guide to illustrate and define feeding schedules and appropriate quantities for their children, with emphasis on children under 2 years of age.
- 694 technical assistance visits were held in order to communicate key nutrition messages, the benefits of using an ecofriendly stove and the potential improvements in the households. Training was also provided to health volunteers as an integral part of the activities.
- 6 events with 125 participants were held to promote exclusive breastfeeding with infants from 0-6 months, together with the correct introduction of food to children 7-12 months old, with the use of leafy greens in fortified tortillas and yellow colored fruits.

VALUE ADDITION AND MICROENTERPRISE

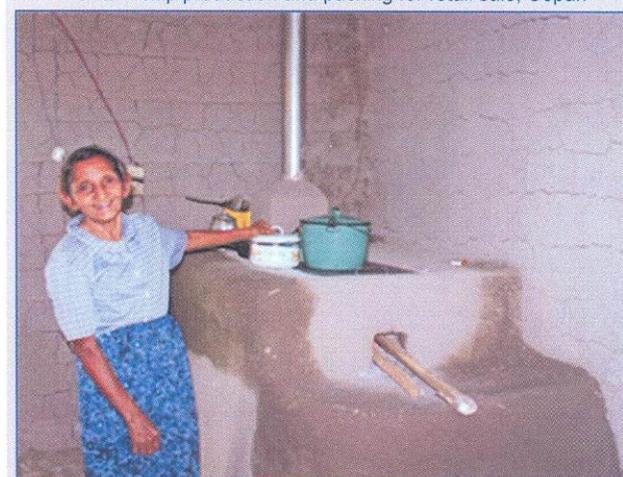
- Processing specialists trained 385 participants in 54 events including confection workshops held to produce tablecloths, baskets and local crafts.
- Numerous events for the development and commercialization of new products were carried out, introducing food products to local markets such as plantain chips, soft cheese and pizza.
- In forestry, technical assistance was provided to demonstrate the use of sub-products from sawmills and other wood categories to build furniture for sales on the local markets.



Basil harvest, Lempira.



Plantain chip production and packing for retail sale, Copán



Eco-friendly stove installation, Santa Bárbara.

Trainings: May 2012

Area	Participants	Events
Renewable Energy	4	1
Business and Finance Skills	612	89
Natural Resource Management and Disaster Prevention	644	28
Postharvest and Certifications	68	10
Processing and Value Added	385	54
Production	8,947	997
ACCESO Project	50	6
Market Information	61	2
Nutrition and Health	1,722	118
TOTAL	12,493	1,305



IMPROVING NUTRITION THROUGH FORTIFIED TORTILLAS

USAID-ACCESO’s nutrition and health strategy is designed to improve the access and use of food, prioritizing children under 2 years of age and pregnant women in order to achieve a balanced daily diet that supplies the calorie, protein and vitamin requirements.

Income generation is the base to assure access to food, while training and technical assistance in nutrition and health practices ensures the correct use of the food and the prevention of illnesses. In this process, project technicians and health volunteers use a range of tools to reduce nutritional problems in prioritized communities, establishing access and trust through continuous home visits and trainings.

THE FORTIFIED TORTILLA: A CORN-BASED TORTILLA FORTIFIED WITH LEAFY GREENS OR CARROTS, RICH IN IRON AND VITAMIN A.

The tortilla represents one of the most popular basic foods found in the daily diet of rural homes. It is rich in carbohydrates, easy to prepare and it is accepted by all the members of the family. When fortified it is a great source of iron and vitamin A. This simple process uses the iron found in selected green leaves and vitamin A found in orange-yellow fruits and vegetables. Once these components are mixed with the tortilla base, they provide minerals and vitamins to complement the balanced diet necessary for adequate child growth.

The green leaves used to fortify tortillas can be easily found in areas and gardens in local communities. Most of them grow as weeds and are now being planted in household family plots as part of the project’s nutrition and production components.

Empowering families in workshops and food preparation trainings, the fortified tortilla has had a positive acceptance in children under 2 years of age, as well as with the mothers, due to its easy preparation and ingredient availability in their communities.

