



**USAID**  
FROM THE AMERICAN PEOPLE

**ANNUAL REPORT #03  
(OCTOBER 2012 – SEPTEMBER 2013)  
USAID-ACCESO**



**September 2013**

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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. Seven additional local organizations are also under sub-contracts; these are 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).

The project began start-up activities in April 2011, fielded senior technical staff in May 2011 and the majority of the field team by the end of 2011. This is the third annual report for USAID-ACCESO, summarizing the principal activities carried out from October 2012 to September 2013; selected information is also included for the quarter from July to September 2013 and from project start-up to date. The report provides results for high level targets, indicators and details of selected activities.

The global high level targets for September 2013 and the results achieved are as follows:

	Achieved	Target	Percent of Target
PIRS# 1: Number of households living in poverty moved above the poverty line	2,236	15,000	15%
PIRS# 2: Number of rural households living in extreme poverty moved above the poverty line	1,630	9,000	18%
PIRS# 3: Value of new net income of participant rural farmers and MSMEs	(\$6.937 million)	\$25 million	
PIRS# 4: Number of jobs attributed to FTF implementation	243	5,200	5%
PIRS# 5: Value of incremental sales (collected at farm/firm level) attributed to FTF implementation	(\$4.388 million)	\$56 million	

USAID-ACCESO high level targets for September 2013 were 15,000 families lifted above the poverty line, of which 9,000 were to come from extreme poverty, \$25 million in new net income across the project, \$56 million of incremental sales and 5,200 new employment positions generated.

**A total of 2,236 household living in poverty were moved above the poverty line, of which 1,630 came from extreme poverty. 243 new jobs were attributed to project interventions.** New net income and incremental sales were both negative compared to baseline figures. Results for the high level indicators were below target.

A total of 2,236 achieved household incomes to move above the poverty line of \$2.42/person/day, of which 1,630 moved from extreme poverty (below \$1.81/person/day). When the standard FTF indicator is used, a total of 4,392 households starting with less than \$1.25/day/person were moved above this income level. **Increases in income for households moved above the poverty line were between 112 and 534 percent.** Household clients who moved from less than \$1.25/person/day to above that figure, went from \$0.71 to \$2.39/person/day – a 237 percent increase. Those who went from less than \$1.25 to above the poverty line increased their incomes by 534 percent, while those who went from poor to above the poverty line increased incomes by 123 percent. The average baseline income across all project household clients is \$0.89/person/day, indicating the magnitude of the increase required to lift families above the poverty line.

The value of incremental sales decreased by \$4.388 million against a target of a \$56 million increase, while the value of new net income decreased by \$6.937 million against a target increase of \$25 million. The overall data show that none of the household income groups increased sales or net income, including the non-poor clients. Only the MSMEs showed an increase compared to baseline.

Coffee and basic grains both achieved negative results in the value of incremental sales compared to baseline, of negative \$10.99 and \$2.36 million, respectively. Tree fruits and animal production were also slightly negative. The horticulture line increased more than \$5.69 million over baseline, with the processing and MSMEs adding an additional \$3.61 million. These increases however, did not offset the negative coffee and basic grain sales and incomes.

The coffee rust outbreak and depressed coffee prices has had a major economic impact in USAID-ACCESO's zone of influence over the past year, reducing coffee yields by project client farmers alone by an estimated 30.5 percent and farm-gate unit prices by 30.3 percent. Reduced labor demand by coffee producers affected by coffee rust also impacted households that are dependent on wages earned during the coffee harvests. Combined, coffee rust and depressed prices resulted in an estimated \$45.3 million less household earnings for USAID-ACCESO household beneficiaries and at least \$212 million for all households within the project's zone of influence. At a national level, IHCAFE estimates that nearly 51,000 hectares were affected by coffee rust and, combined with depressed market prices, has resulted in a \$644 million reduction in coffee exports.

While USAID-ACCESO was able to partially ameliorate impact on its clients through crop diversification, on-farm value coffee added (i.e. drying), higher yields for non-diseased coffees (through adoption of good agricultural practices), and through aggressive disease control measures to limit rust spread (within and among plantations), the coffee crisis severely impacted the project's higher level targets. More than 50 percent (17,714) of project farmers produce coffee covering more than 19,000 hectares, and that number increases to 58 percent when also including those who produce and sell other coffee products such as plantlets. It should be noted that baseline sales and net income figures include coffee harvests from 2010/2011 and 2011/2012 seasons, both of which were considered good seasons in terms of productivity and prices.

The sales of basic grains also showed a decline from the baseline in the previous year. This is likely also due to the diversification into high-value horticulture as planted areas of basic grains decreased to incorporate other crops and/or continued low market prices of basic grains.

Positive trends were shown with the value of new net income where **horticulture achieved a \$3.826 million increase, together with animal production, processing operations and off-farm MSMEs**. Coffee, basic grains and tree fruits were all negative (the latter because many of the tree fruits planted with project support have not yet reached their first harvest).

23.4 percent of the households moving out of poverty had multiple income sources from “coffee, basic grains and others” (“others” include small businesses, labor earnings, and remittances), followed by “basic grains and others” with 14.1 percent, “coffee and others” with 12.9 percent, and “basic grains, horticulture and others” with 11.3 percent. This demonstrates that the project strategy to develop diversified and multiple income streams is bringing families above the poverty line.

Only 1.2 percent moved above the poverty line with “coffee only” and 3.1 percent with “horticulture only.” There were none with only “basic grains.” The implementation strategy takes into account that neither coffee nor basic grains on their own will achieve the incomes for the average USAID-ACCESO grower. Vegetables alone will achieve the income, but the majority of project growers have very small production areas, and have not reached the commercial production area necessary to generate the required income.

The 243 jobs created all came from the off-farm activities. Poor and extreme poor farmers, even those moved above the poverty line, have very small-scale operations, minimize costs, and do not hire labor for 30 consecutive days. They hire labor for short periods for specific activities, including land preparation, transplanting, and harvesting, and cannot be counted. Coffee harvesting does provide labor opportunities, but with the rust problem, crops were harvested much faster.

Key activities carried out during the year include the integration of all of the technical components, development and delivery of the technical assistance and training programs, continuous identification of new project clients, expansion of market-based production programs, implementation of basic production packages, development and implementation of nutrition and health assistance program, technical support to small off-farm businesses, programs to open up finance options to USAID-ACCESO clients, formalization of organized groups, establishment of renewable energy and water conservation projects, forming and organizing disaster mitigation groups, baseline data and results sampling, amongst many others. Efforts have been made to ensure integration of the numerous technical components.

Overall, 22 of 31 lower level indicators in the PMP have been met or exceeded. Other highlights include:

- Increased rural MSMEs access to inputs, practices and technologies to improve market participation: as of September 2013, the project is working with 31,080 poor and extreme poor clients, providing them with technical assistance and training, in 2,618 communities in 130 municipalities in the six departments. 20 percent of the project clients are female (compared to 18 percent September 2012). To date, **more than 47,900 training events have been carried out, with 44,504 individuals receiving training, including 13,642 women (31 percent)**. As of September, project clients have also received a total of 416,366 technical assistance visits from project technicians and specialist.
- Nutrition and health indicators in prioritized communities for nutrition and health services are reflecting very positive results. **The prevalence of underweight children under 2 years old has decreased from baseline by 33.8 percent, the prevalence of breastfeeding has increased by 3.32 percent from baseline, and modern contraceptive prevalence rate increased by 103.6 percent**. The promotion of improved feeding practices for children under 2 (diversified food groups, nutrient balance, quality, quantity, food preparation,

demonstrations of child feeding practices related to frequency and quantity), improved hygiene practices, and the introduction of the healthy household program, is having a positive effect on the overall health status of children and family.

- Continued and expanded delivery of technical assistance and training to basic grain and small-scale coffee producers on soil preparation practices, the use of lime applications, seed selection, increasing planting densities, implementing weed control, and improving fertilization use. Coffee growers are now more open to the basic production practices recommended by technicians and are making basic changes to their corn production systems. Some lead coffee growers have diversified their coffee production areas with programmed plantings of cucumber, green bean, and cabbage, and are experiencing successes with these new crops.
- **Private sector investment now stands at \$7.548 million**, with 18,862 farmers, small agribusinesses, off-farm MSMEs and others who have applied new technologies or management practices. The total area under production receiving project assistance is 43,263 hectares. Overall, coffee accounts for 17,836 hectares, basic grains for 18,574 hectares, fruits and vegetables with 2,453 hectares and tree fruits with 757 hectares.
- 41 public-private sector alliances have been developed to date and, 188 companies/organizations are providing business development and extension services to project clients. 221 producer organizations, water users associations, trade and business associations, and community-based organizations (CBOs) have received technical assistance and training.
- Through project strategies for increasing market opportunities to rural MSMEs, 6,924 MSMEs now have access to new market opportunities through a broker, 70 brokers are providing market linkages to MSMEs, 2,071 MSMEs have entered formal preferred supplier or contract agreements with brokers, and 1,753 MSMEs have been verified to meet market standards for their products.
- As a result of project activities that eliminate barriers to rural MSME competitiveness and access to financing, 4,718 MSMEs have accessed market-based financing, \$7.826 million in agricultural and rural loans have been made to MSMEs, and 5,193 MSMEs are implementing sound business management practices. Seventeen value chain/sector constraints have been identified and resolved and five policy reforms, regulations, administrative procedures have been passed.
- Implementation strategies and activities in natural resource management resulted in 16,014 hectares under improved technologies or management practices, 707 companies (including farms) have now made conservation-friendly changes in their business practices, 31 municipal governments are effectively implementing natural resource management policies, 61 vulnerable communities now have adequate disaster prevention and mitigation capacity, and 1,822 rural renewable energy projects have been established.

Many of the lower level indicators have been or are close to being reached, while the higher level targets have not yet been met. Normally, the achievement of lower level indicators is an indication that high level ones will also be achieved. This has not happened given the slow rate of the willingness and ability to change, adopt new practices, technology and crop diversification by the majority of client households, and the problems with the coffee rust and coffee market prices. The implementation strategies to diversify the income base are functioning, as shown by the breakdown of the income streams of those households moving above the poverty line. Change at the technical level on the farms or micro-businesses is occurring as expected, but not yet at the level required to generate net incomes to move out of poverty. Incomes are increasing, but not fast enough to meet timeline for poverty targets. Longer timelines for technical change will be required due to multiple factors of which the most critical are: annual coffee cycles, the current coffee crisis, extended corn cycles at high altitude, limited infrastructure, and risk adverse households requiring change through small steps rather than leaps.

## 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 September 2013 PMP Excel file presented in association with this report.

## 3. PROJECT IMPLEMENTATION

USAID-ACCESO aims to lift 30,000 families in six departments in Western Honduras above the poverty line, with a minimum of 18,000 from extreme poverty, while also achieving improvements in the nutrition and health indicators of both women and children. The poverty reduction targets are being achieved through income generation at the household level via on and off-farm economic development activities and employment. They apply to 30,000 families, or approximately 10 percent of the total population in the six departments. The nutrition targets on the other hand, apply to the total population of the six departments. The implementation strategies were designed with these differences in mind. The project also provides technical assistance at the household and community level on disaster mitigation, natural resource management, finance, renewable energy, and policy. Implementation strategies have been developed to ensure full coordination and integration of all technical components to meet the principal poverty reduction and nutrition targets. The following section provides a summary of strategies, systems, and selected activities under the principal technical components.

### 3.1. PROJECT CLIENTS

The principal project clients are households in poverty and extreme poverty. These families normally live on subsistence farming of corn and beans and/or small-scale coffee farms. In addition to low incomes, they are characterized by low yields, zero technology, poor or non-existent infrastructure, no access to technology, finance, or markets, a high dependence on government or NGO support, poor living conditions, and high levels of nutrition and health problems. To lift the families out of poverty, they need to generate income, which small-scale corn and bean production will not provide.

In order to enter into higher value crop production, households first need to ensure their basic grain supply, while the project needs to obtain the families' confidence to make changes. The project shows farmers the basic technologies to double or triple corn and bean yields with no additional cost of production. The grains for self-consumption are then guaranteed while freeing up area for production of other crops with higher farm-gate value. The increased yields demonstrate the technologies' ability and provide the confidence to enter in new crops. At the same time, the nutrition and health component works with selected families to change and improve the household living conditions, food preparation, eating habits, hygiene, and child care. For those families with (or interested in) small-scale livestock such as cattle or chickens, support is also provided to increase milk and egg production for self-consumption, again with no or minimal additional costs. Family plots are also being established to supplement the dietary requirements. This integrated approach and technical support at the household level provides multiple solutions and options to a complicated problem, for which solving only one area will not produce the required results. It should be noted that the majority of project clients have to be recruited prior to the basic grain planting seasons, rather than on a continuous basis throughout the year.

### 3.2. TECHNICAL ASSISTANCE DELIVERY

The USAID-ACCESO team is made up of 210 full time positions (September 2013), which is broken down as follows:

Management:	3	Production:	124
Value added:	10	Marketing:	4
Business Skills & Finance:	12	Nutrition & Health:	19
Disaster mitigation/NRM:	2	M&E:	19
Administration/Accounts/IT:	16	Donations:	3
Renewable energy:	1	Policy:	1
Communications:	1		

The team is technical based. 146 technicians are directly related to income generating activities. All field activities are coordinated through 30 zone managers (agronomists) and six department managers. To reach the target of 30,000 families lifted out of poverty each agronomy position is providing ongoing technical assistance to an average of 300 families. As a result, technical assistance and training activities in production and animal husbandry are given in a group format, where the technician rotates the farm visits between growers in the same group. These are not formal groups but grouping of growers around buyer and market production programs and various crops.

Training and technical assistance in the related areas for economic development follow a similar system, including marketing, postharvest, business skills, finance, and renewable energy. Nutrition technicians also work under similar systems with training in group format and household visits playing a major role in fomenting change. Technical support to off-farm business is normally directed to the individual MSMEs with specific training being given both direct and in group format.

To speed up the implementation and expand outreach, USAID-ACCESO has made many alliances with municipalities, private-sector buyers, input and equipment suppliers, NGOs, donors, government, and others. Most have funds and donations to support the poor and extreme poor, but most do not provide integrated solutions or quality technical assistance and training. For example, some municipalities donate fruit trees and some NGOs donate irrigation equipment, but on their own, neither will help families move out of poverty. USAID-ACCESO is able to bring together the different players to provide the integrated solutions.

The team with zone managers, roving technical specialists, and 12 community technical teams is actually structured with 11 sub-contractors under Fintrac's management. However, unlike many other projects, Fintrac provides overall management and direction of all zones, activities, and technical areas. The structure ensures all project technicians report to Fintrac managers, who set targets, provide oversight, training, support, and direction. In this way, the project operates under one umbrella, moves in one direction, speaks the same language, is fully integrated and focused on the households and the targets. While some sub-contractors would prefer more independence, multiple sub-contractors operating independently, either geographically or by technical area, would not be able to achieve integration.

### 3.3. INCOME GENERATION COMPONENT

The poverty line in Honduras has been established by the government as a minimum of \$2.42/day/person, while families with incomes below \$1.81/person/day are considered to live in extreme poverty. To take individuals above the poverty line requires an annual income of \$883/year – a six-person family requires a minimum of \$5,298/year to move above the poverty line. With basic technologies, maize generates a net income of around \$319 per hectare while beans can generate around \$433 per hectare. While the yields and incomes increase with technology adoption, farmers would still require 5 hectare plots to generate the required income levels. High value horticulture production with the basic production technologies generates around \$4,000 per hectare. Growers would need to have access to at least 0.5 hectares of land, with year round water supply to produce two crops a year and at least \$5,000 of annual working capital to cover production costs. Most client farmers have less than 0.5 hectares of land, grow coffee, corn, and beans with zero technology, and do not have access to water, finance, or markets.

As a result, USAID-ACCESO is working with progressive strategies to generate income from multiple sources, and over time, introduce basic technologies to increase yields of basic grains and coffee, enter into production programs for higher value crops, diversify crops and markets, and generate off-farm income where possible. Small-scale household production plots and chicken, egg and milk production provide additional nutrient sources that do not need to be purchased and in some cases, can be developed into a small business to generate additional income. While it is projected that 75 to 85

percent of income will need to come from high-value crop production, other income sources have been factored in and generated.

Off-farm activities with small-scale operations (MSMEs) are frequently groups or persons. In most cases, these small businesses alone do not generate sufficient income to lift families out of poverty, but they can contribute to the overall family income. Pickled vegetables, plantain chips, tortillas, and crafts are good examples, but even with improvements in quality, reduced costs, and legalization the income generation is limited when split between numerous members or owners. Bakery and honey products are normally exceptions, where the margins are sufficient to generate higher levels of income. Efforts have been made to try to match project support to MSMEs with support to the same family members for on-farm production activities.

### 3.4. PRODUCTION ACTIVITIES

Subsistence level growers of basic grains and coffee are introduced to some basic production practices that double or triple traditional yields. For corn and beans, four of five basic practices are introduced with no or minimal addition input costs, but which do require more work.

#### **Corn and beans**

- Basic land preparation and contouring where necessary
- Seed selection (with existing types)
- Specific planting distance with one seed per hole (high density)
- Fertilizer applications are applied in solution with more frequent applications (where fertilizers are used, the total volume of fertilizer used is equal to or less than that used traditionally)
- Weed control

Initially, most growers do not move completely to these practices, but instead “test” a small area in their production and then make comparisons. As mentioned previously, with increased yields the grower gains confidence in the basic technologies and, in subsequent plantings, can reduce the land area needed to obtain sufficient grains for self-consumption. The freed up area can then be used for higher value crops. Given that technologies are introduced gradually, the crops selected are usually those that can still perform without full technology, are not expensive to produce and can withstand rural roads in (normally) poor conditions. These usually include carrots, broccoli, cauliflower, squash, potato, plantain, and others. Market driven production programs have been established with both formal and informal buyers; growers are introduced to these and normally start production with 1 or 2 tareas (1 tarea is equivalent to 1/23 of a hectare or 435 square meters). This again requires significant efforts in planting coordination between growers to ensure sufficient volumes are available at harvest to be able to fill pick-ups or trucks to minimize unit freight cost.

#### **Coffee (existing plantations)**

Basic production practices introduced for coffee production include:

- Liming of soils
- Diluted and more frequent fertilizer applications (where fertilizers are used)
- Plant pruning (after harvest)
- Control of soil-borne insects

With the implementation of three or four of these practices, productivity can be doubled on existing plantings. Practices are also being implemented to dry more coffee on farm to increase incomes through increased productivity and increased value. However, it was known that most project coffee farmers will not generate sufficient income from coffee alone and in these cases the project is promoting improved corn production systems, crop diversification, and other income sources.

The majority of project growers work with corn or coffee. Before the growers can be moved into higher value products, the project needs to improve their existing operations to develop the confidence to introduce new crops or other income generating activities. At this point, crops are selected based on market needs, logistics, cost, and water availability. Normally, the lower cost and less technically challenging crops are selected including carrot, cabbage, plantain, watermelon, and passion fruit. A large program has been initiated with yellow corn production for the local industry, which requires the use of basic production practices. Growers with a little more experience work with potato, broccoli, cauliflower, peppers, tomatoes, strawberries, and others.

### 3.5. NUTRITION AND HEALTH COMPONENT

As mentioned previously, the nutrition targets relate to the entire population in the six departments. A selection was made of priority communities based on the nutrition statistics (from the Ministry of Health) and the possibility of economic development activities (principally on-farm activities). In the majority of cases, communities with the highest nutrition problems were selected, under the basic premise that if these statistics can be improved the overall averages will also improve. This component is actually working in 215 communities, and while most are also involved in economic development activities with the project, it is not the case in all of them.

When the project started, the Ministry of Health was implementing the AIN-C program (Atención Integral a la Niñez en la Comunidad) through service providers or directly. Through a system of health volunteers, the AIN-C carried out monthly weighing of children under two years old, provided basic advice and messages and tabulated the statistics for the Ministry of Health. In most cases the detailed data was not being utilized to determine the cause of problems nor was assistance provided at the household to prevent problems. Initial data analysis showed that at least half of the underweight children were due to preventable illnesses, with the remainder being due to lack of balanced diet, calories, nutrients, and vitamins. Since January 2012 the AIN-C program has not been implemented by the government. USAID-ACCESO is working with AIN-C volunteers in target communities and is providing additional training to the volunteers, including them in the economic development activities, and expanding the activities to the household level.

Solutions to the basic problems cannot be achieved with messages and basic training as changes are needed in culture, diet, and habits. The nutrition component implementation systems are similar to those used in economic development. A wide range of training activities are carried out in groups, from the preparation of fortified foods and meals, to ensuring a balanced diet, basic hygiene and using locally available food items. Training activities are reinforced with household visits to determine problems and implement recommendations and procedures. In order to be successful, repeated training and visits are needed until the improvements form part of day-to-day activities.

The sources of preventable illnesses are determined and where possible, eliminated. The project has an integral “healthy household” activity to eliminate smoke from cooking fires, cover dirt floors and walls with a cement mix, ensure clean water inside the house, use waste disposal methods, and keep animals outside (particularly chickens and pigs). Once solutions are implemented to these problems they are usually permanent and do not require constant re-enforcement.

Activities also include the planting of home plots, with crops that are needed to supplement the nutritional needs. These are crops that do not require the purchase of expensive hybrids seeds or pesticide applications to ensure production and from which planting materials can be taken from the plants themselves. They include both short and long term crops such as sweet potato, malanga (taro), banana, plantain, passion fruit, avocado, orange, mandarin, and locally available “weeds” high in iron (amaranthus, chipilin, juniapa, etc.). These plots range from 100 to 400 square meters and are not commercial plots. They involve land preparation, beds, plantings distances, weeding and several of the basic practices used under commercial production systems, but this is to ensure production volumes,

not commercial viability. They are normally managed by the women of the household but the men are also becoming involved. Some of these plots have also been planted in schools and centres where the AIN-C meetings are held, for use by the volunteers and mothers with the training activities.

### 3.6. INTEGRATION OF THE TECHNICAL COMPONENTS

The integration of technical components is key to developing solutions and options for the households. Examples include:

- Production & Nutrition – household plots
- Nutrition & Renewable Energy – installation of eco-justa stoves, bio-digesters
- Nutrition & NRM – community potable water & “clean community” programs
- Nutrition & Processing & Value Addition – recipe development for short-term processing and storage
- Nutrition & Animal Husbandry – milk and chicken egg/meat production
- Production & Disaster Mitigation – improving market access by preventing floods, landslides, road damage
- Production & Finance – access to credit for market based production
- Production & Processing & Business Skills – recordkeeping, cost controls for income generating activities
- Renewable Energy & Processing – solar dryers

Project production technicians are also involved in giving basic nutrition messages during production trainings. Nutrition technicians are learning the basics for household production plots. Both men and women participate in nutrition and health activities.

### 3.7. MONITORING AND EVALUATION

#### 3.7.1. M&E Unit

As of September 2013, the USAID-ACCESO M&E team consists of one M&E manager, three regional M&E specialists, 12 field-based M&E technicians, and three full-time data entry persons. Part-time data entry persons are also hired when necessary. During the last year, an additional three persons have been added to this team. In addition to the designated M&E team, each project field technician is required to report on their own activities (and results in certain cases), which accounts for around 5 percent of their time.