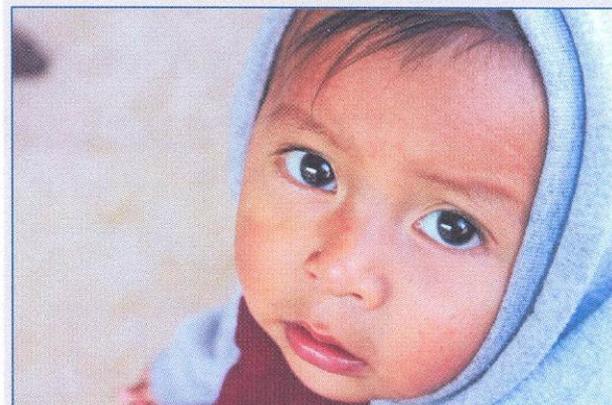
Nutritional content of a tortilla	Total input per day (three meals)
77 calories	231 calories
2 g protein	6 g protein
16 g of carbohydrate	48 g of carbohydrate
60 mg of Calcium	180 mg Calcium
0.5 mg of Iron	1.5 mg of Iron
47 mcg of vitamin “A”	141 mcg of vitamin “A”
8 mg of vitamin “C”	24 mg of vitamin “C”



Tortillas fortified with leafy greens and carrots.



Children eating fortified tortillas, Intibucá.



Little boy benefited from the food preparation training, Intibucá.

FORTIFIED TORTILLA PREPARATION

1. Select green leaves that are pest and disease free and clean them carefully.
2. Wash them one by one with clean water.
3. Dip them in water with chlorine for 10 minutes.
4. Grind the leaves with a rock grinder (used with the corn).
5. Put the corn mix in an adequate container. Make a hole and place the ground leaves with the juice inside of it.
6. Mold it with semi wet hands until achieving a tortilla consistency.
7. Heat the tortilla pan and prepare them of the size you desire



Monthly Update *June 2012*

JUNE HIGHLIGHTS

- Total production area reached 11, 373 hectares under the technical assistance program which included new plantings of corn, beans, coffee, potato, carrot, loofah, cabbage, plantain and cucumber. By incorporating new agricultural techniques and basic business tools, USAID-ACCESO is helping more than 16,000 families (71,397 beneficiaries) improve their incomes and productivity. In June, 1,337 new client households joined the project and now have direct access to trainings and technical assistance from all the integrated project components.
- Representatives from USAID/Honduras visited communities in the department of Intibucá, observing project activities and meeting client households to hear firsthand the results and impact of project intervention and improved living conditions.
- A Damage Assessment and Necessities Analysis Course was sponsored by USAID-ACCESO, developed under the U.S. Disaster Relief Abroad Office (USAID/OFDA/LAC) methodology. An intensive training was held in the department of Copán, with the active participation of 38 municipality technicians, volunteers and COPECO regional staff. The training covered evaluation techniques to identify the damage and determine disaster related needs in communities assisted by the Resource Management and Disaster Mitigation Specialists.
- As a part of implementing the renewable energy options for project beneficiaries, USAID-ACCESO trained 99 participants in the installation and use of ecofriendly stoves and biodigesters. Biodigesters create gas that can be used to fuel stoves or lamps, saving families hundreds of dollars in energy costs. In June, household clients installed 26 ecofriendly stoves and 11 solar dryers.

About USAID-ACCESO

USAID-ACCESO is a four-year initiative funded by the people and government of the United States of America through the US Agency for International Development (USAID). This project is part of the global Feed the Future initiative of the US government and the main investment by USAID in Honduras.

USAID-ACCESO will assist more than 30,000 clients in the departments of Copán, Intibucá, La Paz, Lempira, Ocotepeque, and Santa Bárbara. The project is working to lift these rural households above the poverty line and malnutrition conditions through economic development and increased incomes.

USAID-ACCESO client households, beneficiaries and other clients, June 2012

Department	Client Households	Beneficiaries	Other Clients*
Copán	2,631	8,519	235
Intibucá	2,753	15,005	270
La Paz	2,258	10,975	474
Lempira	3,648	19,039	475
Ocotepeque	2,514	9,122	261
Santa Bárbara	2,215	8,640	453
Others	23	97	99
TOTAL	16,042	71,397	2,267

*Includes: MSMEs, buyers, input and service providers, Municipal Corporations, counterpart organizations, among others.