#### 3.7.2. CIRIS

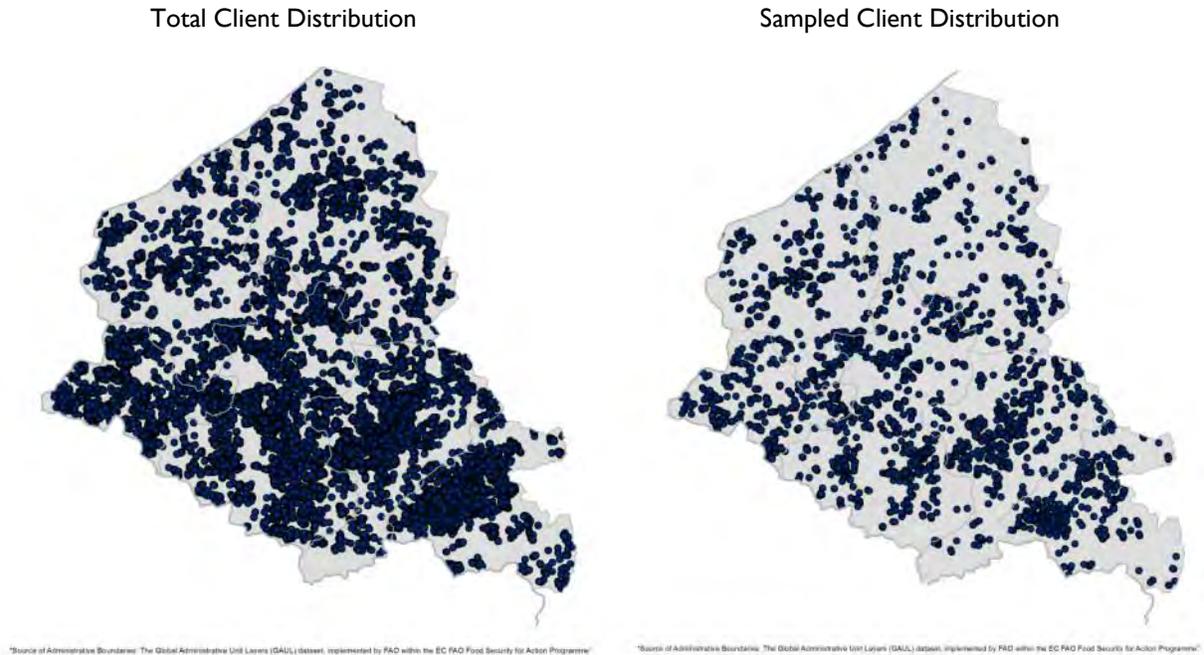
The Client Impact and Results Information System (CIRIS) is Fintrac’s proprietary database software used to monitor all project activities and results. Activities such as technical assistance, plantings, training events, technologies in use and meetings are entered directly into the system by field staff, while more complex surveys covering outcome and impact indicators are collected and entered by designated M&E staff. Nearly all figures in this report are derived from primary information entered into CIRIS.

#### 3.7.3. Sampling

Due to the high number of targeted households, USAID-ACCESO has implemented a system of random sampling to collect baseline and subsequent results information from a representative sample of project-assisted households. As the entire population of targeted households was not known from the outset of the project, USAID-ACCESO designed the sample to grow over time, incorporating new households as they entered the project. The first sample was established in December 2011 for all households entering the project until that time; a second round was established in May 2012. Samples were conducted as simple random samples making each household eligible for selection. In September 2012, 1,515 households were selected in the sample, representing a 95 percent confidence level and 5 percent

margin of error while also accounting for potential attrition due to a variety of factors. Over the last year, an additional 2,550 randomly selected households have been included in the baseline survey. 403 households have been removed from the previous set (due principally to inactivity and non-participation in the project). As of September 2013, the baseline and follow-up survey includes 3,662 households, distributed randomly across all project zones.

The following maps depict the total client population as compared to the random sample. The random sample achieves representative distribution geographically, as well as within primary demographic subgroups.



#### 3.7.4. Data Collection Process

USAID-ACCESO employs a variety of data collection tools (examples attached in Annex III) to report on the required indicators outlined in the PMP. Upon entry into the program, a household profile form is collected to capture basic demographic information (i.e. location, household structure, gendered household type) as well as a brief survey on income over the year prior to technical assistance. The income survey is used to categorize the household as extreme poor, poor or non-poor. 21,815 profile forms have been collected, of which 19,458 are for currently active clients (during the year, it was agreed with USAID that a census of all clients was not necessary given the quantity of data already available). Once the profile form has been collected, field technicians (production, postharvest, business skills, value-added, health & nutrition) begin providing technical assistance and training to the household that is reported directly into CIRIS and/or reported through training forms.

For households selected for the sample, a baseline form is collected to capture crop-specific information (i.e. area, production, sales, costs, net income), technologies and management practices, maternal and child health and nutrition (dietary diversity), and off-farm income. The results of this baseline form are entered into CIRIS. Once a household has been selected into the sample, the M&E team begins ongoing monitoring of household activities. Training forms are completed and submitted regularly to the central office for entry of trainee names and national identification numbers. Additionally, new planting

information for crops is reported directly into CIRIS by field technicians as they occur. Based on estimated harvest dates, the M&E team collects crop productivity/end-of-harvest forms following the close of each crop cycle. These forms are used to derive crop yields, sales, cost of production, net income, technology adoption, investments in fixed assets, labor and loan details.

Toward the end of the fiscal year, another data collection effort is organized to collect follow-up information on maternal and child health and nutrition indicators and off-farm income. Crop income and off-farm income are then combined to determine the income per person per day for each sampled household and determine if they have moved out of poverty.

## 4. HIGH LEVEL TARGETS

USAID-ACCESO high level targets for September 2013 were 15,000 families lifted above the poverty line, of which 9,000 were to come from extreme poverty; \$25 million in new net income across the project; \$56 million of incremental sales; and 5,200 new employment positions generated.

	<b>Achieved</b>	<b>Target</b>	<b>Percent of Target</b>
<b>PIRS# 1: Number of households living in poverty moved above the poverty line</b>			
	2,236	15,000	15%
<b>PIRS# 2: Number of rural households living in extreme poverty moved above the poverty line</b>			
	1,630	9,000	18%
<b>PIRS# 3: Value of new net income of participant rural farmers and MSMEs</b>			
	(\$6.937 million)	\$25 million	
<b>PIRS# 4: Number of jobs attributed to FTF implementation</b>			
	243	5,200	5%
<b>PIRS# 5: Value of incremental sales (collected at farm/firm level) attributed to FTF implementation</b>			
	(\$4.388 million)	\$56 million	

### 4.1. NUMBER OF HOUSEHOLDS MOVED OUT OF POVERTY

This indicator is calculated by taking the total net income of a family, dividing by the number of members of that family and then dividing by the number of days in the reporting period to derive a net income per person per day. This figure is then compared against the national poverty line of Honduras, equivalent to \$2.42/person/day to determine if that family has moved out of poverty. The extreme poverty line is \$1.81/person/day. The income consists of farm income, collected through end-of-harvest forms for crops harvested and sold during the reporting period, and other sources of family and off-farm income, derived through a results follow-up survey.

This indicator was calculated for households who were registered up to March 31, 2013. At that point there were 27,397 households registered with baseline incomes below the poverty line. Of these, 2,236 have achieved household incomes to move above the poverty line, of which 1,630 moved from extreme poverty. These changes are below the targets set and are discussed later in this section.

Calculations for the number of households moved above the poverty line were made using the USAID-ACCESO PIRS definition, where net incomes have to be above \$2.42/day/person. When the standard FTF indicator is used, a total of 4,392 households starting with less than \$1.25/day/person were moved above this income level. All of the new jobs attributed to FTF implementation came from the off-farm enterprises. It is estimated that around 50 percent of these jobs created are filled by persons who are not USAID-ACCESO client households.

A more detailed breakdown on the increases in income for households moved above the poverty line show increases of between 112 and 534 percent (Table 2). Household clients who moved from less than \$1.25/person/day to above that figure, went from \$0.71 to \$2.39 – a 237 percent increase. Those who went from less than \$1.25 to above the poverty line increased their incomes by 534 percent, while those who went from poor to above the poverty line increased incomes by 123 percent. It should be noted that the average baseline income across all clients is \$0.89/person/day.

**Table 2. US\$/person/day income data of households moved above the poverty line, by baseline income group**

Baseline Income Group	Target Result	Actual Baseline	Result	Difference	% Increase	#
<\$1.25	>\$1.25	\$0.71	\$2.39	\$1.68	237	4,392
<\$1.25	>\$1.81	\$0.69	\$3.39	\$2.70	392	1,744
<\$1.25	>\$2.42	\$0.67	\$4.27	\$3.60	534	1,057
\$1.25-\$1.81	>\$1.81	\$1.50	\$2.46	\$0.96	112	987
\$1.25-\$1.81	>\$2.42	\$1.49	\$3.98	\$2.49	168	581
\$1.81-\$2.42	>\$2.42	\$2.14	\$4.77	\$2.63	123	597

#### 4.2. VALUE OF INCREMENTAL SALES/NEW NET INCOME

The value of incremental sales is calculated as the difference in total farm and off-farm sales of products and services sold in reporting year, relative to a base year. New net income is calculated as the total value of sales of both on- and off-farm products or services provided minus cost of producing or providing them, relative to a base year.

Data for these two indicators are provided in Tables 3 and 4. The value of incremental sales decreased by \$4.265 million against a target of a \$56 million increase, while the value of new net income decreased by \$6.933 million against a target increase of \$25 million. The overall data show that none of the household income groups increased sales or net income, including the non-poor clients. Only the MSMEs showed an increase compared to baseline.

**Table 3. Value of Incremental Sales by Household Income Category (US\$)**

Income Group	Number	Baseline	Results	Increment
Extreme Poverty	25,073	31,871,212	31,429,280	(441,932)
Poverty	2,320	7,723,635	6,291,802	(1,431,833)
Non Poor	3,401	32,238,510	26,497,658	(5,740,852)
MSME	465	5,661,048	8,887,517	3,226,469
<b>Total</b>	<b>31,259</b>	<b>77,494,405</b>	<b>73,106,257</b>	<b>(4,388,148)</b>

**Table 4. Value of New Net Income by Household Income Category (US\$)**

Income Group	Number	Baseline	Results	Increment
Extreme Poverty	25,073	21,516,820	18,970,537	(2,546,283)
Poverty	2,320	5,010,153	3,795,924	(1,214,229)
Non Poor	3,401	20,237,625	15,906,934	(4,330,691)
MSME	465	1,459,748	2,613,781	1,154,033
<b>Total</b>	<b>31,259</b>	<b>48,224,345</b>	<b>41,287,175</b>	<b>(6,937,170)</b>

On further analysis of the results by product category it can be seen that coffee and basic grains both results in negative results in the value of incremental sales compared to baseline, of negative \$10.99 and \$2.36 million, respectively (Tables 5 and 6). Tree fruits and animal production were also slightly negative. The horticulture line increased more than \$5.69 million over baseline, with the processing and MSMEs adding an additional \$3.61 million. These increases however, did not offset the negative coffee and basic grain sales and incomes. The problems with coffee are discussed later in this section. The sales of basic grains also showed a decline from the baseline in the previous year. This is likely also due to the diversification into high-value horticulture as planted areas of basic grains decreased to incorporate

other crops and/or continued low market prices of basic grains. Similar trends were also shown with the value of new net income where horticulture achieved a \$3.826 million increase, together with animal production, processing operations and off-farm MSMEs. Coffee, basic grains, and tree fruits were all negative (the latter because many of the tree fruits planted with project support have not yet reached their first harvest). It should be noted that baseline sales and net income figures include coffee harvests from 2010/2011 and 2011/2012 seasons, both of which were considered good seasons in terms of productivity and prices.

<b>Product</b>	<b>Baseline</b>	<b>Results</b>	<b>Change</b>
Tree fruits	965,550	729,209	(236,341)
Coffee	50,674,964	39,684,991	(10,989,973)
Basic grains	11,177,926	8,821,152	(2,356,774)
Horticulture	6,977,109	12,662,904	5,685,796
Animal production	1,764,743	1,667,722	(97,021)
Processing	273,064	652,762	379,697
SMMEs	5,661,048	8,887,517	3,226,469
<b>Total</b>	<b>77,494,405</b>	<b>73,106,257</b>	<b>(4,388,148)</b>

<b>Product</b>	<b>Baseline</b>	<b>Results</b>	<b>Change</b>
Tree fruits	739,377	543,706	(195,671)
Coffee	35,428,815	24,744,455	(10,684,360)
Basic grains	6,507,826	5,200,875	(1,306,951)
Horticulture	3,057,879	6,884,264	3,826,385
Animal production	855,565	1,026,392	170,827
Processing	175,135	273,701	98,567
SMMEs	1,459,748	2,613,781	1,154,033
<b>Total</b>	<b>48,224,346</b>	<b>41,287,175</b>	<b>(6,937,170)</b>

A further breakdown on the income sources for the households moved out of poverty is provided in Table 7, showing the percentage of clients in each income source category. 23.4 percent of the households moving out of poverty had multiple income sources from “coffee, basic grains and others” (others include small businesses, labor earnings, and remittances), followed by “basic grains and others” with 14.1 percent, “coffee and others” with 12.9 percent, and “basic grains, horticulture and others” with 11.3 percent. This demonstrates that the project strategy to develop diversified and multiple income streams is bringing families above the poverty line.

Only 1.2 percent moved above the poverty line with “coffee only” and 3.1 percent with “horticulture only.” There were none with only “basic grains.” The implementation strategy takes into account that with the USAID-ACCESO type grower, neither coffee nor basic grains on their own will achieve the incomes. Vegetables alone will achieve the income, but the majority of project growers have very small production areas, and have not reached the commercial production area necessary to generate the required income.

The importance of coffee to the client base is also demonstrated as 54 percent of those making target have coffee in their income source mix, while 28 percent have basic grains.

<b>Income Source</b>	<b>%</b>
Coffee only	1.2
Coffee & basic grains	7.0
Coffee, basic grains & horticulture	1.6
Coffee, basic grains & others	23.4
Coffee, basic grains, horticulture & others	4.7
Coffee & horticulture	0.8
Coffee, horticulture & others	2.7
Coffee & others	12.9
Basic grains & horticulture	2.3
Basic grains, horticulture & others	11.3
Basic grains & others	14.1
Horticulture only	3.1
Horticulture & others	6.3
Others	7.4
Animal production & Others	0.4
Processing & others	0.4
Tree fruits & others	0.4
<b>Total</b>	<b>100%</b>

#### 4.3. NUMBER OF JOBS ATTRIBUTED TO FTF IMPLEMENTATION

The number of jobs attributed to FTF implementation is calculated by comparing the number of full-time-equivalent employment positions to a base year. As the indicator definition excludes employment lasting less than 30 continuous days, most of the short term seasonal employment generated by agricultural (and particularly horticultural) operations is seasonal and does not require continuous employment (except for the growers themselves). Therefore, paid employment positions lasting more than 30 days are rare in households in poverty and extreme poverty with small-scale farming operations.

<b>Category</b>	<b>Baseline</b>	<b>Results</b>	<b>Increment</b>
MSME	583	825	243

The 243 jobs created all came from the off-farm activities. Poor and extremely poor farmers, even those moved above the poverty line, have very small operations, minimize costs, and do not hire labor for 30 consecutive days. They hire labor for short periods for specific activities, including land preparation, transplanting, and harvesting, and as a result cannot be counted. Coffee harvesting does provide labor opportunities, but with the rust problem, crops were harvested much faster and did not account for 30 consecutive days. When counting unpaid labor, USAID-ACCESO generated 43 positions.

#### 4.4. FACTORS AFFECTING ACHIEVEMENT OF HIGH-LEVEL RESULTS

The coffee rust outbreak and depressed coffee prices has had a major economic impact in USAID-ACCESO's zone of influence over the past year, reducing coffee yields by project client farmers alone by an estimated 30.5 percent and farm-gate unit prices by 30.3 percent.<sup>1</sup> Reduced labor demand by coffee producers affected by coffee rust also impacted households that are dependent on wages earned during the coffee harvests. Combined, coffee rust and depressed prices resulted in an estimated \$45.3 million less household earnings for USAID-ACCESO household beneficiaries and at least \$212 million for all households within the project's zone of influence (see Table 9). At a national level, IHCAFE estimates

<sup>1</sup> 30.5 percent is an average of IHCAFE estimates (24%) and ACCESO annual household survey results (37%).

that nearly 51,000 hectares were affected by coffee rust and, combined with depressed market prices, resulted in a \$644 million reduction in coffee exports. IHCAFE attributes 54 percent of the reduction to lower market prices and 46 percent to losses in production volumes.

	<b>ACCESO Clients</b>	<b>Entire ZOI</b>
Lost Revenue to Coffee Rust (farm-gate value)	17.8	80.5
Lost Revenue Due to Depressed Market Prices (farm-gate value)	25.4	114.7
Wages Lost on Coffee Farms Due to Reduced Yields	2.1	17.2
<b>TOTAL Household Level Economic Impact</b>	<b>45.3</b>	<b>212.4</b>

Source: CIRIS, IHCAFE

While USAID-ACCESO was able to partially ameliorate impact on its clients through crop diversification, on-farm value coffee added (i.e. drying), higher yields for non-diseased coffees (through adoption of GAPs), and through aggressive disease control measures to limit rust spread (within and among plantations), the coffee crisis severely impacted the project's higher level targets (see Table 10). More than 50 percent (17,714) of project farmers produce coffee covering more than 19,000 hectares, and that number increases to 58 percent when also including those who produce and sell other coffee products such as plantlets.<sup>2</sup>

	<b>Actual</b>	<b>Likely Without Coffee Issues</b>	<b>Impact of Coffee Issues</b>
Number of HHs living in poverty moved above the poverty line	2,236	4,576	(2,340)
Number of HHs in extreme poverty moved above the poverty line	1,630	3,498	(1,868)
Value of new net income of participant rural farmers and MSMEs (US\$ million)	(6.933)	22.876	(29,809)
Number of jobs attributed to FTF implementation (FTEs)	243	1,779	(1,536)
Value of incremental sales (collected at the farm/firm level) attributed to FTF implementation (US\$)	(4.265)	38.000	(43.264)

## **Future Outlook & USAID-ACCESO Response**

The problems with coffee are likely to worsen for the 2013/2014 season.

- *Yields:* coffee borer will be a major problem and will cause a significant reduction in expected yields. The rust caused berries to drop to the ground or growers leaving berries on the plant which then dropped and have become hosts for the coffee borer.
- *Market prices:* prices are expected to drop even further, to around the \$100 level as a result of expected high export volumes from other suppliers, particularly Brazil.
- *Employment incomes:* reduced coffee harvest volumes will result in a reduction in employment earnings.

<sup>2</sup> There are more than 100 thousand coffee growers in Honduras, nearly 60 thousand of which are located within the FTF zone of influence. Coffee is the single most important cash crop for rural farmers in the region and remains the best opportunity for income and employment generation.

Even if project clients can double yields, but prices are at 50 percent of those of the 2011/2012 season and the beginning of the 2012/2013 season, the increase in sales and income will be zero. If they do not double yields, or if the price drops further, the sales and incomes will again be negative. There will also be the roll-on effect with poorer production practices and another significant drop in labor income from harvesting.

#### USAID-ACCESO Response

- Diversification is key, not just for farmers in the immediate term, but for resilience going forward in future. As can be seen from the breakdown on the income sources of the clients moved above the poverty line, income diversification is essential to increasing the household income. This needs to be via crop diversification, improving productivity on the basic grains, and increasing animal production and labor opportunities.
- Good agricultural practices help control rust and borer in coffee to maximize yields.
- Continue to support (or expand) project support to IHCAFE, SAG and regional initiatives for aggressive/massive scale interventions on the pest and disease problems, including re-plantings of the disease-resistant varieties (procurement of breeder stocks, nurseries, etc.).

As it is almost guaranteed that a similar problem with negative incomes from coffee will occur in the 2013/2014 season, USAID-ACCESO could consider the possibility of stopping all technical assistance to growers on coffee and transfer the level of effort to basic grains, horticulture and other income sources, which have a better chance of achieving the income targets. This will require discussions with USAID.

The coffee problem, however, is not the only limitation to achieving the high level targets. Many of the limitations encountered in the first 18 months of implementation are being encountered with new clients and with many of those already in the project. USAID-ACCESO clients are principally subsistence farmers with corn and bean production for self-consumption with small areas of coffee production. Some may have vegetable production. All are characterized by no or very limited production technologies, low yields, variable quality, and inconsistent supplies. This is compounded by the lack of access to credit and poor transport infrastructure, particularly during the rainy season. Many have passed through NGO assistance programs with donations, but with little or no technical assistance. This has required USAID-ACCESO gain the confidence in the households to make the changes in traditional practices and in some cases, changes in culture. Most growers that enter the program “test” the updated technologies with corn and bean in small areas of land, then see the two or threefold increases in productivity, and many expand the basic technologies to the rest of the production area. Some are satisfied at this point and stop there. In many cases however, area freed up as a result of increased basic grain yields is being used to plant higher value crops. In reality, this process is taking longer than anticipated as the rate of expansion and diversification is slower than expected as growers revert to traditional systems as they require less work, do not have access to water or credit, or are simply not willing to take the required risks. Many growers are now diversifying, but the areas under production and the volumes produced are not yet sufficient to generate the income required to move above the poverty line. The average production area for vegetables is 0.16 hectares, with 85 percent of clients never having grown vegetables before.

In order to reduce risks, the project has promoted mixed income sources that include corn, beans, coffee, higher value crops, and animal production, all with basic technologies to enable acceptable yields and reduced climate, pest, and market risks. Where possible, other business opportunities are being promoted which, on their own, will not generate the required income, but should do so in association with the other main production activities. These include household milk, chicken, egg, and fish production.

**Proportion of households in extreme poverty:** Initial targets for moving households above the poverty line were set based on an estimated 40 percent poor households and 60 percent extremely poor households as a proportion of the total client household base. Of the households below the poverty line receiving USAID-ACCESO support, 81 percent are classified as extreme poor while just 7 percent are considered poor. Extremely poor households not only are further from the poverty line, but they are also more limited in resources and the capacity to invest in inputs and therefore more risk adverse. Therefore, moving extremely poor households out of poverty is a process that will take more time than originally envisioned, but still achievable in the out years of the project. The overall base line income for USAID-ACCESO clients was \$0.89/person/day.

**Coffee:** Coffee is planted by more than 50 percent of USAID-ACCESO client households and represents more than 50 percent of total area with more than 17,000 hectares currently under production. Therefore, coffee did represent a major source of income for the average USAID-ACCESO household and had the potential to earn \$3,000 to \$4,000 in net income per hectare with proper crop management and value-added techniques. The technologies and management practices being transferred are primarily the application of lime (to regulate the pH of the soil), dissolved fertilization, and pruning in terms of production, and de-pulping and drying in terms of value addition. However, due to the nature of the crop, corresponding increases in production can take 12 to 18 months to respond significantly to the improved practices. These activities have helped reduced some of the rust problems in growers who improved production practices in the 2011/2012 season, but this was the first coffee season for the project and many growers were wary of making changes, especially given the favorable market conditions at that time.

**Input costs:** Agricultural inputs such as fertilizers, pesticides, and transport costs have continued to increase, lowering profitability and income potential. This can be noted with the project's high level income indicators, where the net income decrease was actually more than the sales value decrease.

**Employment:** The 243 jobs created all came from the off-farm activities. As stated, poor and extreme poor farmers, even those moved above the poverty line, have very small scale operations, minimize costs, and do not hire labor for 30 consecutive days. They hire labor for short periods for specific activities, including land preparation, transplanting and harvesting, and as a result cannot be counted.

## 5. 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 the project to meet the intermediate (IR) and sub-intermediate results (sub-IR) established in the contract, and presents the project's progress in achieving milestones and output indicators. The IRs are as follows:

- 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*).

### 5.1. PROJECT CLIENTS

As of September 2013, a total of 35,725 clients were registered with the project and receiving technical assistance. Details on the number of clients recruited by quarter are provided in Table 11.

<b>CLIENT TYPE</b>	<b>April-Sept 2011</b>	<b>Oct-Sept 2012</b>	<b>Oct-Sept 2013</b>	<b>Total</b>
HH Extreme Poverty	3,722	11,420	13,193	28,338
HH Poor	375	1,014	1,192	2,602
HH Non Poor	762	1,163	1,868	3,769
HH-MSMEs Extreme Poverty	21	98	5	127
HH-MSMEs Poor	2	8	5	13
HH-MSMEs Non Poor	15	22	5	42
MSMEs Microenterprise	57	176	212	441
MSMEs Small Enterprise	10	48	9	70
MSMEs Medium Enterprise	1	3	3	7
MSMEs Large Enterprise	1	-	1	2
Others	103	149	61	313
<b>Grand Total</b>	<b>5,069</b>	<b>14,101</b>	<b>16,555</b>	<b>35,725</b>

As of September 2013, the total number of client households which started with the project with baseline incomes below the poverty line is 31,080 (28,465 extreme poor, 2,615 poor). In addition the project is working with 3,811 non-poor and 834 business enterprises and others.

The project is working in 2,618 communities in 130 municipalities in the six departments (Table 12).

<b>Department</b>	<b># Municipalities</b>	<b># Communities</b>
Copán	23	448
Intibucá	16	386
La Paz	19	351
Lempira	28	566
Ocotepeque	16	296
Santa Barbara	28	571
<b>Total</b>	<b>130</b>	<b>2,618</b>

## 5.2. RURAL MICRO, SMALL AND MEDIUM ENTERPRISE GROWTH INCREASED (IR 2.1)

USAID-ACCESO's main activities and interventions are targeted toward achieving increased household incomes through 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 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).

### *5.2.1. RURAL MSMEs ACCESS TO INPUTS, PRACTICES, AND TECHNOLOGY FOR MARKET PARTICIPATION IMPROVED (SUB-IR 2.1.1)*

The greatest impact on the livelihoods of USAID-ACCESO-assisted households occurs 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, the ability to continue generating incomes and resilience to climatic conditions, pest and diseases, and price fluctuations. To achieve this goal, a range of activities are being implemented 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 and the logistics requirements; develop private sector alliances; and increase the technology transfer capacity, knowledge and process of local NGOs, agricultural schools, and the private sector.

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

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 13.

Indicator	Year 1. May to Sept. 2011	Year 2. Oct. 2011 to Sept. 2012	Year 3. Oct. 2012 to Sept. 2013	Total to Date Sept. 2013
WP #1: Number of individuals who have received government-supported short-term agricultural sector productivity or food security training	7,723	15,671	21,110	44,504
WP #2: Number of extension visits to program beneficiaries:	13,571	134,840	267,955	416,366
WP #12: Number of technical materials produced (bulletins, manuals, presentations and tools):	63	142	50	255
WP #10: Number of MSMEs (off-farm and processing) assisted by project	285	417	132	834
PIRS #6: Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (\$ millions)	0.079	3.018	4.451	7.548
WP #11: Number of female individuals in training activities <sup>1</sup>	2,202	5,729	5,711	13,642
PIRS #7: Number of farmers and others who have applied new technologies or management practices as a result of government assistance	-	4,592	14,270	18,862

The status of activities in the Project Monitoring Plan (PMP) for years 1, 2 and 3, against targets is provided in Table 14.

PIRS/WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Total To Date	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
WP #1: Number of individuals who have received government-supported short-term agricultural sector productivity or food security training (LOP Target 55,000):	-	7,723	15,136	15,671	20,000	21,110	43,394	44,504
WP # 2: Number of extension visits to program beneficiaries (LOP Target 378,400):	-	13,571	103,200	134,840	108,000	267,955	256,411	416,366
WP #12: Number of technical materials produced (bulletins, manuals, presentations and tools) (LOP Target 225):	-	63	75	142	50	50	255	255
WP #10: Number of MSMEs (off-farm and processing) assisted by project (LOP Target 805):	-	285	322	417	103	132	805	834
PIRS #6: Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (\$millions) (LOP Target \$21.60 million):	-	0.079	4.320	3.018	7.000	4.451	10.097	7.548
WP #11: Number of female individuals in training activities (LOP Target 8,300):	-	2,202	2,100	5,729	2,000	5,711	7,729	13,642
PIRS #7: Number of farmers and others who have applied new technologies or management practices as a result of government assistance (22,050):	-	-	4,410	4,592	7,000	14,270	11,592	18,862

**WP #1: Number of individuals who have received government-supported short-term agricultural sector productivity or food security training / WP # 11: Number of female individuals in training activities**

During the year a total of 21,110 individuals have been registered under agricultural sector productivity or food security training activities, against a target of 20,000. To date, 44,504 individuals have received training, against a target of 43,394. A breakdown by technical component is provided in Table 15 (individuals may receive training in different technical areas and as a result the total presented is higher than the 44,504). As would be expected, production accounts for the highest percentage (61.7 percent), followed by business skills (8.3 percent) and nutrition and health (5.8 percent). Names and identification numbers for each participant are taken from training logs and entered one by one in the CIRIS M&E program; identification numbers are then used to determine the number of individuals. Individuals may have participated in one or multiple training events.

<b>Activity Area</b>	<b># Males</b>	<b># Females</b>	<b>Total</b>
Animal Production	1,639	803	2,442
Business Development Services	22	5	27
Business Skills	3,207	1,521	4,728
Certifications	696	162	858
Disaster Mitigation	640	294	934
Finance / Credit	234	82	316
Forestry	180	46	226
Information Technology	484	193	677
Market Information / Marketing	480	94	574
Natural Resources Management	1,051	340	1,391
Nutrition & Health	713	2,600	3,313
Postharvest	1,703	342	2,045
Processing	438	1,530	1,968
Production	26,757	8,321	35,078
Project	877	413	1,290
Renewable Energy	655	307	962
Research	37	24	61
<b>Total</b>	<b>39,813</b>	<b>17,077</b>	<b>56,890</b>

*Only individuals with National ID numbers are included (44,504). Individuals can receive trainings in more than one area*

For reference purposes, a total of 47,905 training events have been carried out up to September 2013 with 460,990 participants (147,940 female and 313,050 male) (Table 16). Production training accounts for the highest percentage of participants (69.8 percent), followed by nutrition and health (11.0 percent), and business skills (5.9 percent). Participant numbers and sex are recorded directly in the CIRIS M&E program; names and identification numbers are not recorded.

<b>Technical Area</b>	<b># EVENTS</b>	<b>M</b>	<b>F</b>	<b>TOTAL</b>
Animal Production	1,109	6,364	3,688	10,052
Business Skills	2,946	17,509	9,520	27,029
Certifications	194	2,137	495	2,632
Finance / Credit	216	2,173	926	3,099
Food Safety	1	11	1	12
Forestry	81	922	224	1,146

<b>Technical Area</b>	<b># EVENTS</b>	<b>M</b>	<b>F</b>	<b>TOTAL</b>
Health & Nutrition	3,287	4,409	46,322	50,731
Information Technology	68	514	350	864
Market Information	229	2,292	611	2,903
Monitoring & Evaluation	11	234	37	271
Postharvest	654	5,721	1,587	7,308
Processing	1,488	2,064	10,194	12,258
Production	36,200	253,714	68,107	321,821
Project	250	2,558	1,166	3,724
Renewable Energy	400	2,680	760	3,440
Research	6	61	59	120
Specialty Coffee	6	277	6	283
Family Planning	3	0	43	43
Natural Resource Management (NRM)	514	6,003	2,199	8,202
Natural Disaster Management & Mitigation	242	3,407	1,645	5,052
<b>Grand Total</b>	<b>47,905</b>	<b>313,050</b>	<b>147,940</b>	<b>460,990</b>

**WP #2: Number of extension visits to program beneficiaries:**

During the year a total of 267,955 technical assistance visits were made, against a target of 108,000. A breakdown by technical component is provided in Table 17. To date, 416,366 technical assistance visits have been made, against a target of 256,411. The majority of these are under the production component (79 percent) and nutrition and health (6 percent).

<b>Component</b>	<b># Visits Year 3</b>	<b># Visits Total to Date</b>
Certifications	535	1,012
Renewable Energy	1,941	2,537
Finance / Credit	1,048	1,599
Forestry	938	1,101
Business Skills	11,607	16,155
Disaster Mitigation/Management	2,926	3,387
Natural Resource Management	4,177	5,143
Marketing	1,957	2,860
Nutrition and Health	14,284	22,559
Postharvest	3,747	5,236
Processing	9,786	16,572
Production	206,624	328,158
Animal Production	7,324	8,856
Project Implementation/Results	161	291
Other	900	900
<b>Total</b>	<b>267,955</b>	<b>416,366</b>

## WP #12: Number of technical materials produced (bulletins, manuals, presentations and tools):

During the quarter 10 technical materials were produced including 4 major manuals (corn production, bean production, nutrition and health, and nutritive recipes). During the year, a total of 50 technical materials have been produced against a target of 50. To date, 255 technical materials have been produced, against a target of 255 (note: during this year, the LOP target was increased from 225 to 300). Materials include 89 bulletins, 121 technical presentations, 25 Excel tools, plus manuals, posters, surveys and toys (jigsaws for nutrition and health training centers).

<b>Technical Area</b>	<b>Grand Total</b>
Animal Production	16
Business Skills/Finance	81
Disaster Mitigation	21
Forestry	8
Marketing	10
NRM	12
Nutrition & Health	10
Postharvest	18
Processing	9
Production	67
Renewable Energy	3
<b>Total</b>	<b>255</b>

## WP #10: Number of MSMEs (off-farm and processing) assisted by project

A total of 834 off-farm and processing MSME are being provided technical assistance and training by the project against a target of 805. An additional 132 were included over the last year. These include 525 small and micro scale companies, 306 rural banks, and 3 others.

## PIRS #6: Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (\$ millions)

During the year a total of \$4.451 million of private sector investment has been made against a target of \$7.00 million (excludes USAID-ACCESO investments), with total private sector investment to date of \$7.548, against a target of \$10.097 million. This is below the target, but is still a significant investment in fixed assets. Investment by area is provided in Table 19. 13,575 individual investments have been made with the majority in production, processing, animal production, nutrition and health, and renewable energy. Additional details are provided in the PMP 09/2013 Excel file.

<b>AREA</b>	<b>Client</b>	<b>Project</b>	<b>Other</b>	<b>TOTAL Non-Project</b>	<b>%</b>
Alliances	6,300		63,000	69,300	0.9%
Animal Production	650,525	542	53,277	703,802	9.3%
BDS	727			727	0.0%
Business Skills	150		3,491	3,641	0.0%
Certifications	2,960			2,960	0.0%
Forestry	1,450		990	2,440	0.0%

AREA	Client	Project	Other	TOTAL Non-Project	%
Health & Nutrition	604,941	313,374	91,502	696,444	9.2%
Information/Other	250			250	0.0%
Marketing	11		1,684	1,695	0.0%
Natural Disaster Mngt	22,967	25,103	131,630	154,597	2.0%
Natural Resource Mngt	96,627	80,775	95,859	192,486	2.6%
Postharvest	55,008	8,815	28,037	83,044	1.1%
Processing	861,464	706	62,008	923,472	12.2%
Production	3,973,220	644,611	445,718	4,418,938	58.5%
Project	111,017	690	1,507	112,523	1.5%
Public Services	3,928			3,928	0.1%
Renewable Energy	119,040	109,571	58,334	177,374	2.4%
<b>Grand Total</b>	<b>6,510,583</b>	<b>1,184,187</b>	<b>1,037,036</b>	<b>7,547,619</b>	<b>100%</b>

### **PIRS #7: Number of farmers and others who have applied new technologies or management practices as a result of government assistance**

During the year, a total of 14,270 farmers and others have applied new technologies or management practices, against a target of 7,000. Total to date is 18,862, against a target of 11,592. Under this indicator the farmer has to implement a minimum of five of the technologies and practices. This was measured as part of the M&E sampling process carried out in August 2013 and extrapolated for the project clients which started receiving technical assistance prior to March 2013.

Additional information of interest includes:

- The project has promoted new crop diversification alternatives (from basic grains and coffee), 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, they start with small plots and the project technicians guiding them in every step of the production process.
- The main crops receiving project assistance are coffee (the majority under production with some new plantings), basic grains (to secure food supply) and higher value fruits and vegetables (for income generation) (Table 20). Basic production technologies are implemented for each crop group. This will continue to increase as the project's investments in irrigation become fully operational and expand over the next year, and growers (and neighbors) see the initial results.

Value Chain	Year 1 (Apr. to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Year 3 (Oct. 2012 to Sept. 2013)	Total to Date (Sept. 2013)
Fruits and Vegetables	387	890	1,176	2,453
Coffee	13,716	1,769	2,351	17,836
Grains	2,029	5,396	14,792	22,217
Tree Fruits	509	83	165	757
<b>TOTAL</b>	<b>16,641</b>	<b>8,138</b>	<b>18,485</b>	<b>43,263</b>
<i>Note: reported areas in Years 1 and 2 have increased due to the entrance of new clients and their reporting of established coffee and fruit trees, now under project assistance.</i>				

- Crops with the highest area of new plantings by USAID-ACCESO client households during the reporting period include corn, beans, potato, plantain, watermelon, and cabbage. Details are presented in Table 21.

<b>PRODUCT</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Grand Total</b>
Corn/Maize	926	2,672	8,727	12,325
Coffee under production	11,912			11,912
Coffee	1,676	1,624	1,772	5,072
Corn/Maize (High Altitude)	658	1,446	2,833	4,936
Beans (Dried)	410	1,078	2,005	3,493
Yellow Corn/Maize	0	1	1,065	1,066
Coffee Plantlets for Sale	56	118	551	725
Potato	82	206	349	636
Allspice in Production	289			289
Plantain	84	78	86	249
Watermelon	13	82	122	218
Cabbage	10	51	76	137
Beans (Silk)	0	80	53	133
Proso Millet	12	77	40	129
Coffee renewal	72	27	28	127
Corn (On the Cob)	0	39	63	102
Carrot	11	33	53	97
Rice	17	30	46	93
Passion Fruit	26	11	45	83
Grass cutting	42	15	23	80
Tomato (Processing)	8	29	41	77
Cardamom	69	5	2	77
Onions	3	33	36	72
Sugar Cane	28	39	5	72
Tree Fruits - Avocado Hass	7	21	35	63
Cocoa	31	9	12	52
Lettuce	5	23	24	51
Others	195	311	393	900
<b>Grand Total</b>	<b>16,641</b>	<b>8,138</b>	<b>18,485</b>	<b>43,263</b>

- Given the economic limitations of client households, one of the project's greatest 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 application of basic production practices, such as land preparation, seed selection, planting densities, weed control, and the introduction of fertilization enables the first jump in productivity with minimal increases in cost. 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 they occur.

### SELECTED PRODUCTION SNAPSHOTS

- 6,300 quintals of coffee were sold to BonCafé under the market alliance with gross sales incomes to 163 growers of approximately \$650,000. Growers earned an additional \$5 to \$10 for drying their coffee. 3,587 quintals were sold as micro-lots to determine cupping quality. Other coffee buyers also paid premiums for the coffee dried with the solar dryers introduced by the project, including Beneficio Santa Rosa with 500 quintals of coffee dried by growers in Copán.
- Inauguration of irrigation conduction systems in Mejocote (Lempira), Valle Verde (Santa Barbara); Quilio and San Rafael (Ocotepeque); installation of 80 irrigation plots totaling 20 hectares in Ocotepeque.
- With the allspice export operations increasing and the resulting higher prices obtained and paid by the exporters, local buyers have now increased the farm-gate price paid to almost all growers in the llama region of Santa Barbara (from \$87 to \$117 per quintal).
- After seeing project results, the mayor of San Luis, Santa Bárbara has financed four group field trips (up to 70 people per trip) for coffee grower training activities (\$2,000 investment).
- In Intibucá, a calendarized carrot production program has resulted in an average net income of \$400 per tarea (1/23 hectare). 35 growers in the community who participated in the first production phase have earned \$15,000 of new net income from carrots alone.
- Outgrower cattle program initiated in Copán with six families and 30 cattle.
- The Municipality of San José, La Paz, financed the construction of a road connecting the community of La Culebrina with access to local markets. This road was agreed upon during a USAID-ACCESO event in December 2012 in recognition of the highest corn yields in the department of La Paz. The road was completed in May, providing 200 families with access to neighboring markets and public and private services.
- To ensure volume requirements of supermarkets and other local markets are met, 2,484 project growers are currently involved in 507 hectares of programmed production plantings such as sweet corn, carrot, lettuce, cabbage, cucumber, tomato, pepper (nataly), Tabasco pepper, radish, beet, passion fruit, plantain, sweet potato, green bean, red onion, French bean, and potato.
- A trial was carried out with four growers in Ocotepeque have 2.14 hectares under production of French bean through an agreement with UNISPICE, an exporter from Guatemala. Income for the four growers was up to \$4,455 per hectare in profits and up to 84 individuals to harvest one hectare of plantings. In the trial, these growers exported more than 50,000 pounds of French beans at \$0.41/pound.
- After the trial, 35 French bean growers in Ocotepeque entered the programmed production plantings and export to Guatemala through agreement with UNISPICE. To date, growers exported a total of 82,000 pounds of French beans at \$0.41/pound, totaling \$33,620 in gross sales.
- A total of 1,929 growers throughout all six departments have 856 hectares under drip irrigation technology.
- Six *agrotiendas* were established in Lempira and one in Santa Barbara.
- 34 hectares of grafted cashew plantlets has been transplanted to date in Lempira and La Paz and grafted plants for 61 hectares are ready for transplant. Planting material is under development in Copan, Ocotepeque, and Intibucá and is expected to be transplanted next quarter.

### SELECTED VALUE ADDED SNAPSHOTS

- A new microenterprise in Ocotepeque started processing plantain and sweet potato chips with project support. After training in processing, support in packaging design, and the provision of market contacts, they are now selling locally and nationally and developed sales from \$0 to \$400 per month after the first year, and are now at \$900 per month.
- After receiving a bakery training program, a small home bakery in Copan expanded to a commercial operation, increasing their product line and reducing costs. They quickly went from sales of \$60 to \$375 per week and are now looking to invest in equipment to further increase production capacity.
- A small 100-bird poultry operation in Copán used to have a 50 percent mortality rate and net incomes of \$42 per cycle. With the project's technical assistance, mortality has reduced to 4-6 percent, and a new marinated product has been introduced. Now the operation is processing 300 chickens a month, with gross sales of \$1,300 per month and net incomes of \$500 per month.
- In La Paz, a small-scale pig producer was earning net \$10 to \$15 per pig per cycle with most of the costs incurred in buying concentrate. The producer received technical assistance in homemade concentrate production, feeding controls, and improved handling conditions. Net income per pig has now increased to between \$60 and \$475 per pig.
- A family-owned poultry farm in La Entrada, Copan, increased the numbers of birds sold weekly from 1,800 to 2,500, which represents a 39 percent increase in weekly gross sales and the generation of six new processing jobs.
- With the technical assistance and training provided by project specialist, “*Granja El Rosario*” in Macuelizo, Santa Barbara has improved poultry management resulting in net incomes increasing from \$245 to \$588 per each lot of 3,000 birds processed.
- Product development training and technical assistance to a woman owned dairy microenterprise in Santa Rita, Copan, resulted in increased productivity and sales. “*Chabelita*” now processes more than 1,000 liters of milk daily and has obtained a sanitary license. With project assistance, the owner plans to obtain sanitary registrations and barcodes for three of her most popular products. This change in legal status will allow her to access lucrative new markets in San Pedro Sula.
- Project processing and value added specialist as with many others, work with microenterprise “*Café Congolon*” in Gracias, Lempira to diversify products in order to increase sales. During this last quarter, they received training in production of fruit concentrate from passion fruit, blackberry, and nance, and was connected to a buyer in San Pedro Sula. Sales increased by more than \$1,700 per month.
- With the technical assistance and training provided by a processing and value added specialist, a microenterprise located in Las Pilas, Copan, dedicated to the extraction of passion fruit concentrate were able to increase monthly sales to \$2459. Owners of this enterprise are the wives of 5 growers who receive technical assistance from project's production team. They are currently receiving technical assistance for the extension of area planted with passion fruit in order to ensure supply year round.
- Product development training and technical assistance during the past year to “*Lacteos San Francisco*,” a family owned dairy microenterprise in San Francisco, Ocotepeque, resulted in increased productivity and doubling of monthly sales to \$5,845.

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

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 22.

PIRS/WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Total To Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #30: Number of organizations / companies providing business development / extension services to MSMEs (LOP Target 465):								
	23	-	70	78	175	20	253	188
PIRS #32: Number of public-private partnerships formed (LOP Target 65):								
	12	3	33	23	24	15	50	41

**PIRS #30: Number of organizations / companies providing business development / extension services to MSMEs**

A total of 189 organizations and companies are providing business development or extension services to projects MSMEs, against a PMP target of 253. Twenty were added during the current year, against a target of 75. These include input and equipment suppliers, cooperatives, foundations, and others (details are provided in the ACCESO PMP Excel file 09/2013).

**PIRS #32: Number of public-private partnerships formed / PIRS #33: Number of private sector alliances developed**

During the quarter five public-private alliances were signed, for a total of 15 for the year (against an annual target of 24). A total of 41 public-private partnerships have been formed to date, against a target of 50. In addition, during the quarter four letters of agreement were signed with the public sector, for a total of six for the year, and 18 to date. Details are provided in the Table 23. Copies of all alliances and letters of agreement are available on the [project's intranet site](#).

**Note:** The 2012/2013 PMP work plan merged the indicators relating to public-private sector alliance and private sector alliances into one indicator under public-private sector alliances. The new target set was at the sum of the two original targets.

Date	Organization/Company	
Jul. 2011	SwissContact	Santa Bárbara, La Paz, Intibucá: honey production training.
June 2011	VECO MA	Intibucá: produce consolidation
Sept. 2011	Bomhosa	All six departments: equipment supplier, discounts, training, demonstrations.
Sept. 2011	MexiChem	All six departments: equipment supplier, discounts, training, demonstrations.
Nov. 2011	ADHESA	All six departments: eco-justa stoves.
Nov. 2011	DICONSA	All six departments: equipment and input supplier, discounts, training, demonstrations.
Feb. 2012	SEREMA	All six departments: equipment supplier, discounts, training, demonstrations.
Feb. 2012	DURMAN	All six departments: equipment and input supplier, discounts, training, demonstrations.
Feb. 2012	DISAGRO	All six departments: equipment and input supplier,

<b>Table 23. Public-Private Sector Partnerships</b>		
<b>Date</b>	<b>Organization/Company</b>	
		discounts, training, demonstrations.
Mar. 2012	Bayer	All six departments: equipment and input supplier, discounts, training, demonstrations.
Mar. 2012	SEAGRO	All six departments: equipment and input supplier, discounts, training, demonstrations.
Mar. 2012	ODECO	
Apr. 2012	Agritrade	All six departments: equipment and input supplier, discounts, training, demonstrations.
Jun. 2012	COAPIGOR	Santa Bárbara: allspice production & exports.
Jun. 2012	ILAMEX	Santa Bárbara: allspice production & exports.
Jun. 2012	PRODUCTOS PANTHEODS	Intibucá: vegetable packer.
Jul. 2012	Original Maya	Intibucá, Copan, Lempira: vegetable exporter.
Jul. 2012	Hermanidad de Honduras	Copán: technical assistance to growers.
Aug. 2012	AGROS International	Santa Bárbara: technical assistance to growers.
Sep. 2012	Frozen Foods/Grupo Madeesma	Intibuca, Santa Bárbara, Copan: baby corn processor and exporter.
Sep. 2012	Bioplanet	All six departments: moringa seed provider.
Sep. 2012	COHORSIL	All six departments: equipment and input supplier, discounts, training, demonstrations.
Sep. 2012	DUWEST	All six departments: equipment and input supplier, discounts, training, demonstrations.
Oct. 2012	D'Leite	Santa Bárbara, Copán, and Lempira: oriental vegetable exporter
Oct. 2012	CAMOSA	All six departments: equipment supplier, discounts, training, demonstrations
Jan. 2013	TECHO Honduras	La Paz: low-cost housing
Jan. 2013	Programa Educativo El Maestro en Casa	Intibucá: greenhouse operations and training
Jan. 2013	Agroindustrias del Coral	Copán: cattle production program
Jan. 2013	Croplife	All six departments: safe pesticide use training
Feb. 2013	Syngenta	All six departments: input supplier, discounts, training, demonstrations; training in safe pesticide use; support to healthy household program.
Feb. 2013	UNAH/CUROC	Copán: student internships
Mar. 2013	UNITEC (+SIC)	All six departments: company registrations
Mar. 2013	AHPROABA / DUWEST	All six departments: outgrower program, marketing, inputs and finance (corn)
Jul. 2013	Beneficio Santa Rosa	Copan, Lempira, Ocotepeque: coffee buyer, training
Jul. 2013	Supermercados La Antorcha	All six departments: buyer of horticultural and MSME products, promotion and training.
Aug. 2013	EYL Comercial	All six departments: equipment and input supplier, discounts, training, demonstrations.
Sep. 2013	Boncafe	Intibucá, Copan, Lempira, Ocotepeque: coffee buyer, training, specialty premiums
Sep. 2013	FENAGH	Project wide: support on policy activities

## Letters of agreement

Jun. 2011	IHMA
Jun. 2011	PRONADERS
Sep. 2011	Ministry of Health
Oct. 2011	Vision Mundial
Nov. 2011	SOLARIS
Jan. 2012	Ministry of Work and Social Security
May 2012	Ministry of Agriculture and Livestock
May 2012	Ministry of Health Region 14 – Ocotepeque
May 2012	Ministry of Health Region 04 – Copan Ruins
May 2012	Ministry of Health Region 10 – Intibucá
May 2012	Ministry of Health Region 12 – Marcala
May 2012	Instituto Polivalente San Jose Cupertino
Dec. 2012	Banadesa
May 2013	Registro Nacional de la Personas / SAG
Jul. 2013	Instituto Nacional de Conservación y Desarrollo Forestal (Nor-Occidental)
Jul. 2013	Municipality of Jesus de Otoro, Intibuca
Aug. 2013	COPECO
Sep. 2013	Municipality of Talgua, Lempira

### *Grower organization and the development of market-driven production programs*

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 24.