Photos by Fintrac Inc.

A USAID-ACCESO producer trellising cucumber plants in Lempira.



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Little girl eating tortilla fortified with carrots, as a part of a food preparation workshop held in Intibucá.

NUTRITION AND HEALTH

1,682 parents were trained in nutrition basic practices. Mothers actively participated in different food preparation workshops, learning to prepare thickened soups, rice balls and fortified tortillas with leafy greens and carrots. Participants also received key message information about exclusive breastfeeding for infants 0-6 months and maintaining clean and healthy homes. Through dynamic trainings, community leader participation and constant home visits, USAID-ACCESO continues improving health and hygiene conditions for household clients, enabling access to 9,219 children under 5 years old to personalized nutrition assistance.

VALUE ADDED PRODUCTS

USAID-ACCESO provides processing training in new product development to help beneficiaries identify ways to add value to their products. This month, 396 participants received diverse trainings where they learned how to prepare chicken tacos, pizza, plantain chips and nachos, with a focus on market needs. 89 participants benefitted from bakery workshops, allowing them to bake cakes, cookies and other pastries, develop recipes and implement new alternatives to reduce costs, improve competitiveness and increase market participation.

Project specialists also conducted trainings on adding value to previously discarded wood, developing new products including trunks, decorative tables and jewelry boxes for sale on the local market.



With project support, these women of San Francisco, Ocotepeque are associated partners that produce and sell baked goods, with techniques learned in bakery trainings provided by the project.



Training of growers on calendarized planting systems, and the buyer quality and service requirements, is essential to assure constant market participation.

ACCESS TO MARKETS

To provide project beneficiaries with contacts and a better understanding of market access, USAID-ACCESO is introducing smallholder farmers and MSMES to potential buyers during meetings, field visits and regional events. 40 participants received market information in training events; some had the opportunity to deliver plantain, cucumber and carrot plantings to markets and supermarkets in different localities, while others sold directly to final consumers in different events.

Activities with export markets were expanded through the development of calendarized plantings and direct links to buyers and importers of Allspice, oriental vegetables, snow pea, fresh herbs, sweet potato and others.



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FROM THE AMERICAN PEOPLE



A family dedicated to cucumber production, selling their product in the Zacapa fair, Santa Bárbara.

EMPOWERING USAID-ACCESO CLIENT HOUSEHOLDS THROUGH COMMUNITY EVENTS

In order to encourage project clients' market participation and direct links to the final consumer, USAID-ACCESO participates in various community events or popularly known as *fairs*, throughout the six departments in Western Honduras.

The specialists have participated in more than 20 promotional events where MSME products were introduced to new market options. In some cases, the producers directly participate by selling their products. USAID-ACCESO contributes with demonstrations and project promotions to increase access to information and new and potential clients. Initially intended for community recreation and entertainment, local fairs, have become a new-valued tool for impact and communication.

TECHNICAL ASSISTANCE

1,377 events were held where 12,350 participants received direct training from all project components. In production, 8,781 participants were trained in different technical areas including cultural and basic practices, pest control and disease identification, fertilization requirements and programs, soil conservation and raised bed preparation.

Trainings were complemented by 12,334 technical assistance visits that were carried out in farms, processing plants and clients' homes. Through the technical assistance visits, the implementation of the improved practices is assured in the assisted farms, small companies and households. This month, basic grain and vegetable plantings were the main focus, in addition to fruit and vegetable processing.



Group trainings and exchange of experiences are key for producers and the dissemination of project recommended technologies; in this case, plantlet production and transplant in Intibucá.

Trainings - June 2012

Area	Participants	Events
Renewable Energy	90	11
Business Skills / Finance	778	69
Natural Resources Management	410	32
Postharvest and Certifications	160	14
Processing and Value Added	396	48
Production	8,781	1,097
ACCESO project	13	1
Market Information	40	3
Nutrition and Health	1,682	102
TOTAL	12,350	1,377

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