PIRS/ WP #	Year 1 (Apr. to Sep. 2011)		Year 2 (Oct. 2011 to Sep. 2012)		Year 3 (Oct. 2012 to Sep. 2013)		Total To Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #31: Number of producers organizations, water users associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance (LOP Target 210)								
	20	40	70	150	20	31	210	221
WP #3: Number of small farmer associations formally established as businesses (LOP Target 55)								
	-	-	4	0	150	118	150	118

### **PIRS #31: Number of producer organizations, water users associations, trade and business associations, and community-based organizations receiving USG assistance**

USAID-ACCESO is developing activities with organizations and associations, particularly community-based organizations, in order to increase outreach and improve the quality and quantity of services. By working with community level organizations, the project generates client confidence. In many cases, problems and opportunities are identified through a participatory process by the communities themselves. During the year, 31 organizations were incorporated into the project (target of 20), for a total of 221 organizations enrolled as USAID-ACCESO beneficiaries (against a LOP target of 210). These include 179 water/irrigation associations, 16 community-based organizations, 24 grower associations, and two others. Many of the water and irrigation boards were set up with project assistance.

Organization and promotion of local agriculture fairs and “green markets” continued throughout the year. This activity has proven successful in Copán, where a “green market” has been established in Cabanas, in Ocotepeque where four weekly agriculture fairs were institutionalized in San Francisco de Valle, Mercedes, San Geronimo, and San Marcos de Ocotepeque, and in San Sebastian, Lempira. All have

involved coordination and support from the local municipalities. In some cases, new MSMEs have been established and new income generated. Agriculture fairs have also been carried in other departments to stimulate interest. This activity will continue to expand.

Department managers work closely with municipalities to support community projects and farming activities of poor and extreme poor growers. This year, through close coordination and collaborative efforts with municipalities, agriculture schools, local NGOs and buyers, cash and in-kind donations were contributed for the establishment of irrigation systems, procurement of seeds, and plantlets.

### **WP #3: Number of small farmer associations formally established as businesses**

USAID-ACCESO business skills, policy, production and marketing specialists worked together to identify the needs and requirements of groups of growers to formally register as businesses. In addition to the work with the growers themselves, input from the project's policy component has shortened processes and reduced costs, and has improved the efficiencies of the registration process. Alliances were initially made with UNAH and SIC, but this was not formalized; a formal alliance was then made with UNITEC and SIC to assist in the legalization of the businesses. During the year, registration has been obtained for 118 businesses, rural village banks and organizations, against a target of 150.

- Grower Association: 4
- Rural banks (cajas rurales): 101
- Companies with multiple services: 13

Of these, 53 are in the process of collecting the required documents and 71 have submitted the documentation and are awaiting registration. Groups currently being provided assistance under this activity total 242, covering 4,871 members and an average of 20 members/group.

#### *Increasing the technical capabilities of agricultural schools and local NGOs*

As project implementation evolves, coordination with local actors continues to increase. NGOs, local governmental organizations, and agricultural, technical, and social promotion schools participate in many project training events and activities, and in some cases, specialized training courses have been developed to meet their specific needs.

During the reporting quarter, USAID-ACCESO continued close working relationships with more than 15 technical schools and universities from all project regions. To date, more than 435 students have done internships with the project in areas such as processing, business skills and finance, production, and health and nutrition, IT, and administration. These have come from 37 different schools, technical colleges, and universities have received a total of 3,025 weeks of on-the-job technical training. Twenty have been at the university level (Zamorano, UNAH, Universidad Metropolitana and UNA). Other schools have been trained in executing community cleaning campaigns and others are participating in the food preparation workshops. Coordination has been carried out with the World Food Program WFP) in training the mothers who prepare the *merienda escolar* in select communities within the project regions.

As of September 2013, more than 50 counterpart organizations, including NGOs, donor institutions and projects have participated in project-sponsored activities. These include: Aldea Global, ANDESAIN, Caritas, CASM, CESAL, CEPUDO, CHF Honduras, Child Fund, CODESSE, COMUCAP, COOMUPL, COPRAFEL, Catholic Relief Service, Escuela San Pablo, EDUCAR, Escuela Agrícola Pompilio Ortega, FAMA, FAO, FIDA, FIDE, FOPRIDEH, Fundación Adelante, FUNDAHRSE, Fundación Banhcafe, Fundahmicro, Fundación Vida, Funder, Red Cross, 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.

**Note:** most of the NGO under subcontract to Fintrac have also increased their capabilities – especially on accounting and administration – with changes and improvements being made to meet USAID regulations and documentation requirements.

### 5.2.2. RURAL MSMEs ACCESS TO NEW MARKET OPPORTUNITIES INCREASED (SUB-IR 2.1.2)

#### Development of buyer linkages and logistics

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 25.

Indicator	Year 1 (May to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Oct. 2012 to Jun. 2013	Jul. to Sept. 2013	Year 3 (Oct. 2012 to Sept. 2013)	Total to Date
WP #4: Number of MSMEs accessing new market opportunities through a broker (LOP Target 10,932):						
	35	1,403	386	5,100	5,486	6,924
PIRS #12: Number of brokers providing market linkages to MSMEs (LOP Target 500):						
	10	19	8	33	41	70
WP #6: Number of market surveys conducted (LOP Target 24):						
	1	5	0	3	3	9

The status of activities in the Project Monitoring Plan (PMP) for years 1, 2 and 3, against targets is provided in Table 26.

PIRS/ WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Total to Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
WP #4: Number of MSMEs accessing new market opportunities through a broker (LOP Target 10,932):								
	300	35	1,968	1,403	3,500	5,486	4,938	6,924
PIRS #12: Number of brokers providing market linkages to MSMEs (LOP Target 500):								
	25	10	125	19	200	41	229	70
WP #6: Number of market surveys conducted (LOP Target 24):								
	6	1	12	5	12	3	18	9

#### **WP #4: Number of MSMEs accessing new market opportunities through a broker**

During the year, a total of 5,486 MSMEs were registered as accessing new market opportunities through a broker, against a target of 3,500. To date, a total of 6,924 MSMEs have been registered, against a target of 4,938. Of these, 5,819 were male and 1,105 female. These are those who have at least two recorded sales events to at least one broker. In addition to these, there are an additional 9,848 MSMEs who have one recorded sales event. Details are provided in the USAID-ACCESO PMP 09/2013 Excel file.

This indicator was calculated from client survey data due to the excessive time required to track every single sales event from every client. It should be noted that clients on their first harvest with crops with a single harvest event will not be counted in this indicator. In addition, the main supermarkets require suppliers to have their own code and as a result, groups of growers in calendarized production

programs deliver to supermarkets under one supplier code. There may be 10 or 20 growers delivering to one supermarket under one supplier code.

### **PIRS #12: Number of brokers providing market linkages to MSMEs**

During the year, a total of 5,486 MSMEs were registered as accessing new market opportunities through a broker, against a target of 3,500. To date, a total of 6,924 MSMEs have been registered, against a target of 4,938.

During the year, the number of brokers providing market linkages to MSMEs is 41 against a target of 200. To date, a total of 70 brokers are counted (against a target of 229) where they have at least two sales transactions to a minimum of 10 project-assisted MSMEs and have a permanent relationship with assisted MSMEs. The 70 to date include the five major supermarkets, nine retailers, five packing houses (local market), 16 exporters, and several market buyers.

USAID-ACCESO marketing specialists continually monitor new product and market opportunities, as well as recommending crops, varieties, and value-added products for calendarized production programs and commercial trials. Calendarized production programs are being implemented in each of the six departments 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 processed and off-farm products, including sweets, baked goods, pickles, sauces, plantain chips, raw sugar, honey, wines, crafts and others.

Due to low production volumes (small plots, partial technologies) and difficulties competing in the large markets in the main and secondary cities (poor roads, long distances, high transport costs, low volumes), USAID-ACCESO has developed local farmers markets and distribution routes for sales to local outlets, local wet markets, *pulperias* (home shops) and intermediaries in the same zones where they are produced. This reduces transport costs and speeds up payment time, especially given the low volumes, limited transport logistics, and poor roads. But most do not yet count towards these indicator targets.

Another key activity carried out is the development of new and expansion of existing local produce fairs (*ferias del agricultor* or *mercaditos verdes*). USAID-ACCESO has worked closely with local authorities and community organizations to develop fairs to provide producers a nearby market at which to sell their goods. Eleven local fairs have been established to date: Colinas (Santa Bárbara), Marcala (La Paz), La Labor and Nuevo Ocotepeque (Ocotepeque), La Unión (Lempira), Santa Rosa and Ruinas de Copán (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 \$300 and \$700. As the growers are selling themselves, this activity does not specifically contribute to the indicator target.

### **WP #6: Number of market surveys conducted**

To date, nine market surveys have been carried out for potential products (three from the current reporting period), including allspice, cardamom, and processed onions, gherkins, eggplant and zucchini, and essential oils from pimento leaf, pimento berry and cardamom. The allspice survey resulted in direct exports for the first time from Honduras to the US in 2012 (as opposed to intermediaries from Guatemala). This has continued and expanded in the 2012/2013 season. The cardamom survey resulted in direct exports to Switzerland. In the previous year, both crops were to be supported with technical support for essential oil extraction, but this was not carried out at that time due to administrative limitations (approvals). The technical information and market surveys for the essential oils were eventually carried out in August and September 2013 and are currently being revised by the grower organizations. The processed products surveys indicated limited market options and low profitability, not suitable for the USAID-ACCESO grower. Informal market surveys were carried out for a range of

crops in El Salvador (via market visits) and with exporters and importers for fresh herbs, snow peas, sugar snap peas and French beans. This indicator is behind the target of 18, but focus has been given on the local and regional markets and expanding existing export crops such as oriental vegetables and sweet potato.

*Production and systems implementation to meet buyers' quality and standards*

#### **WP #5: Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers**

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 27.

<b>Table 27. Number of MSMEs that have entered formal preferred supplier or contract agreements</b>						
<b>Indicator</b>	<b>Year 1 (May to Sept. 2011)</b>	<b>Year 2 (Oct. 2011 to Sept. 2012)</b>	<b>Oct. 2012 to Jun. 2013</b>	<b>Jul. to Sept. 2013</b>	<b>Year 3 (Oct. 2012 to Sept. 2013)</b>	<b>Total to Date (Sept. 2013)</b>
WP #5: Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers						
	-	550	-	1,521	1,521	2,071

The status of activities in the Project Monitoring Plan (PMP) for years 1, 2 and 3, against targets is provided in Table 28.

<b>Table 28. Number of MSMEs that have entered formal preferred supplier or contract agreements</b>								
<b>PIRS/WP #</b>	<b>Year 1 (Apr. to Sept. 2011)</b>		<b>Year 2 (Oct. 2011 to Sept. 2012)</b>		<b>Year 3 (Oct. 2012 to Sept. 2013)</b>		<b>Total to Date (Sept. 2013)</b>	
	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>
WP # 5: Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers (LOP Target 2,996)								
	-	-	599	550	925	1,521	1,475	2,071

During the last quarter of the year, 1,623 MSMEs were registered, but the total net number was 1,521 as in the previous quarters some MSMEs were incorrectly classified as meeting the definition requirements. Overall, there are now 2,071 MSMEs classified, against a target of 1,475. These were determined through end-of-year client household sampling as the quantity of transactions are too high to be able to track every one. Of these, 1,804 were male (87 percent) and 267 female (13 percent). These are those who have at least two recorded sales events to at least one broker. In addition to these, there are an additional 9,848 MSMEs who have one recorded sales event.

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. 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 marketing, postharvest, and certification specialists provide direct technical assistance to farmers so they can achieve this goal. Additional training is provided by the actual buyers themselves, who visit the farms and participate in training and technical assistance activities or provide feedback to growers when produce is delivered.

These buyers include collection centers, cooperatives, supermarkets, processors and exporters. Details are provided in the PMP 09/2013 Excel file.

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 activities to initiate new or expand existing market-driven production programs for the year include:

- Meetings, negotiations, and coordination for a calendarized production program for baby corn production for processing into tamales for export (MADEESMA). One container was exported with raw materials purchased from project clients, but the buyer decided to change purchase to an informal basis from wholesale markets.
- Multiple meetings, discussions, and field visits with major local buyers of yellow corn (ALIANSA). This will substitute imports, initiate plantings in April to May 2013 (with the rainy season), with the buyer requiring 2,800 hectares of production with project clients. This is the first time yellow corn has been produced locally under contract with the industry. This activity offers experience in formal marketing agreements with a relatively low-risk crop. It is also tied in with the business skills component to link the production with financing through various input suppliers.
- 2,929 project growers are involved in the yellow corn production program with 1,066 hectares of production under contract with the agroindustry. USAID-ACCESO marketing staff facilitated the development of more than 1,700 formal agreements between growers and members of the agroindustry for the marketing of this crop. It should be noted however that many of these 1,700 growers or buyers will count toward the marketing targets (PIRS #22 and WP #5) as only growers selling more than twice to the same buyer and buyers buying more than twice times can be counted. In this case, most of the small-scale yellow corn growers will sell one crop in one transaction. Postharvest specialists have worked with the buyers to establish quality requirements, postharvest practices, product collection sites, required testing for humidity and aflatoxins, and transportation logistics to the buyers. Harvesting will begin in October 2013.
- Field visit from a major processor in El Salvador to determine potential products and buying opportunities (DIANA). Sales were made of plantain, malanga and yuca, but these were not continued as local market prices increased above those that were being paid by the processor.
- Negotiations were made market retailers in La Esperanza for purchase of second grades produced under a calendarized vegetable production program for the supermarkets. These are on-going. Negotiations were carried out with La Carreta to expand the production programs, including lettuce, potato, and onion for sales to Pricismart. This operated for eight months, but was terminated as Pricismart terminated the relationship with La Carreta. Project growers continued to supply Pricismart, but via another distributor (Imporfrut).
- Negotiations with a pork buyer, *Finca El Carmen*, to establish volumes, prices, and cuts. These were used in cash flow/profitability analyses for project producers. The activity was not continued due to high investment costs in infrastructure and low profitability.
- Negotiations and field visits with Bon Café and local buyers in all zones for purchase of coffee directly from USAID-ACCESO growers. Formal market alliances were developed with Bon Café and Beneficio Santa Rosa. 6,300 quintals of coffee were sold under the market alliance with BonCafé during the 2012/2013 season (163 growers with total gross sales income of \$650 thousand). While this activity was carried out under a partner fund to identify special coffees, similar activities are being carried out with other buyers in each region. The experience with BonCafé has motivated coffee growers and the ground work is being done to double the number of growers that will sell coffee directly to BonCafé during the 2013/2014 harvest.
- In February, an international buyer from Miami met with plantain growers of a cooperative in Santa Barbara. Agreements were made to begin exports of one container of plantains to this

buyer every two weeks beginning in August 2013. The activity is still on hold as project growers have not reached the required volumes to enable profitable exports.

- Discussions continued with the Department of School Meals from the Ministry of Development and Social Services on supplying produce for school meals in the departments of Intibucá, Santa Bárbara, Copán, and Ocotepeque. The municipalities of these departments were to organize procurement committees to enable project market specialists to make linkages with project growers to develop formal sales agreements. The committees were never formed, but some project clients are selling produce direct to the municipalities for the “merienda escolar”. Of 52 municipalities involved, around 6 are buying from project clients eg. Azacualpa (Santa Barbara) and Gracias (Lempira). Purchasing volumes and values are low, but these are expected to increase.
- Meetings were held with UniSpice, Guatemala, a major exporter of snow peas, sweet peas, French bean, and Brussels sprouts to European and US markets. Representatives from Global Village joined USAID-ACCESO staff in these meetings to discuss terms of agreement. This led to a trial production program. Market specialists continued communications with exporters contacted during the Agritrade Show held in Guatemala in March. Representatives from UNISPIICE visited growers in Ocotepeque to assess the trial plantings of French beans. During the reporting period, close to 50,000 pounds were exported to Guatemala through UNISPIICE. Project growers agreed to plant up to 17.85 hectares through the end of September 2013 at a sales price of \$0.41/pound.
- USAID-ACCESO production and marketing specialists attended the Agritrade Show held in Guatemala in March 2013. During this meeting they met with representatives of Excard & Riverport, a major exporter of cardamom and all-spice to Europe and Asia, to discuss purchase terms and conditions for a potential link with project clients. The buyer visited Honduras and met with growers but agreements for exports were not established to the purchasing prices offered.
- During the year, five of the six departments initiated a market driven **cashew planting program**. In Lempira groups of women and individual growers have initiated nurseries for the production of cashew seedlings for up to 70 hectares of planting area. To date, close to 6,000 plantlets has been grafted and it is expected that all plantlets will be grafted and transplanted by the end of the following quarter, for a first harvest in September 2015.
- Samples of *panela* (pure cane sugar) were prepared and distributed to exporters, resulting in two shipments of 162 boxes to the US in May. Another shipment was sent in July with an additional 250 boxes. The exporter distributed samples to promote the product in Washington and New York and responses. Exports will commence in November with 250 boxes each week (\$1,500 sales income/shipment).
- Samples of *honey*, *dulce de leche* and *dried herbs* were distributed by exporters to buyers in the US. Market feedback indicated that the price ranges were not competitive in the market, although the quality was considered good.
- Field visits to allspice and cardamom growers in Santa Bárbara were conducted with the general manager of OLAM, a Guatemalan coffee buyer interested in diversifying exports. No deals were achieved as the purchasing price offered was considered too low by the growers.
- The general manager of EYL Commercial Field visited Tabasco pepper growers in Santa Bárbara to explore their interest in the purchase of a hot pepper paste. Samples of the paste were delivered to EYL representatives for microbiological and quality analysis. Purchases were made and a production program is currently underway with this buyer.
- New planting programs were with Cultivos del Norte, EYL Commercial, and Casa Garcia for Tabasco and habanero pepper. Negotiations were also made with DIPROM for the sale of processed fruits and vegetables, but high logistics costs priced the products out of the market.

- Sale agreements were finalized with IMPOFRUT, a supplier of PriceSmart for potatoes and strawberries. Discussions for other vegetable supply, including tomatoes, carrots, and peppers, were held and small production programs initiated.
- Continuous negotiations for increasing delivery volumes of fruits and vegetables to supermarkets were held, including La Colonia, La Economica, Colonial, Los Andes, La Antorcha and Hortifruti (Wal-Mart). Project growers are directly supplying all of these supermarkets.

During the year, the project continued to expand existing production programs. These include calendarized plantings of eggplant, sweet corn, broccoli, carrots, cauliflower, cucumber, tomato, radish, beets, passion fruit, plantain, lettuce, cabbage, nataly pepper, Tabasco pepper, sweet potato, green bean, red onion, French bean and potato. Market driven production programs will continue to expand in the next year. The yellow corn production program under contract is also expected to increase and may include white corn. While this program does not provide significant earnings for the growers it does require the implementation of basic production practices, which will then allow some of the growers to initiate vegetable production, which does produce the incomes.

Over the last year, more emphasis has been placed on the development of local markets within each of the six departments, and municipal markets such as Dandy and Central de Abastos de San Pedro Sula. Production to meet demands for supermarkets such as La Colonia, Wal-Mart, Madesma, Ebenezer, through distributors such as ASOFAIL-CICOM, ECARAI, ODECO, ECARAI, APROCEL, CAEOL, APRALIN, COPRAL, COPRAUL, Hermandad de Honduras and Aldea Global was initiated, maintained or expanded.

Constraints to the marketing program include the small production lots, low volumes and complicated (and expensive) logistics. Project clients are mainly located in zones with poor (or no) roads where logistics costs to reach the main cities are high. For these clients, crops not only have to be selected based on agronomic and cost factors, but also on logistics and transport costs. Low value, low weight products are not normally profitably when transport costs are factored in.

#### *Implementation of business certification programs*

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 29.

<b>Table 29. Implementation of Business Certification Programs</b>						
<b>Indicator</b>	<b>Year 1 (May to Sept. 2011)</b>	<b>Year 2 (Oct. 2011 to Sept. 2012)</b>	<b>Oct. 2012 to Jun. 2013</b>	<b>Jul. to Sept. 2013</b>	<b>Year 3 (Oct. 2012 to Sept. 2013)</b>	<b>Total to Date (Sept. 2013)</b>
PIRS #13: Number of MSMEs that have been verified to meet market standards for their products						
	35	882	36	800	836	1,753

The status of activities in the Project Monitoring Plan (PMP) for years 1, 2 and 3, against targets is provided in Table 30.

<b>Table 30. Implementation of Business Certification Programs</b>								
<b>PIRS/WP #</b>	<b>Year 1 (Apr. to Sept. 2011)</b>		<b>Year 2 (Oct. 2011 to Sept. 2012)</b>		<b>Year 3 (Oct. 2012 to Sept. 2013)</b>		<b>Total to Date (Sept. 2013)</b>	
	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>
PIRS #13: Number of MSMEs that have been verified to meet market standards for their products (LOP Target 2,000)								
	-	35	300	882	500	836	1,417	1,753

During the year 836 MSMEs supplied buyers with products meeting define market standards, against a target of 500. To date 1,753 MSMEs are classified as meeting market standards, against a target of 1,417.

USAID-ACCESO specialists are providing support to vegetable growers to enter formal markets with quality standards and where necessary 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. Growers participating in the yellow corn program and the formal coffee marketing program will all have to comply with strict market quality standards, in addition to specific delivery and logistics compliance.

Details of the MSMEs and buyers are provided in the ACCESO PMP 09/2013 Excel file.

USAID-ACCESO has worked with many buyers to develop quality standards for several crops, including passion fruit (three different specifications for fresh passion fruit for supermarkets, for frozen pulp, and for juice), selected vegetables for all supermarkets, allspice for North American markets, and 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 Salvadoran buyers, and cardamom for a European importer. The range was expanded during the year, including potatoes for the local market, Chinese eggplant for the export market, and baby corn for the processing market, green beans to Guatemala, cardamom to a European importer, snow pea and sugar snap pea for the export and local supermarket buyers, and cucumber, loofah and coffee to local buyers for subsequent export, yellow and white corn for the local grain industry, stevia for a local processor, and *panela* for 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 worked with “informal buyers” to develop basic standards and quality inspections to formalize some of the relations. This is in addition to the continued focus on supporting USAID-ACCESO clients in meeting buyer quality standards so they can enter more reliable formal markets with potential for expansion. Support has been provided to both buyers and growers in the development and use of product standards. Additional activities have being initiated with quality and standards for processed and other off-farm products, such as pickled vegetables, raw sugar, processed garlic, dehydrated herbs, dairy products, honey products, wood, and woven items.

Small scale processed food operations who have been selling informally on the local village or town markets due to the lack of company registration, bar codes, etc., have been assisted in upgrading their products and operations to enter slightly larger markets (most are still not ready for the main distributors to retailers in the principal cities). As this requires higher transport cost and higher margins for those involved, the processors need to reduce the sales price. USAID-ACCESO has provided TA to improve efficiencies and reduce unit cost of production (and know the unit cost of production as most of these small businesses lose money if self-employed labor is included in costs). Processors are reticent on lowering the price even when opening up new higher volume markets, necessary to further reduce costs, improve margins, etc. This is one of the “circles” that USAID-ACCESO still needs to break.

### 5.2.3. BARRIERS TO COMPETITIVENESS OF RURAL MSMEs REDUCED (SUB-IR 2.1.3)

#### Increased access to finance

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 31.

Indicator	Year 1 (May to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Oct. 2012 to Jun. 2013	Jul. to Sept. 2013	Year 3 (Oct. 2012 to Sept. 2013)	Total to Date (Sept. 2013)
PIRS #14: Number of MSMEs accessing market-based financing as the result of government assistance						
	315	1,577	1,235	1,591	2,826	4,718
PIRS #15: Value of agricultural and rural loans made to MSMEs (\$ millions)						
	0.200	1.554	2.968	3.104	6.072	7.826
PIRS #11: Number of MSMEs implementing sound business management practices						
	-	695	-	4,498	4,498	5,193

### SELECTED BUSINESS SKILLS AND FINANCE SNAPSHOTS

- In La Paz, a wide range of small-scale finance facilities were developed, including CACIL with 55 carrot growers; Del Campo with 5 carrot growers; Candelaria Togopala rural village bank with 14 female growers with 0.50 *tareas* each.
- In Lempira, project support led to a cooperative bank providing loans to 19 rural village banks to open small-scale input supply stores. This results in more inputs accessible to growers and at a more competitive price. The village bank also generates additional income.
- In Santa Barbara, a finance triangulation agreement was set up between an input store, an exporter, and project growers under a Chinese eggplant production program. A \$3,700 credit line was opened for 11 growers.
- In Lempira, the process of warehouse receipts with rural village banks for corn purchases was expanded based on the experience in 2012.
- Technical assistance to cooperatives, *cajas rurales*, and grower associations in Lempira, Santa Bárbara, and Intibucá in the development of business plans for accessing financing from COMRURAL has proven a success. To date a total of 15 business plans have been approved for a total value of more than \$3.8 million.
- With project support, six *agrotiendas* (input stores) were constituted in four municipalities of Lempira and Santa Bárbara through collaborative agreement with Del Campo and COMPROIL. The value of inventory of these *agrotiendas* ranges from \$785 to \$13,700.
- Established new alliances with financial service providers BANPAIS, PROGRESA, and Fondo de la Mujer Municipalidad de Marcala to provide access to financial services for project client households.
- Technical assistance to cooperatives, *cajas rurales*, and grower associations in Lempira, Santa Bárbara, and Intibucá in the development of business plans for accessing financing from COMRURAL has proven a success. To date a total of 15 business plans have been approved for a total value of more than \$2.9 million, and disbursements begun during the past quarter.
- The legalization documents for a total of 108 MIPYMES including *cajas rurales* has been processed approved and delivered to each MIPYME during the past year.
- With project support, six *agrotiendas* (input stores) were constituted in four municipalities of Lempira and Santa Bárbara through collaborative agreement with Del Campo and COMPROIL. The value of inventory of these *agrotiendas* ranges from \$785 to \$13,700.
- An alliance with the WFP is under discussion for the purchase of corn for the school feeding program in the six departments. A formal agreement has begun between WFP and “Justicia, Progreso y Paz” a microenterprise in San Pedro de Zacapa in Santa Barbara for the procurement of 660 qqs of corn.

The status of activities in the Project Monitoring Plan (PMP) for years 1, 2 and 3, against targets is provided in Table 32.

<b>Table 32. Barriers to Competitiveness of Rural MSMEs Reduced</b>								
<b>PIRS/ WP #</b>	<b>Year 1 (Apr. to Sept. 2011)</b>		<b>Year 2 (Oct. 2011 to Sept. 2012)</b>		<b>Year 3 (Oct. 2012 to Sept. 2013)</b>		<b>Total To Date (Sept. 2013)</b>	
	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>	<b>Target</b>	<b>Achieved</b>
PIRS #14: Number of MSMEs accessing market-based financing as the result of government assistance (LOP target 4,314):								
	215	315	863	1,577	1,000	2,826	2,892	4,718
PIRS #15: Value of agricultural and rural loans made to MSMEs (\$ millions) (LOP target \$6.33 million):								
	0.32	0.200	1.26	1.554	1.730	6.072	3.484	7.826
PIRS #11: Number of MSMEs implementing sound business management practices (LOP target 8,482):								
	-	-	1,696	695	3,750	4,498	4,445	5,193

#### **PIRS #14: Number of MSMEs accessing market-based financing as the result of government assistance**

During the year, 2,826 MSMEs accessed market based finance with project assistance (against a target of 1,000). The total to date is 4,718 MSMEs, above the LOP target of 4,314. Broken down by sex:

Total:	LOP Target #: 4,314	Achieved: 4,718
Male:	LOP Target #: 3,667	Achieved: 3,899
Female:	LOP Target #: 647	Achieved: 819

#### **PIRS #15: Value of agricultural and rural loans made to MSMEs (\$ millions)**

During the year, USAID-ACCESO clients accessed \$6.072 million in loans against a target of \$1.730 million. To date, loans total \$7.826 million against a total of \$3.484 million (and a LOP target of \$6.33 million). More than 253 different finance sources have been used including rural village banks, input stores, cooperatives, buyers, NGO and municipalities. These are the formal loans. There are many informal loans, particularly between family members and intermediary buyers. Traditional banks do not normally work with this segment. Broken down by sex:

Total:	LOP Target: \$6.33	Achieved: \$7.826
Male:	LOP Target: \$5.38	Achieved: \$6.905
Female:	LOP Target: \$0.95	Achieved: \$0.921

Average loan size to date is \$1,191 with a minimum loan size of \$6 and a maximum of \$300,000; 15 percent of the total number of loans is less than \$100 while 60 percent are loans of less than \$500. More details on loans and lenders are provided in the Excel PMP file 09/2013.

Other related activities included:

- Development of finance options for yellow corn plantings with BANADESA, Monsanto (Visión 2020), Duwest and DISAGRO.
- Support to obtain several hundred RTNs from the DEI for growers (a requirement for loans).
- Elaboration of “constancias” for growers receiving technical assistance from the project to access finance.

USAID-ACCESO has worked with the World Bank COMRURAL project in different areas, including training of technicians and growers, but particularly through the business skills technicians providing

support to project client preparing profiles, business plans, cash flow projections, and counterpart sources. USAID-ACCESO has assisted clients to obtain COMRURAL funding totaling \$3.8 million, including:

- ECARI, Intibucá: L. 30 million
- ASOFAIL, Intibucá: L. 14 million
- APROCEL, Ocotepeque: L. 3.8 million
- COPRAUL, Ocotepeque: L. 3.02 million
- APANESA, Ocotepeque: L. 1.06 million
- Mi Tazita, Copán: L. 0.65 million
- CAEOL, Copán: 2.2 million
- INDUNOSA, Copán: L. 2.3 million

In addition, in Lempira and Santa Barbara, 17 organizations have received USAID-ACCESO assistance with COMRURAL proposals, 11 of which have approved funding totaling L. 20 million.

- Cooperativa Agrícola y Ganadera Valle Escondido Limitada (COAGAVEL), Petoa, Santa Bárbara.
- CR “La Finca”, Azacualpa, Santa Bárbara.
- CR “Agricultores de Azacualpa”, Azacualpa, Santa Bárbara.
- CR “Unión y Esperanza”, Macuelizo, Santa Bárbara.
- Cooperativa Agropecuaria San Francisco Unión Limitada (CASFUL), San Marcos, Santa Bárbara.
- Asociación de Agricultores y Ganaderos de San Marcos (AAGASM), San Marcos, Santa Bárbara.
- Empresa Asociativa Campesina Los Cocos, Gracias, Lempira.
- Cooperativa Mixta de Productores Integrados Limitada (COMPROIL), Lepaera, Lempira.
- Cooperativa de Servicios Agropecuarios Gualcinse Limitada (COSAGUAL), Gualcinse, Lempira.
- Cooperativa de Productores Agro-forestales de Erandique Limitada (COPRAFEL), Erandique, Lempira.
- Cooperativa Cafetalera Belén Limitada (COCABEL), Belén, Lempira.

It should be noted that not all of those receiving funding are direct USAID-ACCESO clients. In many cases, the project has assisted the institutions/organizations “certified” by COMRURAL to prepare the business plans.

**Note**, only \$197,256 of the \$3.8 million COMRURAL loans are included in the individual loans that USAID-ACCESO is reporting against targets. These are in addition to that reported directly by USAID-ACCESO.

### **PIRS #11: Number of MSMEs implementing sound business management practices**

A total of 4,498 MSME implemented sound business management practices this year against a target of 3,750. To date, 5,193 are counted against an overall target of 4,445. To count as an MSME toward this indicator, the MSME has to implement a minimum of three of the following business management practices:

- Access to credit
- Annual accounts (internal or external)
- Annual audits (internal or external)
- Break-even point analyses
- Budgeting (operative / investment)
- Business operations
- Cash flow operations and control

- Credit scoring
- Financial indicator analysis
- Financial links
- Inventory controls
- Legal procedures/documentation
- Payroll systems and controls
- Promotional activities (materials, trade shows)
- Recordkeeping
- Sales records and control
- Tax management

This indicator was measured as part of the sampling procedures and was extrapolated to the USAID-ACCESO clients registered as of March 2013.

*Policy and value chain sector constraints identified and eliminated*

Prioritized policies and value chain/sector constraints were identified through a short-term consultancy finalized in December 2011. This activity identified the needs and feasibility of adjustments, changes, and additions in prioritized areas of agricultural policy in force, and in selected administrative procedures and requirements to produce, market, process and export agricultural products and derivatives, which are needed to remove obstacles or barriers that affect the growth and competitiveness of USAID-ACCESO clients in the domestic and foreign markets.

The most important problems identified related to policies, rules or regulations, were found primarily in the area of access to credit, access to technologies and agricultural extension services, market access and business practices, food safety and plant/animal health, the coffee value chain, access to land or titles, and institutional aspects of the Ministry of Agriculture and Livestock (SAG).

In terms of administrative barriers, the most significant problems identified were related to the high costs, requirements and time required for registrations (legal, statutes, regulations, etc.), and procedures for exports or imports agricultural products and inputs.

Of the policy barriers identified, 11 were prioritized in 7 agricultural policy areas, in addition to 11 prioritized administrative barriers. Activities under this component with a full time policy specialist were initiated in April 2012. To date, more emphasis has been given on policy activities than the barriers, given the amount of time and work required to change, develop and implement policies.

<b>Table 33. Status: Policy and Value Chain Sector Constraints</b>								
PIRS/ WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Total to Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #16: Number of value chain / sector constraints identified and resolved (LOP Target 40):								
	-	-	15	1	24	16	25	17
PIRS #17: Number of policy reforms, regulations, administrative procedures passed for which implementation has begun with USG assistance (LOP Target 4):								
	-	1	1	2	1	3	4	5

**PIRS #16: Number of value chain / sector constraints identified and resolved**

During the year 16 value chain/sector constraint were resolved, against a target of 25 (for a total to date of 17 barriers against a target of 25). The following value chain/sector constraints have been resolved as a direct result of, or with USAID-ACCESO assistance:

- Legalization process for MSMEs.
- Simplification of export permit processes to regional markets of agriculture products.
- Reform of the operational guidelines of the MCA-H/ACA Trust Fund for Farmers' Credit Access (via Policy Measures to Expand Credit Service to Farmers).
- Normative evaluation and classification of the loan portfolio issued by the National Banking and Insurance Commission (via policy measures to expand credit service to farmers).
- Agricultural Insurance operated by BANADESA (via policy measures to expand credit service to farmers).
- Streamlined process for the establishment and operation of water administration boards.
- Streamlined process for the registration of poultry farms engaged in the production of poultry meat and eggs.
- Official recognition of corn production manual under integrated crop management in order to harmonize and improve the quality of agricultural extension services.
- Official Recognition of Bean Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Reform of the operational guidelines of the MCA-H Trust Farmers' Credit Access (ACA) to finance projects in the cattle value chain.
- Reform of the operational guidelines of the MCA-H Trust Farmers' Credit Access (ACA) to finance projects in the chicken value chain.
- Reform of the operational guidelines of the MCA-H Trust Farmers' Credit Access (ACA) to finance projects in the coffee value chain.
- Reform of the operational guidelines of the MCA-H Trust Farmers' Credit Access (ACA) to finance projects in the agricultural inputs value chain.
- Development of credit access mechanism for small producers assisted by USAID-ACCESS with trust funds managed by BANADESA.
- Reform of the operational guidelines of the MCA-H/ACA Trust Farmers' Credit Access (ACA) for the qualification of new financial intermediaries.
- Executive Order to facilitate access to credit to MSMEs without collateral.
- Socialization of objectives, use and operation of the mobile guarantee register.

While this is behind target, there 6 to 7 are in process of being resolved, and with the policy reforms, other constraints will be resolved.

**PIRS #17: Number of policy reforms, regulations, administrative procedures passed for which implementation has begun with USG assistance**

During the year 2 policy reforms, regulations, and/or administrative procedures have been passed for which implementation has begun with US government assistance, against a target of 1 (for a total to date of 5 barriers against a target of 4). These are as a direct result of, or with USAID-ACCESO assistance:

- Country Investment Plan for the Agricultural Sector.
- Copyright law for protection for plant materials.
- Sector policy paper (FENAGH & COHEP) of actions to eliminate political and administrative barriers that limit sector growth.
- Regulation of Agricultural Mutual Guarantee Fund (Fagre) to facilitate access to credit to MSMEs.
- Policy Measures to Expand Credit Services to Farmers (approved by Council of Ministers).

## **PIRS #GNDR 2: Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources.**

This indicator was added in for Year 3 (October 2012 to September 2013).

- Value of loans to date total \$7,826,233, of which \$921,645 were to women (equivalent to 12 percent).
- The number of individuals receiving loans to date total 4,718, of which 819 were women (equivalent to 17.4 percent, against a target of 17 percent).
- The number of loans to date total 6,727, of which 1,151 were to women (equivalent to 17 percent).

*Applied research and development programs developed*

### **FHIA**

Applied research programs in technical areas to support USAID-ACCESO's production activities and crops are currently being carried out 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.

During the previous quarter the *Research in Nematode Distribution in Soil and Irrigation Systems* project proposal with EAP Zamorano was initiated.

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 September 2013 is as follows:

Research activities with FHIA have continued this year with additional research being sought with a corn planting study to determine the best planting date for this crop. The data will be obtained from planting corn for 52 consecutive weeks and measuring harvest yields individually. This information will be of great importance in determining the best date for planting this crop in Honduras, as well as for financial institutions and the Honduran government to program their financing efforts accordingly to ensure the best yields possible in the field.

Current activities include:

1. Bacterial wilting in *solanaceas*. The second phase of this study has concluded in the field. Final reports are expected next quarter.
2. Optimization of drip irrigation to improve pest control in soil and general agrichemical applications. This study is expected to conclude next quarter. Trials to date indicate that using two drip irrigation tapes per bed provide 51 percent coverage of products in the soil, while using only one tape provided 31 percent only.
3. Improvement in pesticide application and in its effectiveness in peppers, tomato and onions. Conclusions of this activity indicate that motorized crop spraying is more effective than manual pump crop spraying. Trials were conducted on pepper plantations. Final report of this activity will be delivered the first quarter of 2014.
4. Effects of planting Curaré plantain on raised beds. This activity concluded that there are no significant benefits to planting this plantain variety on raised beds. If anything this could increase costs only. FHIA is going to repeat this trial of their own cost to verify these findings.

5. Evaluation of different types of limestone, time of application, and dosage in potato. The potato lot used for this activity was lost due to bacterial wilting. It will be repeated starting next quarter using lettuce. Final results are expected in March 2014.
6. Agricultural behavior of different types of yellow onion at different seasons and their shelf life. These studies have concluded and results will be available the following quarter. The information from this activity has provided insight into what are the best varieties of yellow onion to plant and which has the longest shelf life.
7. Virus in main *solanacea* crops grown in USAID-ACCESO regions. The following conclusions were made from this activity, which is still pending results from additional trial samples:
  - a. The percentage of positive samples was lower this year than last, probably due to the season of the year when they were collected.
  - b. 67 percent of the infected samples were *Begomovirus*, transmitted by the white fly. This tendency coincides with initial results indicating that this is the main vector for this virus.
  - c. The lowest incidence of virus infections was detected in La Paz. This could be due to the wide variety of horticultural crops grown in this region as well as the season when the samples were collected.
  - d. Weeds continue to be an important factor in the reproduction of virus transmitting vectors.
  - e. As of June, a total of 69 samples had been sent for analysis and results are still pending.

### EAP Zamorano

Nematode displacement in soil and nematode distribution in irrigation systems. 95% of field activities have concluded for these investigations. Final report pending in the following quarter.

### 5.3. HONDURAN BIODIVERSITY & NATURAL RESOURCES CONSERVED (IR 2.2)

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.

Table 34. Status: Natural Resources Conserved								
PIRS/WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Total to Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #8: Number of additional hectares under improved technologies or management practices as a result of USG assistance (LOP Target 14,904):								
	-	-	2,981	8,321	3,000	7,693	11,321	16,014
PIRS #10: Number of companies (including farms) that have made conservation-friendly changes in their business practices (LOP Target 22,050):								
	-	-	4,410	356	8,750	351	9,106	707

*Implementation of natural resource management practices on farm*

**PIRS #8: Number of additional hectares under improved technologies or management practices as a result of USG assistance.**

During the year, 7,693 hectares of production were under improved technologies or management practices, against a target of 3,000 hectares. To date, 16,014 hectares are under improved technologies, against a target of 11,321. This indicator was calculated with data from the client survey and extrapolated to the clients registered with the project up to March 2013. The 16,014 hectares broken down by sex – 14,030 hectares by male clients (88 percent) and 1,984 by female clients (12 percent).

**PIRS #10: Number of companies (including farms) that have made conservation-friendly changes in their business practices.**

During the year, 346 companies have made conservation-friendly changes, against a target of 8,750. To date, 707 companies have made the changes, against a target of 9,106. This indicator was calculated with data from the client survey and extrapolated to the clients registered with the project up to March 2013. To be counted toward this indicator the company has to implement a minimum of 5 changes (from the predefined list). This is behind target due mainly as the five changes requirement was included after the target was set. USAID-ACCESO type clients cannot make all of the required changes over a short period of time.

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*

During the life of project, USAID-ACCESO will work with at least 20 municipalities to develop and implement natural resource management policies. The USAID-ACCESO natural resource management team has developed activities with 64 municipalities (increased from 42 in September 2012). 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 now been implemented by these municipalities and community involvement is high. Assisted municipalities have made significant progress and are in different stages of the process, from awareness to implementation.

The project is currently working with 64 municipalities in this area, of which 24 municipalities have achieved the project criteria for successful implementation during the current year (against a target of 10). To date, 31 municipalities are implementing the required practices, against a target of 17. The LOP target of 20 for this indicator has been surpassed.

### SELECTED NRM SNAPSHOTS

- Activities to reduce the contamination from coffee waste are paying off. The use of microorganism to treat coffee pulp has been introduced to both large-scale beneficiaries and small-scale farm operations. In Copán and Ocotepeque, four coffee processing operations alone processed 11,500 ton of pulp and 3,600 cubic meters of waste water (*aguas mieles*). This has reduced contamination, eliminated odors from oxidation ponds, avoided the proliferation of vectors, and will produce organic fertilizer.
- Several municipalities and *mancomunidades* in Intibucá, La Paz, and Lempira have established microorganism “banks” to make them available to coffee growers.
- In Intibucá, 260 hectares in three watersheds were mapped and marked in coordination with a municipality and five community water boards as part of the development of municipal regulations for water catchments areas.
- Two community potable water system studies carried out by the project are now in the process of analysis for possible funding by municipalities, NGOs, and the government.
- With project guidance and technical support, two small-scale garbage recycling enterprises have been set up in Intibucá. Both are sorting plastics and tins for sale locally.
- Seven water sources benefitting 3,629 individuals in San Isidro, Intibucá are officially under protection as a result of project technical assistance.
- Reforestation of five hectares with timber species such as oak, mahogany, granadillo, in three municipalities of Santa Barbara. An additional 4 hectares were planted with pine in Palisal, Intibucá.

**Table 35. Status: NRM Practices at Community and Municipal Levels**

PIRS/WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sep. 2013)		Total To Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS # 9: Number of Local Municipal Governments effectively implementing natural resource management policies (LOP Target 20):	-	-	7	7	10	24	17	31

Per the indicator’s precise definition, a municipality is counted once implementation of 4 out of 6 of the following NRM practices have begun:

- Coffee waste
- Solid waste disposal
- Forest fire prevention
- Legalization of water producing zones
- Watershed protection / reforestation
- Basic sanitation and water treatment

The municipalities that have achieved and are implementing four or more practices, as of September 2013, are:

- Intibucá: San Isidro, Jesús de Otoro, Intibucá, Yamaranguila, San Marcos De La Sierra.
- La Paz: Santa Elena, Guajiquiro, Opatoro.
- Lempira: La Unión, Tomalá, Erandique, La Iguala, San Manuel De Colohete, Tambla, Guarita, San José Guarita.
- Ocotepeque: Belen Gualcho.
- Santa Bárbara: Trinidad, Santa Bárbara, Quimistan, Las Vegas, Nueva Frontera, Protección, San Pedro De Zacapa.
- Copán: La Unión, San José, Santa Rosa, Trinidad, Santa Rita, Florida, Dulce Nombre.

Each of these municipalities is now implementing at least four NRM practices. An additional 9 municipalities are currently implementing 3 criteria, 20 are with 2, and 2 municipalities are implementing 1.

#### 5.4. CAPACITY TO MITIGATE AND ADAPT TO CLIMATE CHANGE STRENGTHENED (IR 2.3)

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

PIRS/WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Total To Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #28: Number of communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity (LOP Target 40):								
	-	-	15	11	20	50	31	61
PIRS #29: Number of rural micro-generation clean/renewable energy projects established (LOP Target 890):								
		4	351	724	100	1,094	828	1,822

##### 5.4.1. DISASTER VULNERABILITY REDUCED (SUB-IR 2.3.3)

*Development and implementation of disaster mitigation plans*

#### **PIRS #28: Number of communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity**

During the life of project, USAID-ACCESO will work with at least 40 communities to develop and implement adequate disaster prevention and mitigation capacity. The USAID-ACCESO disaster prevention team has developed activities with 75 communities (increased from 23 in September 2012). These communities were selected based on existing project presence, rates of poverty and child malnutrition, and high vulnerability to environmental disaster. Many disaster prevention and mitigation practices have now been implemented by these communities and community involvement is high. Assisted communities have made significant progress and are in different stages of the process, from awareness to full implementation.

The project is currently working with 75 communities in this area, of which 50 have achieved the project criteria for successful implementation during the current year (against a target of 31). To date, 61 communities are implementing the required practices, against a target of 31. The LOP target of 40 for this indicator has been surpassed.

Work under this component includes support to communities with high vulnerabilities in disaster prevention, mitigation, and preparedness. Reducing communities' disaster vulnerabilities will ultimately put USAID-ACCESO-assisted households in a position to increase their incomes or reduce losses during disasters.

#### **SELECTED DISASTER MITIGATION SNAPSHOTS**

- EDAN training of 229 persons from municipalities and CODEMs (in association with COPECO), in 76 municipalities; certifying 19 EDAN trainers in coordination with USAID/OFDA/LAC to further expand the training program.
- Eight wells were improved and 23 water filters distributed in response to the state of emergency declared by COPECO in Llano Largo, Lempira, due to the quality and quantity of the water source. This response benefitted 46 families. In addition, the CODEL and COPECO assisted with the distribution of hygiene kits, food ratios, and blankets while community members worked to improve road conditions.

Systems to reduce vulnerability to disasters are being implemented at the farm level with the introduction and implementation of the basic production practices. Activities under this component are targeted to reduce vulnerability to disasters at the community level. USAID-ACCESO is utilizing the small grants mechanism for select projects.

Per the indicator's precise definition, a community is counted once implementation of 6 out of 8 of the following activities has begun:

- Plans for local prevention and response (PLPR)
- Personnel trained to prepare and update PLPRs
- Risk mapping
- EDAN Capacity
- Early warning systems implemented
- Identification and management of emergency centers
- First aid systems
- Simulation exercises

The 61 communities (of a target of 31) which are implementing six or more practices, as of September 2013, are:

La Paz:

- Yurula: Tierra Colorada, Zacate Blanco, Cipres.
- Guajiquiro: Bajillal, Linderos.
- Opatoro: Florida Opatoro, El Sauce, Las Mercedes, Las Delicias, San Antonio, El Paraiso, El Matazano, San Manuel, Barrio Suyapa, Buenos Aires, Valle de Ángeles.

Intibucá:

- San Isidro: Macuelizo.
- Intibucá : Belen Manazapa.

Lempira:

- La Iguala: Llano Largo.
- San Manuel de Colohete: Nuevo Cedro, Poza Verde, Rancho Obispo.
- Tomala: Copante, San Marquitos.

Santa Bárbara:

- Santa Bárbara: Las Crucitas, El Zapote.
- Trinidad: El Higuito.
- Protección: Nuevas Delicias
- San Pedro De Zacapa: La Majada, La Isla

Copán:

- Santa Rita: Londres, El Rabinal, El Último Vado,
- San Juan de Opoa: Los Linderos.
- Florida: Las Juntas, Pueblo Nuevo
- Santa Rosa: El Mogote, El Derrumbo, Sector San Miguel.
- Dolores: Vega Redonda.
- San José: Buena Vista, El Porvenir.
- Dulce Nombre: El Limón, El Zapote.
- San Agustín: Cerro Negro

**Ocotepeque:**

- Belén Gualcho: El Paraíso, Tejeras, Belén Centro, Suyapa, El Calvario, El Magueyal, San Antonio.
- La Labor: Llano Largo, Pashapa, Santa Lucia, Rio Chiquito, El Azufrado, El Ingenio, Cerro Grande, San Antonio,
- San Marcos: Rio Hondo

Each of these communities is now implementing at least six disaster prevention and mitigation practices. An additional community is currently implementing five practices, three communities with four practices, four communities with three practices, one community with two practices, and five communities with one practice.

*Installation of renewable energy technologies***PIRS #29: Number of rural micro-generation clean/renewable energy projects established**

USAID-ACCESO's renewable energy component is focusing on promoting low-cost renewable technologies for individual rural households and selected nutrition training centers. Priority project support is being given to investments that provide energy for individual households and health training centers and clinics.

During the year 1,094 renewable energy projects were installed, against a target of 100. To date, 1,822 project shave been installed against a target of 828 (and a LOP target of 890). These are as follows:

<b>Renewable Energy - Type</b>	<b>Number</b>
Solar Dryers	336
Bio-digesters	102
Eco-justa cooking stoves	1,336
Solar panels	47
Ram pump	1
<b>Total</b>	<b>1,822</b>
<b>Note:</b> These include 168 ecofriendly cooking stoves and five solar panel systems installed by the University of Florida/USAID trilateral project.	

This activity is being carried out in close coordination with both the production and nutrition components. Solar dryers are being installed in key areas with coffee production with drying systems being implemented to add value and generate additional income; they are also being used to dry corn and beans, allspice, loofah and cashew. This activity will continue to expand in the upcoming 2013/2014 harvest season. Biodigesters are being installed with households who work under the production component with cattle (mainly for milk production). The gas produced with the biodigester is being used for both cooking and for lights (the latter being completely new in Honduras). The eco-justa cooking stoves are being installed in households prioritized by the nutrition component, focusing principally on those households with children under two years old. In addition to the installation, the project is giving training on use and maintenance of all the systems to ensure that they are operated correctly. Eco-justas are also being installed in the nutrition training centers established by the project. Additionally, trainings have been directed to staff of NGOs and municipalities on the installation of the renewable energy systems.

To date, a total of \$177,374 has been invested in renewable energy projects, of which \$119,040 is from the household clients, \$58,334 from others (NGOs, municipalities), and \$109,571 by USAID-ACCESO. The high leverage of investment from beneficiaries and other counterparts will allow for a larger number 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.

During the year 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. This includes the collaborative activities carried out with the University of Florida/USAID Trilateral Agreement, where the project technicians work closely with USAID-ACCESO and install renewable energy projects with USAID-ACCESO client households and nutrition training centers. To date, this has focused on the installation of eco-justa stoves and solar panels in USAID-ACCESO nutrition training centers. The activities will be expanded to include the solar dryers being recommended by USAID-ACCESO.

## 5.5. USE OF QUALITY MATERNAL AND CHILD HEALTH AND FAMILY PLANNING SERVICES INCREASED (IR 4.1)

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).

The status of 7 of 11 indicators under this IR are presented in September 2013. These are provided in Table 38.

<b>Table 38. Status of Nutrition and Health Indicators</b>						
Indicator	Baseline (Aug. 2011) <sup>1</sup>	Sept. 2012	Difference		% reduction/increase from baseline	
			Sept. 2012	Sept. 2013	Sept. 2012	Sept. 2013
PIRS #19: Prevalence of underweight children under 5 <sup>2</sup> (Target Sept. 2013/LOP -5% (-20%)):						
	22.00%	16.74%	-5.26%	-7.44%	-23.92%	33.77%
PIRS #21: Percent of children 6-23 months that received a Minimum Acceptable Diet (LOP Target +30%)						
				60.6%		
PIRS #22: Prevalence of exclusive breast feeding of children under 6 months <sup>3</sup> (Target Sept. 2013/LOP +5% (+20%)):						
	92.24%	96.37%	+4.13%	+3.65%	+4.47%	+3.95%
PIRS #23: Prevalence of anaemia among women of reproductive age (LOP Target -5%) <sup>4</sup>						
		27.7%		-0.1%		0%
PIRS #24: Prevalence of anaemia in children 5 - 59 months (LOP Target -20%) <sup>4</sup>						
		35.4%		+2.6%		+7.34%
PIRS #25: Women's dietary diversity: mean number of food groups consumed by women of reproductive age <sup>5</sup>						
				+4.3%		+4.3%
PIRS #27: Modern contraceptive prevalence rate <sup>6</sup> (Target Sept. 2013/LOP +3% (+10%)):						
	27.51%	30.59%	+3.08%	+28.49%	+11.21%	+103.56%
<sup>1</sup> , PIR#19 and PIR#22 baseline from AIN-C data for the communities with USAID-ACCESO nutrition intervention. <sup>2</sup> , PIR#19 data collected monthly with health monitors for the communities with USAID-ACCESO nutrition interventions; data collected by health monitors only for children under 2 years old. <sup>3</sup> , PIR#22 data collected monthly with health monitors for the communities with USAID-ACCESO nutrition interventions <sup>4</sup> , Anaemia indicators with baseline date of August 2012 (data collected by USAID-ACCESO). <sup>5</sup> , Baseline September 2012 HH survey with 3.4 groups. <sup>6</sup> , PIR#27 baseline from USAID-ACCESO client sample survey for those households with a minimum of six months between survey interviews.						

**PIRS #19: Prevalence of underweight children under 5**

Significant advances have been made in reducing acute malnutrition. The number of children (under two years old) under the third percentile was reduced from 22.0 percent in August 2011 (936 of 4,253 children) to 16.7 percent in September 2012 (796 of 4,754 children) and 14.6 percent in September 2013 (626 of 4,296 children). This represents reductions of 23.9 and 33.8 percent from baseline for September 2012 and 2013, respectively. Since AIN-C program ceased operation in 2012, USAID-ACCESO has worked directly with the health volunteers to continue growth monitoring activities, improve the skills of community health volunteers to weigh children and record data as well as to provide training and services to the mothers. The data presented is collected on children less than 2 years of age (not on children less than 5 years of age) by project nutrition and health staff during growth monitoring sessions in prioritized communities where the USAID-ACCESO nutrition component is implemented. It should be noted that the communities where USAID-ACCESO is working are those with the highest levels of malnutrition; improvements in these communities will have positive effect on the reduction of overall department figures. Data by department and month are given in Tables 39 and 40 (additional data is provided in the ACCESO PMP Excel file, 09/2013).

Department	# children < 2 years			# children under 3 <sup>o</sup> percentile			%		
	Aug. 2011	Sept. 2012	Sept. 2013	Aug. 2011	Sept. 2012	Sept. 2013	Aug. 2011	Sept. 2012	Sept. 2013
La Paz	634	603	669	123	102	73	19.4	16.9	10.9
Intibucá	629	793	750	185	191	124	29.4	24.1	16.5
Lempira	1,260	1,177	979	293	165	136	23.3	14.0	13.9
Copán	424	950	838	112	162	145	26.4	17.1	17.3
Ocotepeque	419	636	427	92	113	84	22.0	17.8	19.7
Santa Barbara	887	595	630	131	63	64	14.8	10.6	10.2
<b>Total</b>	<b>4,253</b>	<b>4,754</b>	<b>4,293</b>	<b>936</b>	<b>796</b>	<b>626</b>	<b>22.0</b>	<b>16.7</b>	<b>14.6</b>

Month/Year	# Children < 2 years old	# Children under the 3 <sup>o</sup> percentile	%
Aug-11	4,253	936	22.0
Mar-12	4,419	834	18.9
Apr-12	4,700	892	19.0
May-12	4,944	902	18.2
Jun-12	4,664	879	18.8
Jul-12	4,972	950	19.1
Aug-12	4,895	916	18.7
Sep-12	4,754	796	16.7
Oct-12	4,835	780	16.1
Nov-12	3,815	703	18.4
Dec-12	3,615	649	18.0
Jan-13	3,911	645	16.5
Feb-13	3,903	634	16.2
Mar-13	4,042	648	16.0
Apr-13	4,191	682	16.3

<b>Month/Year</b>	<b># Children &lt; 2 years old</b>	<b># Children under the 3<sup>o</sup> percentile</b>	<b>%</b>
May-13	4,207	649	15.4
Jun-13	4,299	649	15.1
Jul-13	4,260	663	15.6
Aug-13	4,403	651	14.8
Sep-13	4,296	626	14.6

Project implementation strategies for the treatment and prevention of malnourished children less than 2 years of age are the same in all six departments. Though all six departments has demonstrated a decrease in the rate of malnourished children less than 2 years of age over the three-year period, it is important to note the results of project implementation strategies in Intibucá where the rate has reduced from 29.4 percent in 2011 to 16.5 percent in 2013.

Overall, the progress for this indicator is very positive and indicates that project implementation strategies and methodology is working – prioritized communities and population focusing on mothers and children attending the AIN-C groups, targeting mothers for counseling on child nutrition, training and demonstrations for food preparation, targeting family households with malnourished children for regular home visits to refresh mothers knowledge of food preparation and feeding practices for the malnourished child and ensure they are being put into practice, among others.

Two key challenges the project face for the upcoming period is the expansion of nutrition and health services to other communities while sustaining results obtained to date among currently attended population, and the identification of mechanisms through which proper food consumption of children less than 2 years is sustained during the coffee harvest season in order to prevent a reversal of these results, as many mothers leave their homes to harvest coffee, and leave children to be cared for by others or take them along exposing them to longer periods of hunger in addition to limited access to proper food sources for the child. During the upcoming quarter, USAID ACCESO's nutrition and health specialists will coordinate closely with the production team to identify communities to which services will be extended. Strategies to improve proper child feeding during coffee harvest season is currently being explored and collaboration with providers of *Nutributter*, a nutrient rich food supplement has been initiated.

#### **PIRS #21: Percent of children 6-23 months that received a Minimum Acceptable Diet**

USAID-ACCESO nutrition and health staff conducted a survey among mothers of children 6-23 months of age who attended the growth monitoring sessions during the month of September 2013 to assess the status of the minimum acceptable diet among children 6-23 months of age. Of the total 449 children subject of the survey, 272 were receiving the minimum acceptable diet (61 percent). Of these 449, 347 were receiving breastfeeding of which 222 (64 percent) were receiving a minimum acceptable diet. Of the 102 children who were not being breastfed, 50 (49 percent) were receiving a minimum acceptable diet. Data for this indicator was collected for the first time in September 2013.

#### **PIRS #22: Prevalence of exclusive breast feeding of children under 6 months**

The percentage of children receiving exclusive breastfeeding has increased from 92.24 percent baseline to 96.37 percent in September 2012 and 95.30 percent in September 2013. This represents 4.47 and 3.32 percent increases from baseline for September 2012 and 2013, respectively. Data by department is given in Table 41 (data by month is provided in the USAID-ACCESO PMP Excel file, 09/2013).

Department	# children < 6 months			# children with exclusive breastfeeding			%		
	Aug. 2011	Sept. 2012	Sept. 2013	Aug. 2011	Sept. 2012	Sept. 2013	Aug. 2011	Sept. 2012	Sept. 2013
La Paz	132	88	177	115	85	177	87.12	96.59	100.00
Intibucá	80	128	146	67	117	127	83.75	91.41	86.99
Lempira	285	148	160	269	141	154	94.39	95.27	96.25
Copán	93	147	159	90	143	146	96.77	97.28	91.82
Ocotepeque	80	103	100	77	103	97	96.25	100.00	97.00
Santa Barbara	NA	74	131	NA	74	131	ND	100.00	100.00
<b>Total</b>	<b>670</b>	<b>688</b>	<b>876</b>	<b>618</b>	<b>663</b>	<b>840</b>	<b>92.24</b>	<b>96.37</b>	<b>95.30</b>

No significant change can be observed in the overall prevalence of children breastfeeding exclusively in all six departments compared to results in 2012, which increased rates above the 2011 baseline. With the exception of Intibucá and Ocotepeque who experienced slight decreases in comparison to 2012, all other departments increased or maintained their rates.

### **PIRS #23: Prevalence of anaemia among women of reproductive age**

### **PIRS #24: Prevalence of anaemia in children 5 - 59 months**

PIRS #23 and PIRS #24 relate to the prevalence of anemia in women of reproductive ages and children under 5 years old. In August 2012, USAID-ACCESO technicians measured anemia levels in these two categories, and also in pregnant women, in communities prioritized for nutrition and health activities. This was carried out in the communities where the USAID-ACCESO nutrition component is operating. The results of this testing was used as the baseline for USAID-ACCESO.

In August 2013, nutrition and health technicians conducted blood testing for the following groups:

- Children who attended growth monitoring sessions in all six departments who was less than 2 years of age but had reached 1 year of age in August 2013.
- Women of reproductive age who attended growth monitoring sessions.

Table 42 presents the results for 2013 compared to baseline of 2012. Additional data for each department is provided in the ACCESO PMP Excel file, 09/2013.

Department	Women of Reproductive Age			Children < 2 years		
	# sampled	# with < 12g/dl	%	# sampled	# < 10.5g/dl	%
<b>Baseline August 2012</b>						
La Paz	34	10	29.4	23	9	39.1
Intibucá	47	16	34.0	21	8	38.1
Lempira	68	15	22.1	59	13	22.0
Copán	53	12	22.6	45	17	37.8
Ocotepeque	47	10	21.3	29	6	20.7
Santa Bárbara	69	25	36.2	35	22	62.9
<b>TOTAL</b>	<b>318</b>	<b>88</b>	<b>27.7</b>	<b>212</b>	<b>75</b>	<b>35.4</b>

<b>Table 42. Prevalence of Anemia In Women of Reproductive Age and Children Under Two Years Old</b>						
<b>Department</b>	<b>Women of Reproductive Age</b>			<b>Children &lt; 2 years</b>		
	<b># sampled</b>	<b># with &lt; 12g/dl</b>	<b>%</b>	<b># sampled</b>	<b># &lt; 10.5g/dl</b>	<b>%</b>
<b>Results August 2013</b>						
La Paz	37	14	37.8	25	12	48.0
Intibucá	90	35	38.9	53	26	49.1
Lempira	143	31	21.7	90	18	20.0
Copán	104	29	27.9	72	37	51.4
Ocotepeque	69	11	15.9	52	17	32.7
Santa Bárbara	47	15	31.9	37	15	40.5
<b>TOTAL</b>	<b>490</b>	<b>135</b>	<b>27.6</b>	<b>329</b>	<b>125</b>	<b>38.0</b>

**Anemia in children under 2 years old:** The baseline sample was carried out in August 2012 with 212 children less than 2 years of age, of which 75 had a hemoglobin level of less than 10.5 g/dl (the level considered as normal for this age group). Data showed that 35 percent of children sampled were considered anemic for the six departments. Santa Barbara presented the highest rate with 63 percent of children, followed by La Paz with 39 percent and Intibucá and Copan with 38 percent. The department of Ocotepeque has the lowest rate with 21 percent. This data is actually 2 percentage points lower than that of ENDESA, which reports 37.1 percent.

In August 2013, USAID-ACCESO conducted testing to 329 children less than 2 years of age in the six departments of which 38 percent (125 children) are anemic, compared to the baseline of 35 percent. Project health specialist attributes this increase in cases of anemia to the fact that health service providers attending these AIN-C groups as of March 2012 provided all children less than 2 years of age with iron and zinc supplements on a monthly basis, and by this, ensuring they received appropriate nutrients which ensured reduction of anemia. Copan presented the highest rate with 51 percent, followed by Intibucá with 49 percent and La Paz with 48 percent. Lempira's rate dropped from baseline of 22 percent to 20 percent and is also the department with the lowest rate of anemia in children less than 2 years of age during this period. It is important to note that rate of anemia in children less than 2 years of age also decreased in Santa Barbara from the baseline of 62.9 percent to 40.5 percent.

**Anemia in women of reproductive age:** the baseline sample was carried out in August 2012 of women of reproductive age - the mothers of children under 2 years that were sampled – of which 28 percent had a hemoglobin level of less than 12g/dl (the level considered normal in this group). This compares to the ENDESA figure of 16.5 percent for the same group. Intibucá was the department with the highest rate with 38 percent (also coinciding with the rate of children under two years in this department).

As with the baseline sample in 2012, this year's testing was carried out of mothers of children less than 2 years of age were selected for testing. Of the 490 women tested, 27.6 percent (compared to 27.7 percent at baseline) had a hemoglobin level of less than 12g/dl. Intibucá is the department with the highest rate of anemic women in reproductive age with 38.9 percent followed by La Paz with 37.8 percent and Santa Barbara with 31.9 percent which is a decrease from the baseline of 36.2 percent. Ocotepeque is the department with the lowest rate at 15.9 percent, which also decreased from the baseline of 21.3 percent.

**Conclusion:** These results indicate that the lack of timely provision of the respective micronutrients from health centers (in place of the health service providers with AIN-Cs) has had a negative effect and

that the project's efforts to introduce iron-rich foods into the diet have not been sufficient. During the upcoming year USAID-ACCESO must increase emphasis on promotion and demonstrations of incorporating iron-rich foods into the diet of children and women in reproductive age in a continuous and consistent manner. Quarterly testing of randomly selected age group members will be conducted, more emphasis on consumption of green-leafed sources available at the community, family plots will be expanded to include more green-leafed crops and the participation of pregnant women in training activities has to be ensured. In addition, coordination with corresponding health centers for timely provision of the respective micronutrients will be strengthened in an attempt to ensure provision of micronutrients.

### **PIRS #25. Women's dietary diversity: mean number of food groups consumed by women of reproductive age**

The number of food groups consumed at the household level was determined in September 2012 in client surveys carried out by the M&E team (98 percent of the client households sampled include women). The number of food groups average 3.4. The exercise was repeated in September 2013. The average was 3.54 food groups, representing an increase of 4.3 percent.

### **PIRS #27: Modern contraceptive prevalence rate**

The modern contraception prevalence rate increased from 27.5 (baseline) to 30.6 percent (September 2012) and 56 percent (September 2013) in USAID-ACCESO sampled clients with at least six months between the samplings. In August 2013, from a total of 4,316 women in the communities with project support, 2,417 responded positive to the use of modern contraceptives. This represents a 28.5 percentage point increase indicating a 103.6 percent increase over baseline.

It should be noted that the rate varies across the six departments, from 46.9 percent in La Paz to 70.8 percent in Santa Barbara. In some departments the topic is considered to be "tabu", while Santa Barbara is considered a more "urbanized" department where the women have a slightly different mentality compared to those more "rural" departments. In addition, during the year health centers have frequently been short of contraceptive supplies.

### **Selected Activities**

USAID-ACCESO beneficiaries are provided training in health and nutrition-related activities, complementary to assistance being provided in production systems and economic development where both components are present in the community. The project is working with nutrition activities in 217 communities in 99 municipalities, directly reaching a total of 2,631 households. Both men and women are receiving basic training in child care, prevention of illnesses, nutrition practices, keeping a healthy household, and family planning. Training subjects included exclusive 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.

Examples of activities carried out during the year under this component included:

- Training of health volunteers to improve capacities for data graphing and interpretation.
- Large-scale training campaigns through workshops on food preparation to ensure diet diversity, nutrient contents, balance and portions, including the use of locally available foodstuffs. To date, specialists and technicians under the nutrition and health component have carried out 3,287 training events with 50,731 participants (4,409 male, 46,322 female) on a wide range of topics. A total of 22,559 technical assistance visits were made to project clients on nutrition and health activities. During the quarter, 687 training events were held, with 10,607 participants (503 male, 10,104 female). Training topics emphasized this reporting period were feeding practices of the undernourished children less than two years old, preparation of high caloric foods, exclusive

breastfeeding for children under six months, family planning, and the consumption of vitamin- and nutrient-rich foods.

- The project is promoting and implementing activities to improve the availability of nutritious foods at the household level, selecting those families that present greater problems in this area. To date, more than 800 family plots have been established. These have been designed to ensure the availability of nutritious foods year round, with crops that produce their own planting materials. Harvests have already been made of sweet potato, green leaves, moringa and others.
- Setting up of nutrition training centers to expand outreach. As of September 2013 a total of 20 nutrition training centers have been equipped, installed, and are operational. These centers are used for monthly growth monitoring sessions conducted by health volunteers and for training activities with mothers and other caregivers. 20 additional centers are in the process of construction and equipping. Many of the centers (and the food preparation techniques taught) are also used daily for the preparation of school meals with ingredients donated by the WFP and USDA (USDA in Intibucá by CRS). The centers which are operational are:
  - Copán: Cedral Rio Blanco; El Porvenir Segundo; Yaruconte.
  - Ocotepeque: El Arco, Juhalaca, Copantillo
  - Intibucá: La Unión, Yamaranguila; Los Olivos; Pahizlal; San Pedro Lomas; Los Encinos; Belén Manazapa.
  - La Paz: Llano Alegre; Guascotoro; Guayabal; Santiago.
  - Santa Bárbara: Divisoria; El Jardin.
  - Lempira: San José del Ocotal; San Antonio.
- Developing a healthy home program to implement systems at the household level to prevent problems with child health. Focused initially on health volunteers and families with children less than 2 years old, changes are made at the household level (hygiene, stoves, floors, walls, water source inside the house, animals outside, etc.) which cause a major, quick and visual impact. A high percent of the low weights are due to illnesses – and most of these are preventable. A targeted household visit program has been developed to train, change and ensure implementation of improved practices. The healthy household activities program is being carried out in all prioritized communities. A total of 1,336 eco-justa stoves have been installed, mainly in households with children under the age of two. A low cost solution has been developed for covering dirt floors and walls with cement to reduce problems with dust, insects and lack of hygiene. Most rural houses which have piped water have access outside in the garden; activities have begun to bring water inside of the kitchen. Low cost household water filters have been distributed among families with children under the age of two. The project's natural resource management component has complemented this activity with land fill construction for solid waste management and systems for residual water treatment, both at the household level, and establishing chlorination systems of community water systems in some communities. In addition to the construction of eco-stoves, other activities continued during the quarter included potable water connections in kitchens, improvement of floors, walls, and the installation of transparent roof sheets to enable light entry; and, land fill construction for solid waste management in households.
- A total of 22,559 technical assistance visits to families of children under 2 years of age has been conducted by USAID-ACCESO health and nutrition technicians. During the quarter, 5,836 technical assistance visits to households and community nutritional training centers in 217 communities in 99 municipalities was carried out. Technical assistance visits this quarter focused on activities related to the Nutrition Recovery Therapy initiated the past quarter for children

less than 2 years of age who are malnourished: training and overseeing mothers and caregivers at the home level in the preparation of nutrient rich foods and a high caloric porridge based on a blend of corn, soy and beans, or a corn based porridge, and its administration to children less than two years of age who are malnourished. The Nutrition Recovery Therapy (NRT) consists of the incorporation of high caloric porridge based on CSB (corn, soy and beans) or on corn (depending on the availability of CSB) to the regular daily intake of foods available at the household level. CSB is distributed through community health centers to families with malnourished children in approximately 50 percent of the 26 communities where the NRT is being implemented. Project field technicians are conducting weekly household visits to the households of malnourished children to ensure the NRT is being implemented properly by mothers and caregivers, and to monitor the weight of the children.

Numerous technical training bulletins and a training manual for technicians and volunteers have been prepared, together with log books for use during the monthly child weighing meetings, in order to keep the AIN-C meetings on-going.

The household visit is the project's primary mechanism for delivering hands-on training and technical assistance to mothers on basic health knowledge and practices for childhood nutrition, personal and household hygiene, and food production and consumption. Household visits are primarily conducted by the project field staff with approximately 30 to 40 percent conducted by the community health volunteer (CHV). The importance of the household visit is much higher in the case of families with malnourished children for whom recommendations and training provided during the monthly growth monitoring sessions are not sufficient to result in behavior change. USAID-ACCESO will continue to train and motivate CHVs to prioritize and conduct household visits on a regular basis and work with staff from community health centers to improve supervision and support to CHV in their activities.

Activities are also being carried out with the training of mothers in the preparation of the "*merienda escolar*" in selected schools. USAID-ACCESO has shared this approach with the Ministry of Health, USAID-ULAT and selected decentralized services providers working in the project target area.

#### *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 210 communities. 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 was sourced in April 2012, and distributed in this past year to selected health centers to equip them to manage acute malnutrition. A total of 20 Centers for Management of Acute Malnutrition (CMAM) has been equipped and are operational. During the past quarter, project nutrition and health technicians, community health centers staff and community health volunteers continued the delivery of the primary health care services to targeted communities on a monthly basis, utilizing the equipment of the CMAMs. Primary health care services include administration of dietary supplements, vaccines, prenatal care, and training of mothers and other caregivers in family planning, nutrition, and breastfeeding. The 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 Quelacasque, 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

## 6. SUPPORTING ACTIVITIES

### 6.1. 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 Community Technical Units (CTUs) were operational. The final CTU was finalized in January 2012.

Project staff turnover during the past year has been high, particularly at the junior level. With relatively low salaries and low annual increases, it is difficult to retain staff; after they have been trained by the project, they are frequently taken up by other organizations who offer improved salaries and less work pressure to accomplish targets. During the reporting period, project management continued to work closely with subcontractors to identify reasons for staff turnover and ensure proper measures are put in place to address the issues. During the last two quarters 15 field staff had to be replaced. Some initiatives to improve staff motivation and promote job satisfaction among all levels of staff are in place and will be expanded during upcoming quarters.

Internal audits of the five main subcontractors and eight small subcontractors are carried out by Fintrac home office, together with local administrators on an annual basis at a minimum. During this period one desk review and one on-site field audit were conducted. Invoices, documentation, and bank reconciliations were reviewed in all cases. Observations and recommendations were provided.

Additional data entry personnel were hired in January 2012 to meet M&E requirements. A policy specialist and a communications specialist were hired in the second quarter of 2012. Delays with tax exoneration documentation resulted in delays of equipment purchases related to health and nutrition and irrigation grant activities.

### 6.2. 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 major advancements in their regions, and to collect information on assisted client households. Specific activities carried out during the period include:

- Participation on FTF Agricultural Indicators webinars.
- Emphasis has been made to collect FY2013 EOH forms and BL follow-up from all sampling clients.
- Data entry technicians continued registering in CIRIS: BL, BL follow-up, EOH forms and trainees lists collected on field.
- New CIRIS reports were prepared.
- Quarterly reports were prepared based on performance indicators sheets.
- PMP monitor was updated including achievements for Q3 FY 2013.
- Activity, results and status reports were prepared for subcontractor's feedback and follow-up.
- Continue providing feedback and training on CIRIS, especially for new staff.
- M&E specialists have participated at all department level meetings, presenting CIRIS reports and providing critical feedback on project progress.
- Ongoing training was provided as required by project employees on M&E systems and data collection.

- Continuous performing maintenance of the CIRIS database.
- Participate in meetings with technical production staff to evaluate performance against results, and to prepare strategies to improve data registering on CIRIS.
- M&E Director participated in interviewing AIN-C participants to collect diet diversity data for children less than 2 years old.
- Data entry and analysis for N&H survey (diet diversity).
- Inputs for monthly and quarterly reports were prepared.

During the reporting period, USAID-ACCESO began planning activities for the implementation of a communication mechanism that would allow massive messaging from field technicians to clients on a regular basis. Service providers were contacted for quotes and negotiations were conducted without satisfactory results. In addition, a request was made by IFPRI for the project to add an activity relating to text messages. This has not been done as the local systems are limited to individual carriers and messaging costs are high. Other opportunities for this activity are currently being explored with TIGO, but there is no indication of a successful result that can be reported.

### 6.3. SMALL GRANTS, SUBCONTRACTS AND ALLIANCES PROGRAM

Small grants fund activities were expanded throughout the year and in the last quarter, especially with irrigation installation and community health related activities. Activities during the past year focused on the development of technology and partner funds in marketing, production, postharvest, nutrition and health, and disaster mitigation. It should be noted that large scale irrigation projects, needed for the economic development component, were initiated in the previous year and will continue through the upcoming year as these activities require that growers comply with certain requirements for eligibility such as: demonstrated commitment by their actions, has passed through at least one crop cycle, followed recommendations and are committed to change traditional practices. Contributions through cost sharing are secondary to these requirements.

- # Technology fund / grants to households: Year 3 - 6,350 grants; to date – 12,841 grants
- Nutrition & health grants: Year 3 – 5 grant activities; to date – 11 grant activities
- Disaster mitigation/NRM: Year 3 – 5 grant activities; to date – 9 grant activities
- Renewable energy: Year 3 – 230 grant activities; to date – 1,649 grant activities (with project funds)

A summary on the small grants and sub-contracts made is provided in Table 43.

Activity	Area	Date	#	Status	HH total to date	Orgs/ MSMEs
Installation of Photovoltaic Systems (33)	R. Energy	Nov-11	TF 2011-01	Completed	32	1
Solar Dryers (300)	R. Energy	Nov-11	TF 2011-02		253	
Installation of Small Scale Biodigesters (120/240)	R. Energy	Jan-12	TF 2011-03		91	
International Marketing Jumpstart (20)	Marketing	Nov-11	TF 2011-04			4
Installation of MSME Training Kitchen (400)	MSME	Nov-11	TF 2011-			

<b>Table 43. Small Grant and Subcontracts Program</b>						
<b>Activity</b>	<b>Area</b>	<b>Date</b>	<b>#</b>	<b>Status</b>	<b>HH total to date</b>	<b>Orgs/ MSMEs</b>
			05			
Construction of Eco-Stoves (Eco-Estufas) (500)	Nutrition	Nov-11	TF 2011-06	Completed	500	
Herb Seeds (230)	Production	Dec-11	TF 2011-09		3	
Snow and Sugar Snap Pea Seeds (320)	Production	Jan-12	TF 2012-02		311	
Allspice Thresher and Cleaners for COAPIGOR (48)	Production	Mar-12	TF 2012-03			2
Irrigation Equipment (1,500)	Production	Mar-12	TF 2012-04		311	
Pea Packing Plant Equipment (200)	Production	Apr-12	TF 2012-05	Completed		1
Weather Stations (6)	Production	May-12	TF 2012-06	Completed		6
Nutritional Training Centres - Equipment (40)	Nutrition	Apr-12	TF-2012-07		20	
Improving Rural Health Centre Capacity to Manage Under-Nutrition	Nutrition	Apr-12	TF-2012-08		20	
Bean Seeds (2,100)	Production	May-12	TF 2012-09		1,575	
Improved Diet Diversity in Households (Parcelas) (1,000)	Nutrition	Jul-12	TF 2012-10		1,074	
New Crop and Product Development	Production	May-12	TF 2012-11		704	6
Box Culvert Materials, Intibuca	NRM/ Disaster	Jun-12	TF 2012-12	Completed	1	
Irrigation Phase II (885)	Production	Jul-12	TF 2012-13	Completed	1,441	
Household Water Filters (600)	Nutrition	Jul-12	TF-2012-14		578	
Kitchen Water Connections (1,000)	Nutrition	Aug-12	TF-2012-15		624	
Construction of Eco-Stoves (Follow-Up) (500 + 80 CEN)	Nutrition	Sep-13	TF-2012-16		447	34
Biological Pest Control for Coffee (480)	Production	Sep-12	TF-2012-17	Completed	200	
Floor & Wall Improvements (1,000)	Nutrition	Oct-12	TF-2012-18		860	
Strengthening Market Associations (12)	Marketing	Oct-12	TF 2012-19		1	
Agromercados Agricultural Fair	Marketing	Oct-12	TF 2012-20			7
Yellow corn seed (4,000)	Production	Nov-12	TF 2012-22		2,234	
Crop Competitions	Production	Nov-12	TF 2013-23		1	
Water Systems Improvement	NRM/ Disaster	Nov-12	TF 2012-21	On-going		17
Training Workshops	Misc	Jan-13	TF 2013-24		73	

<b>Table 43. Small Grant and Subcontracts Program</b>						
<b>Activity</b>	<b>Area</b>	<b>Date</b>	<b>#</b>	<b>Status</b>	<b>HH total to date</b>	<b>Orgs/ MSMEs</b>
Training Materials and Equipment for CODELs (60)	NRM/ Disaster	Feb-13	TF 2013-25	Ongoing		
Road Rehabilitation Opatoro	NRM/ Disaster	Feb-13	TF 2013-26	Completed		1
Irrigation Systems - Phase III (1,449)	Production	Jun-13	TF 2013-27			
Greenhouses – El Maestro en Casa- Intibucá (1)	Production	Feb-13	TF 2013-28	Completed		1
Home Improvements Follow Up (1,000)	Nutrition	May-13	TF 2013-30		408	
Improving Diet Diversity Through Access to Animal Protein (318)	Nutrition	May-13	TF 2013-31		318	
Water Tanks & Latrines (380)	NRM/ Disaster	May-13	TF 2013-32			
Improving Diet Diversity Through Access to Animal Protein-Goats (13)	Nutrition	Jul-13	TF 2013-33		13	
Solar Coffee Drier Technology- Phase II (600)	Production	Jun-13	TF 2013-34			
Value added equipment (40)	MSME	Jul-13	TF 2013-35			
FHIA. Research and Development for Increased Productivity	Production	Nov-11	PF 2011-02			
ICADE. Disaster Mitigation (EDAN) Training (90)	NRM/ Disaster	Apr-12	PF 2012-02		282	
UNITEC. MSME Formalization & Training (200)	MSME	May-12	PF 2012-03		128	
Agroindustrias Del Corral. Cattle Production Program (40)	Production	Nov-12	PF 2012-04		6	
Boncafe. Specialty Coffee Program (600)	Production	Nov-12	PF 2012-05		163	
R&D for Nematode activity in drip irrigation systems and soil	Production	Nov-12	PF 2012-05			
Bakery Workshops (Ana Dilet Manzanares) (75)	MSME	Nov-11	FPC 2011-01		60	
El Gourmet Katracho Promotional Cooking Events	Marketing	Aug-12	FPC 2012-01	Completed	109	
Potable Water Studies for Two Communities - Santa Bárbara (Marvin Trejo)	NRM/ Disaster	Sep-12	FPC 2012-02	Completed		4
Potable Water Studies for Two Communities- Intibucá & Lempira (Rigoberto Sandoval Reinbold)	NRM/Disaster	Sep-12	FPC 2012-03	Completed		4
10 Mitigation Studies (Oscar Carbajal)	NRM/Disaster	Sep-12	FPC 2012-04	Completed		12
Legalization of Micro, Small and Medium Enterprises (MSMEs) (Bufete Eduardo Pinto Chinchilla) (81)	MSME	Jun-13	FPC 2013-06	Ongoing		

## 6.4. 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 and numbers include:

- 20 percent of the project's client households are registered as women clients (7,009 clients). Note – these are not necessarily women headed households. These are the persons registered as receiving direct assistance from the project. The household can contain men, but they are not receiving assistance or are not the principal project client in the household. 96 percent of client household are “men and women” (not necessarily a “couple”), while 2 percent a women only and 2 percent are men only.
- 13,642 of the 44,504 individuals that have received project agricultural sector productivity or food security training are women (30.7 percent).
- Fintrac gender specialist carried out focus groups with client households to determine roles, responsibilities, division of labor and decision making for household expenses and investments.

## 6.5. IFPRI

IFPRI has been contracted by USAID to carry out selected M&E activities and impact evaluations. As of September 2013, IFPRI has conducted the baseline survey and the midterm evaluation among USAID ACCESO client households. USAID-ACCESO's involvement with IFPRI has been as follows:

- Participation in an IFPRI presentation on baseline data.
- Comments provided on baseline data report.
- USAID-ACCESO client data provided when requested in 2012 and 2013.

## 6.6. COMMUNICATIONS

During the year, the project expanded press coverage. These included:

- Weekly slot on a morning news program on the main national TV channel. This was repeated in the late evenings. Each three-minute segment covered various technical areas and results through interviews with clients, project technician and video footage. Video clips can be found on the project internet and intranet sites.
- Participation in technical programs on the government channel, including corn production, pest and disease control and marketing.
- Project participation in numerous exhibitions and trade events including coffee, fresh produce, gifts, renewable energy, finance and cooking demonstrations/product promotion.
- Preparation of 17 USAID-ACCESO Snapshots (37 to date).

## 6.7. OTHER

- Presentation of USAID-ACCESO activities, with emphasis on nutrition, in meeting organized by the Minister of Agriculture, to the Minister of Health, Minister of Human Rights, and other government representatives.
- Participation of the Minister of Agriculture, Ministry of Industry of Commerce and local government representatives in the formal provision of legal registration documentation to MSMEs.
- Presentation of overall USAID-ACCESO activities to representatives of IFAD and SAG.
- Participation in USAID AgNutrition Glee meeting in Guatemala, including a presentation of USAID-ACCESO activities.
- Two-day training event provided to WFP technicians on corn and bean product, postharvest and marketing (December 2012).
- Participation in USAID Gender Glee meeting in Washington DC, including a presentation of USAID-ACCESO activities.
- USAID-ACCESO staff participation (production specialist, postharvest specialist and department managers) as presenters on drip irrigation and onion production conducted by FHIA in Comayagua.
- Training provided by project specialists in USDA organized training events in Comayagua and Lempira on thrip control.
- Participation as trainers in University of California training event on postharvest handling (Feed the Future Innovation Lab for Collaborative Research on Horticulture).
- Provision of an EDAN training course to technicians of CRS and Caritas.
- Collaboration with USAID-NEXOS on training activities of community water boards and NEXOs technicians.
- Involvement of representatives from UNDP, Firefighters of Honduras, COPECO, ICADE and SECPLAN in disaster and NRM training activities.
- Training of SAG and ENEE technicians in drip irrigation.

### Field Visits

Many field visits have been organized by visitors from USAID and other local and international organizations. These include:

- Various field visits by USAID/Honduras representatives to project clients in all six departments.
- Field visits to project clients by USAID Washington contractor carrying out a study analysis of USAID's partnerships with supermarket chains in Central America.
- Field visit by USAID/Honduras and USAID/Washington representatives to project clients in La Paz.
- Field visit by USAID/Honduras, USAID/Washington, and State Department representatives to project clients in Santa Bárbara.
- Field visits by member of AgNutrition GLEE contractor to prepare a case study on USAID-ACCESO.
- Field visit to project clients in Intibucá by the USA Ambassador, USAID Mission, Donors from the International community, Ministers from SAG, Ministry of Education, Ministry of Development and Social Services, and FHIS.
- Field visit by USAID/Honduras and the USAID/LAC/RSD Environmental Officer to project clients in Santa Bárbara to assess environmental compliance.

## **Selected Activities with Government Ministries**

USAID-ACCESO is collaborating with several government ministries and institutions, both informally and through signed memorandum. These include:

- SAG: wide range of activities including training of SAG technicians, organization of the USAID-ACCESO consultative committee meetings, visits by the Minister to field activities, policy activities and rural village bank financing.
- Training event for Ministry of Agriculture technicians in drip irrigation, Comayagua.
- Participation in SAG organized sectorial meeting, with short presentations on policy and market driven production activities.
- Training event for Ministry of Agriculture technicians in drip irrigation, Choluteca.
- Registro Nacional de las Personas for access to national identity data base.
- Instituto de Conservacion Forestal with permissions for use of communal forests (resin extraction, firewood/charcoal and fatwood) and commercial use of registered planted trees.
- Ministry of Health through coordination with health centers.
- SIC: registration of MSMEs.
- INFOP: joint training activities in agricultural production and processing.

While the project does not work through the government, the relationships and agreements with them facilitates implementation, expands outreach, promotes information, technology and methodology exchange, and increases visibility.

## **USAID-Honduras / Wal-Mart Public Private Partnership**

USAID/Honduras and Wal-Mart de Mexico y Centroamérica signed a Memorandum of Agreement in July 2011 to formalize joint activities to be carried out by USAID-ACCESO and Wal-Mart. Since project inception, ACCESO has worked closely with Wal-Mart (through Hortifruti) to establish production programs of a wide range of high value crops.

As of September 2013, 87 USAID-ACCESO registered growers are supplying Wal-Mart with 2,586 reported deliveries and sales estimated at \$1.98 million. Ten of these 87 growers are packing centers who buy from individual growers and then sell on to Wal-Mart, while the rest are individual growers. These individual growers are frequently representing several growers as Wal-Mart requires suppliers to have individual grower codes (and does not want more than one grower code in each shipment). Overall, an estimated 180 project growers are supplying Wal-Mart. Production programs are being carried out principally through local collection companies in Intibucá (ASOFAIL, ECARI), La Paz (ISEN), Ocotepeque (COPRAUL, Aldea Global) and with individual growers in all six departments. Crops under production programs include tomato (pear and table types), sweet peppers (bell and Natalie types), potato, carrot, beets, lettuce, and others.

Wal-Mart (Hortifruti) provides verbal purchasing agreements to USAID-ACCESO growers, while their field buying representatives visit the growers every two to three weeks in the production cycle to verify plantings, estimate volumes and determine quality. In some cases, written guidelines are provided on quality requirements. The buyers also support USAID-ACCESO postharvest handling training activities with specific information on quality standards, pack systems, packing and transport.

The arrangement with Wal-Mart is commercial between them and project growers. No special treatment is given (nor should be). The project role is to set up the calendarized production programs based on Wal-Mart's needs, provide the TA and training to the growers to enable them to produce the quality, consistency and volume required. Wal-Mart is one of the many buyers that USAID-ACCESO is working with to link small growers to the markets.

## **USAID-Honduras / World Food Program Agreement**

The World Food Program works in the same departments as USAID-ACCESO with a range of activities. Following a field visit to ACCESO sites in La Paz (December 2011) by the US Ambassador to the UN, the US Ambassador in Honduras, USAID Honduras, Honduran Minister of Agriculture and PMA representatives, an agreement was developed between USAID and the WFP to collaborate on the implementation of field activities. Following the signing of the agreement between USAID and WFP in May 2012, USAID-ACCESO and WFP have worked on and in the following areas:

- Training of PMA field technicians in maize and bean production systems and postharvest training.
- Meeting and coordination with the PMA and the Ministry of Health to attempt to ensure that the basic health package (supplements) are available in the USAID-ACCESO prioritized communities under the nutrition and health component.
- Support with nutritional content data during the preparation of the project's nutrition and health manual for volunteers and technicians.
- Participation of World Food Program technicians in training event for CODELs in Intibucá as Municipal EDAN Technicians (to train others in risk analysis).
- Visit by World Food Program representatives to project sites in Intibucá, in conjunction with a ministerial visit.

### **Municipal Governments**

USAID-ACCESO has coordinated field activities with 80 municipalities of the 129 municipalities in the six departments:

Copán	10 of 23 municipalities
Intibucá	5 of 15 municipalities
La Paz	18 of 19 municipalities
Lempira	13 of 28 municipalities
Ocotepeque	14 of 16 municipalities
Santa Bárbara	20 of 28 municipalities

A wide range of activities have been carried out with the municipalities, including:

- Assistance to identify priority areas with high poverty levels and access to water and roads.
- Donations of fruit trees, hard wood seeds, chickens.
- Financing of seeds and inputs (including fertilizer) for beans, corn and selected and high value crops.
- Co-financing of USAID-ACCESO and nutritional training centers.
- Transport costs for growers training activities.
- Coordination with farmers markets.
- Construction materials for eco-justa stoves.
- Co-financing with households on solar panel installation.
- Co-financing with households on home improvements (floor, roof).
- Establishment of municipal corn grain reserve system.
- Co-investment with USAID-ACCESO on irrigation systems and reservoir construction.
- Land purchase to ensure potable water source protection.
- Materials and input for box bridge construction.

## **Student Training**

USAID-ACCESO receives requests from schools, colleges and universities to provide internships or on-the-job training to students, areas for work practices and conditions for carrying out study thesis. To date, 435 students from 37 different schools, technical colleges and universities have received a total of 3,025 weeks of on-the-job technical training from USAID-ACCESO. The main technical areas were in production, nutrition, business skills, processing and natural resource management. Schools and students have also been incorporated into community clean-up campaigns to remove garbage.

## **Local NGO and Organizations**

USAID-ACCESO is working with more than 100 organizations to coordinate activities and facilitate project implementation. Technical areas of collaboration included production, nutrition and health, renewable energy, natural resource management, and disaster mitigation. These range from grower organizations, cooperatives, local and international NGOs, donor projects, “mancomunidades”, and government institutions. Examples include Plan de Honduras, ASONOG, Caritas, Childfund, Red Cross, Fundación Banhcafe, Heifer International, UNICEF, WFP, FAO, COMRURAL, SwissContact, SOCDEVI and others.

## **Non-ACCESO Related Activities**

USAID-ACCESO has provided training and implementation support to SAG, including training of DICTA technicians in week long workshop on basic production practices (Comayagua) and SAG Irrigation department technicians on drip irrigation (Choluteca). Project technicians have also given technical and project presentations in workshops organized by USDA, Zamorano, FHIA, RED Katalysis, donor coordination meetings and others.

Numerous meetings with representatives from a range of organizations interested in USAID-ACCESO activities including AGEXPORT Guatemala, Chemonics International, International Finance Corporation, HortCRSP, PeanutCRSP, IPMCRSP, JICA, GIZ, CBI, TechnoServe, ADRA, and others.

## 7. ADMINISTRATIVE CONSTRAINTS

There are several problems that have or are limiting the speed and efficiency of project implementation. With a 46-month project, a four-month delay is almost 10 percent of the implementation period. For information purposes, some of these are as follows:

**Staff Turnover:** Despite being fully staffed since January 2012, the project is experiencing a high level of technician turnover, which reduces the level of effort being provided to project clients and limits the incorporation of new clients. At the junior level, technicians will resign after receiving training and skills development for a salary increase of \$50 per month. Others resign as they are not accustomed to working with established targets and responsibilities – some have lasted only one day. Poor administration from sub-contractors has also been given as a cause. Some simply find alternative jobs while paperwork and approvals are being processed.

**Tax Exoneration:** It took three months to obtain the renewal of the local sales tax exoneration, which results in delays of many purchases, particularly under the grant program. This is an annual requirement.

**Vehicles:** The project purchased motorbikes for field technicians. These are registered in the name of the US Embassy, but the US Embassy does not consider them a vehicles. Administration delays always occur. The ownership transfer of a motorbike stolen in March 2012 still has not been made to the insurance company.

**Security:** Project staff has been victim of armed assault (8 separate occasions), with motorbikes (3 – 2 project, 1 personal), computer (3), equipment (GPS, agronomist kits, cell phone) and personal effects/documents being stolen. Staff cars and houses have also been broken into on five occasions. Certain zones and routes are “off-limits” which limits implementation, especially in communities/zones where the project has had to stop providing technical assistance and training visits. Communities where the project has stopped providing assistance include El Espirito and El Zompopero (Copan), Los Barrientos, Planes de la Zona, La Zona, Los Hoyos, San Bartolo, San Carlos I and San Carlos II (La Unión, Lempira).

The time taken for selected USAID approvals has also be a limiting factor.

## 8. PLANNED ACTIVITIES FOR NEXT REPORTING PERIOD

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

- Initiate new and continue the development of existing market-led production programs in all six departments for high-value cash crops with high market potential, including potato, carrot, broccoli, cauliflower, peppers, garlic, Asian vegetables, plantain, onion, and cucumbers.
- Continue procurement and installation of irrigation infrastructure for producers in all six departments.
- Develop market-driven production programs to meet local and regional demand.
- Expand the *panela* (unrefined sugar) production in the pilot project in Copán and among new producers in Lempira to meet the new local and export market demand.
- Continue activities for planting, postharvest and marketing of corn under contract with local processors.
- Expand and intensify training and technical assistance to coffee growers on basic production practices, with particular emphasis on prevention and control of coffee rust and broca.
- Continue implementing technology investment fund small grants projects for productive infrastructure.
- Continue delivery of technical assistance to off-farm MSME's to improve efficiencies and reduce production cost.

### **Rural MSMEs access to new market opportunities increased**

- Consolidate, formalize, and promote local farmers' fairs in new locations in all six departments.
- Increase the number of local buyers working with USAID-ACCESO for increased market links and production programs.
- Continue to 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.
- Increase area under calendarized production programs for local market buyers.
- Increase project and client participation in national fresh produce and gift trade fairs.

### **Barriers to competitiveness of rural MSMEs reduced**

- Documentation to formalize local market fairs.
- Continue with SAG on the standardization of technical production packages for selected crops: corn, beans, coffee, potatoes, plantains, and Cacao.
- Expand implementation of project clients' access to financial products developed with input providers and exporters, including Del Campo Soluciones Agricolas, CADELGA, Original Maya, DUWEST, and others.
- Continue 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.
- Identify barriers that limit client households' access to health services.
- Continue and complete existing processes with SENASA, Fideicomiso Agrícola ACA, among others.

## **Biodiversity and natural resources conserved**

### *At the farm level*

- Expand and continue 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*

- Continue the implementation of projects funded under the small grants program.
- Continue to use the small grants program for disaster mitigation, potable water, and basic sanitation projects.
- Continue promoting and implementing alternatives for coffee pulp treatment with natural microorganisms.
- Continue the rehabilitation of chlorinators.
- Continue assistance to water boards and community and municipal leaders in effluent treatment projects and management of water chlorinators.

## **Disaster vulnerability reduced**

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

## **Renewable energy projects to be implemented during the next period**

- Continue to install and train on the concepts and critical points of design and installation of solar crop dryers, eco-stoves, and biodigesters, in the six departments.
- Continue to train users and owners on the use and maintenance of improved stoves, biodigesters, and solar dryers.
- Continue coordinating activities with the trilateral program USA/Honduras/Brazil in renewable energy activities.

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

- Continue expanding the IEC strategy in targeted communities.
- Continue and finalize the installation of eco-stoves to additional households.
- Continue the installment of safe water systems for families with children under the age of 2.
- Continue providing assistance to client households for family plots for increased food availability.
- Continue equipping and operations of Nutrition Training Centers.
- Continue operating 20 centers for management of acute malnutrition.
- Continue promoting family planning, reproductive risk, and quality maternal and child health practices through basic messages.
- Expand training events in food preparation and diet diversity to ensure nutrient uptake.
- 500 households in targeted area with at least one household improvement.
- Continue and expand household visits to provide direct technical assistance to those families with children less than two years of age.
- Continue coordinating field activities with the health units to improve access to family planning methods.

## **Gender mainstreaming**

- Continue to promote and follow up on gender inclusion activities in the day-to-day implementation of USAID-ACCESO.
- Monitor project activities' consistency with recommendations highlighted in the gender mainstreaming plan.
- Ensure training events and technical assistance delivery schedules and methodologies are promoting participation of women and youth.

## **Project management and administrative activities**

- Continue developing formal alliances with selected counterpart institutions and private sector companies.
- Continue providing support, supervision, and oversight to implementation activities.
- Monitor PMP indicator and high level target results for preparation of reports and guidance to implementation plans for the following quarter.
- Follow up on implementation of recommendations from internal audit of sub-contractors.
- Identify and provide human resource development and motivational activities.

## **Monitoring and evaluation activities**

- Maintenance of the CIRIS database.
- Assessment of data entered into CIRIS.
- Prepare inputs for monthly, quarterly and annual reports.
- Update the PMP monitor.
- Data entry to FTFMS for annual results.
- Prepare activity and status reports for subcontractors.
- Pilot project usage of tablets to collect on EOH field data.
- Continue collecting EOH forms from all sampling clients.
- Continue registering collected EOH data and trainees lists on CIRIS.
- Follow up on meetings with technical production staff to evaluate performance and data entry.
- Provide management reports on advancement of all project components to department and zone managers for performance evaluation and decision making.

## **Small grants, subcontracts and alliances program**

- Renewal of local subcontractor agreement with IHCAFE for CTU activities in Santa Barbara.
- Additional training for subcontractors in administrative procedures per contract modifications.
- Continue close-out procedures and documentation for closed projects.
- Implement updated Fintrac Subaward Guidelines in grants processes
- Continue the support and assistance in the procurement and distribution of services, equipment and supplies under the existing activities as well as new activities proposed such as;
  - Irrigation Systems Phase III
  - MSME Technological and Legal Support to increase market access
  - Potable water systems, materials and analyses
- Continue the design and approval process for new initiatives identified in the areas of production, health and nutrition, processing and value addition, and natural resource management and disaster mitigation. For instance:
  - Yellow corn harvest and marketing support
  - Health and nutrition volunteer equipment and training

- Multidimensional Poverty Study in rural Honduras
- Equipment for packhouse located in Los Arroyos, Ocotepeque
- Marketing support activities with distributor
- Disaster mitigation projects
- Agricultural equipment and dairy cattle for smallholder farmers

# ANNEX I: Performance Monitoring Plan

The PMP and work plan targets for each indicator is provided below, together with the overall status as of September 2013. These are 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 are collected via annual surveys. Note: some corrections have been made to the previous PMP.

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	STATUS	YEAR 3 TARGETS (Oct. 2012 to Sept. 2013)				Total Year 3 Target	Total Year 4 Target	Total END OF Year 4	TOTAL EXPECTED LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 3 Target Breakdown		Previous Reported Status (08/2013)	Additional Reported for Previous Quarter	Current Quarter (09/2013)	Updated Status (09/2013)
	ACHIEVED Apr. 2011 to Sept. 2011	ACHIEVED Oct. 2011 to Sept. 2012		Sept. 2012	Q1	Q2	Q3						Q4	Male				
<b>1</b>	<b>Program Administrative Activities</b>																	
	<b>Start-Up Activities</b>																	
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			
	<b>Communications &amp; Reporting</b>																	
1.8	Branding & Marking Plan Prepared & Submitted	1													done			
1.9	PERSUAP	1													done			
1.10	EMP		1	1											done			
1.11	Monthly Reports	6	12	18	3	3	3	3	12	12	42	46	Reports		24		3	30
1.12	Quarterly Reports	2	4	6	1	1	1	1	4	4	14	15	Reports		8		1	10
1.13	Annual Workplan	1	1	2	1				1	1	4	4	Workplans		3			3
1.14	Final Report											1	Reports					
1.15	Steering committee meetings		2	2	1		1		2		6	7	Meeting Minutes		2			2
<b>2</b>	<b>Project Monitoring &amp; Evaluation Activities</b>																	
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		1	1	1				1	1	3	4						
2.8	Success Stories Produced and Disseminated	2	18	20	3	3	3	3	12	12	44	40	Publications		29		4	37
<b>3</b>	<b>Small Grants Program</b>																	
3.1	Technology Fund (households)		5,160	5,160	500	500	500	500	2,000	1,000	8,160				6,491		6,350	12,841
3.2	Nutrition / Health		4	4					0		4				6		5	11
3.3	Disaster Mitigation / NRM		4	4					0		4				15		-6	9
3.4	Renewable Energy		728	728	25	25	25	25	100	62	890	890			1,419		230	1,649
3.5	Number of grants awarded by community small grants mechanism		5,896	5,896	525	525	525	525	2,100		7,996				7,931		6,579	14,510

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	STATUS	YEAR 3 TARGETS (Oct. 2012 to Sept. 2013)				Total Year 3 Target	Total Year 4 Target	Total END OF Year 4	TOTAL EXPECTED LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 3 Target Breakdown		Previous Reported Status (06/2013)	Additional Reported for Previous Quarter	Current Quarter (09/2013)	Updated Status (09/2013)	
	ACHIEVED Apr. 2011 to Sept. 2011	ACHIEVED Oct. 2011 to Sept. 2012		Sept. 2012	Q1	Q2	Q3						Q4	Male					Female
<b>High Level Targets</b>																			
<b>GOAL: Increased Rural Household Incomes</b>																			
PIRS # 1	Number of households living in poverty moved above the poverty line	1,183	1,183					15,000	27,500	27,500	30,000	Households	12,000	3,000	1,183		1,053	2,236	
PIRS # 2	Number of rural households living in extreme poverty moved above the poverty line <sup>1</sup>	834	834					9,000	16,500	16,500	18,000	Households	7,200	1,800	834		796	1,630	
PIRS # 3	Value of new net income of participant rural farmers and MSMEs	7.10	7.10					25.00	66.50	66.50	73.95	US\$ Million	22.50	2.50	7.10		-6.937	0.163	
PIRS # 4	Number of jobs attributed to FTF implementation	2,332	2,332					5,200	9,500	9,500	10,425	FTEs	4,160	1,040	2,332		243	2,575	
<b>Increased Agricultural Productivity</b>																			
PIRS # 5	Value of incremental sales (collected at farm/firm level) attributed to FTF implementation	12.40	12.40					56.00	122.50	122.50	133.65	US\$ Million	50.40	5.60	12.40		-4.388	8.012	
<b>IR 2.1: RURAL MICRO, SMALL, AND MEDIUM ENTERPRISE (MSME) GROWTH INCREASED</b>																			
<b>Sub-IR 2.1.1: RURAL MSMEs' ACCESS TO INPUTS, PRACTICES, AND TECHNOLOGY FOR MARKET PARTICIPATION IMPROVED</b>																			
<b>Implementation of updated production technologies (on-farm and off-farm)</b>																			
WP # 1	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	7,723	15,671	23,394	5,000	5,000	5,000	5,000	20,000	10,000	53,394	55,500	Individuals	16,131	3,869	36,688		7,816	44,504
WP # 2	Number of extension visits to program beneficiaries	13,571	134,840	148,411	27,000	27,000	27,000	27,000	108,000	108,000	364,411	378,400	Extension Visits			305,756	5,120	105,490	416,366
WP # 12	Number of technical materials produced (bulletins, manuals, presentations and tools)	63	142	205	10	15	10	15	50	45	300	225	Technical materials			245	0	10	255
WP # 10	Number of MSMEs (off-farm and processing) assisted by project	285	417	702	25	25	25	28	103	0	805	805	MSMEs	41	62	861		-27	834
PIRS # 6	Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation	0.079	3.018	3.097	1.50	1.50	2.00	2.00	7.00	10.00	20.10	21.60	New private sector investment (Millions)			5.602	-0.078	2.024	7.548
WP # 11	Number of female individuals in training activities	2,202	5,729	7,931	500	500	500	500	2,000	1,000	10,931	8,300	Female Individuals			10,922		2,720	13,642
PIRS # 7	Number of farmers and others who have applied new technologies or management practices as a result of USG assistance	4,592	4,592	1,750	1,750	1,750	1,750	7,000	9,000	20,592	22,050	MSMEs	5,600	1,400	4,592		14,270	18,862	

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	STATUS	YEAR 3 TARGETS (Oct. 2012 to Sept. 2013)				Total Year 3 Target	Total Year 4 Target	Total END OF Year 4	TOTAL EXPECTED LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 3 Target Breakdown		Previous Reported Status (06/2013)	Additional Reported for Previous Quarter	Current Quarter (09/2013)	Updated Status (09/2013)	
	Apr. 2011 to Sept. 2011	Oct. 2011 to Sept. 2012		Sept. 2012	Q1	Q2	Q3						Q4	Male					Female
<b>Private sector alliances and integration of private sector equipment, input and service providers</b>																			
<a href="#">PIRS # 30</a>	Number of organizations / companies providing business development / extension services to MSMEs	0	78	78	25	40	50	60	175	200	453	465	organizations / companies providing services to MSMEs			168		20	188
<a href="#">PIRS # 32</a>	Number of public-private partnerships formed	3	23	26	6	6	6	6	24	15	65	65	PPP formed			36		5	41
<a href="#">PIRS # 33</a>	Number of private sector alliances developed	merged to PIRS # 32											PSA's Formed						
<b>Grower organization and the development of market driven production programs</b>																			
<a href="#">PIRS # 31</a>	Number of producers organizations, water users associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance	40	150	190	5	5	5	5	20	0	210	210	Organizations / associations / CBO's receiving assistance			207		14	221
<a href="#">WP # 3</a>	Number of small farmer associations formally established as businesses		0	0	50	50	25	25	150	25	175	55	Associations formally established as businesses			102		16	118
<b>SUB-IR 2.1.2: RURAL MSMEs' ACCESS TO NEW MARKET OPPORTUNITIES INCREASED</b>																			
<b>Development of buyer linkages and logistics</b>																			
<a href="#">WP # 4</a>	Number of MSMEs accessing new market opportunities through a broker	35	1,403	1,438	750	750	1,000	1,000	3,500	5,000	9,938	10,932	MSMEs	3,150	350	1,824		5,100	6,924
<a href="#">PIRS # 12</a>	Number of brokers providing market linkages to MSMEs	10	19	29	40	40	60	60	200	250	479	500	Brokers providing market linkages to MSMEs			37		33	70
<a href="#">WP # 6</a>	Number of market surveys conducted	1	5	6	2	3	4	3	12	6	24	24	Market Surveys			6		3	9
<b>Production and systems implementation to meet buyers quality standards</b>																			
<a href="#">WP # 5</a>	Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers		550	550	175	225	250	275	925	1,500	2,975	2,996	MSMEs	786	139	448		1,623	2,071
<b>Implementation of business certification programs</b>																			
<a href="#">PIRS # 13</a>	Number of MSMEs that have been verified to meet market standards for their products	35	882	917	100	100	150	150	500	583	2,000	2,000	MSMEs			953		800	1,753

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	STATUS	YEAR 3 TARGETS (Oct. 2012 to Sept. 2013)				Total Year 3 Target	Total Year 4 Target	Total END OF Year 4	TOTAL EXPECTED LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 3 Target Breakdown		Previous Reported Status (06/2013)	Additional Reported for Previous Quarter	Current Quarter (09/2013)	Updated Status (09/2013)	
	ACHIEVED Apr. 2011 to Sept. 2011	ACHIEVED Oct. 2011 to Sept. 2012		Sept. 2012	Q1	Q2	Q3						Q4	Male					Female
<b>SUB-IR 2.1.3: BARRIERS TO COMPETITIVENESS OF RURAL MSMEs REDUCED</b>																			
<b>Increased access to finance</b>																			
<a href="#">PIRS # 14</a>	Number of MSMEs accessing market-based financing as the result of USG assistance	315	1,577	1,892	200	250	250	300	1,000	1,206	4,098	4,314	MSMEs accessing finance	800	200	3,127	715	876	4,718
<a href="#">PIRS # 15</a>	Value of Agricultural and Rural Loans made to MSMEs	0.200	1.554	1.754	0.31	0.42	0.48	0.52	1.73	2.53	6.011	6.33	Value of loans (millions)	1.38	0.35	4.722	-0.048	3.153	7.826
<a href="#">PIRS # 11</a>	Number of MSMEs implementing sound business management practices		695	695	500	750	1,000	1,500	3,750	4,000	8,445	8,482	MSMEs	3,000	750	695		4,498	5,193
<a href="#">PIRS # 16</a>	Number of value chain / sector constraints identified and resolved		1	1	5	5	7	7	24	15	40	40	Constraints			3		14	17
<a href="#">PIRS # 17</a>	Number of policy reforms, regulations, administrative procedures passed for which implementation has begun with USG assistance	1	2	3		1			1		4	4	Policies, regulations or administrative procedures passed			3		2	5
<a href="#">PIRS # GNDR-2</a>	Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (ADDED FY 2012-2013)			15.0%					17%	19%	19%	20%	Percentage			16%		17.4%	17.4%
<b>Applied research and development programs developed</b>																			
<a href="#">xx</a>	R&D projects and Activities Identified	1	8	9		1			1		10					11			11
<b>IR 2.2: Honduran Biodiversity and Natural Resources Conserved and IR 2.3: CAPACITY TO ADAPT AND MITIGATE CLIMATE CHANGE STRENGTHENED</b>																			
<b>Implementation of NRM practices on farm</b>																			
<a href="#">PIRS # 8</a>	Number of additional hectares under improved technologies or management practices as a result of USG assistance		8,321	8,321	750	750	750	750	3,000	2,583	13,904	14,904	Hectares	2,700	300	8,321		7,693	16,014
<a href="#">PIRS # 10</a>	Number of companies (including farms) that have made conservation-friendly changes in their business practices	0	356	356	1,500	1,750	2,500	3,000	8,750	10,000	19,106	22,050	Companies (including farms)	7,875	875	356		351	707
<b>Implementation of NRM practices at community and municipality levels</b>																			
<a href="#">PIRS # 9</a>	Number of Local Municipal Governments effectively implementing natural resource management policies		7	7	3	3	2	2	10	3	20	20	Local Municipal Governments			28		3	31
<b>SUB-IR 2.3.3: DISASTER VULNERABILITY REDUCED</b>																			
<b>Development and implementation of disaster mitigation plans and systems</b>																			
<a href="#">PIRS # 28</a>	Number of communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity		11	11	5	5	5	5	20	9	40	40	Communities with adequate disaster prevention and mitigation capacity			13		48	61
<b>Installation of renewable energy technologies</b>																			
<a href="#">PIRS # 29</a>	Number of rural micro-generation clean/renewable energy projects established	4	724	728	25	25	25	25	100	62	890	890	Projects established			1,419		403	1,822

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	STATUS	YEAR 3 TARGETS (Oct. 2012 to Sept. 2013)				Total Year 3 Target	Total Year 4 Target	Total END OF Year 4	TOTAL EXPECTED LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 3 Target Breakdown		Previous Reported Status (06/2013)	Additional Reported for Previous Quarter	Current Quarter (09/2013)	Updated Status (09/2013)
	ACHIEVED Apr. 2011 to Sept. 2011	ACHIEVED Oct. 2011 to Sept. 2012		Sept. 2012	Q1	Q2	Q3						Q4	Male				
<b>IR 4.1: USE OF QUALITY MATERNAL AND CHILD HEALTH AND FAMILY PLANNING SERVICES INCREASED</b>																		
<a href="#">PIRS # 18</a>	Prevalence of households with moderate to severe hunger										-20%	% reduction from baseline						
<a href="#">PIRS # 19</a>	Prevalence of underweight children under 5	-23.9%	-23.9%				-5%	-5%			-20%	% reduction from baseline	-5.0%	-5.0%	-23.9%		-33.8%	-33.8%
<a href="#">PIRS # 20</a>	Prevalence of stunted children under 5										-20%	% reduction from baseline						
<a href="#">PIRS # 21</a>	Percent of children 6-23 months that received a Minimum Acceptable Diet										30%	% increase over baseline					60.6%	60.6%
<a href="#">PIRS # 22</a>	Prevalence of exclusive breast feeding of children under 6 months	4.5%	4.47%				5%	5%			20%	% increase over baseline			4.47%		3.32%	3.32%
<a href="#">PIRS # 23</a>	Prevalence of anaemia among women of reproductive age										-5%	% reduction from baseline					-0.4%	-0.4%
<a href="#">PIRS # 24</a>	Prevalence of anaemia in children 5 - 59 months										-20%	% reduction from baseline					7.4%	7.4%
<a href="#">PIRS # 25</a>	Women's dietary diversity: mean number of food groups consumed by women of reproductive age										30%	% Change in HDDS					4.3%	4.3%
<a href="#">PIRS # 26</a>	Number of health facilities with established capacity to manage acute under-nutrition (REMOVED for FY 2012-2013)										20	Health Facilities						
<a href="#">PIRS # 27</a>	Modern contraceptive prevalence rate	11.2%	11.2%					2.5%			10%	% Increase over baseline	2.5%	2.5%	11.2%		103.6%	103.6%
WP # 8	Percentage of children less than two years old with two consecutive low monthly measurements	9.7%	9.7%												12.5%		11.0%	11.0%
WP # 9	Percentage of mothers utilizing improved feeding practices																	

# ANNEX II: Snapshots & Monthly Summaries



**USAID** | ACCESO  
FROM THE AMERICAN PEOPLE

## SNAPSHOT

### Female Farmer Beats Coffee-Leaf Rust, Saves Crops

**Rust fungus is decimating Central American coffee crops, but project-supported farmers are beating the disease with improved agricultural practices.**



Photo by Fintrac Inc.

María Hernández stands proudly in her roya-free farm. With healthy crops and higher yields, she expects to harvest 400 pounds of high-quality coffee this year.

**“USAID-ACCESO has helped me...I have learned better ways to grow healthy plants.”**

María Hernández

—Coffee producer

Coffee producers in Central America are suffering widespread losses from “la roya” fungus. Also known as coffee-leaf rust, this fungus thrives on leaves and chokes off the source of nutrients for the coffee cherries. Affected trees produce fewer cherries, and the beans that are salvaged lose their flavor.

The International Coffee Organization estimates more than 50 percent of coffee-growing areas in Central America have been affected. In Honduras alone, \$230 million in losses can be attributed to the fungus, pushing rural farming families further into poverty.

Fortunately there are measures small-scale producers can take to beat and prevent this disease. In response to the outbreak, USAID-ACCESO began working with coffee producers in Lempira in November 2012 to introduce good agricultural practices that help reduce the pressure on their crops.

María Hernández, a former housemaid, had just returned to her small village of Santa Rosita when the project began offering trainings. She learned a variety of techniques she had never heard of, including soil analysis; soil liming to improve nutrient uptake; soil conservation; shade control; pruning to remove diseased leaves; weed control; and, options available for chemical control.

“USAID-ACCESO helped me; I feel we don’t do things ignorantly like we used to,” she said. “I have learned better ways to grow healthy plants.”

In her limited experience with coffee, María earned approximately \$150 from 0.25 hectares. She expects to harvest 400 pounds of coffee this December, earning her around \$415, or triple her previous income.

Her land is now completely free of coffee rust, guaranteeing future healthy production and ensuring her ability to obtain fair prices.

María’s success has motivated other local women to take their farming more seriously. “I explain how I do things to other women,” she said. “They are inspired to produce and follow project advice.”

Santa Rosita is one of the communities that will harvest high-quality coffee this year. Other project-supported communities in Lempira, Santa Bárbara, Copán, La Paz, Intibuca and Octotepeque have also managed to reduce the roya problem by following USAID-ACCESO’s advice.

With her augmented financial situation, María plans to keep growing and investing in her coffee crops. She aspires to become one of the best coffee growers in her region to provide a better life for her family. She expressed no desire to return to the city to work as a maid.

USAID-ACCESO specialists continue working with small-scale coffee producers in rural communities, promoting basic and cultural coffee production practices that help prevent pests and diseases, increase yields and income, and contributes to food security for more than 15,000 coffee growing project household clients in western Honduras.



# USAID | ACCESO

FROM THE AMERICAN PEOPLE

## SNAPSHOT

### Learning to Identify and Protect Water Sources

**Natural resource management practices ensure safe water for this and future generations.**



Photo by Fintrac Inc.

Municipality coordinators and residents of San Isidro learn to use GPS technology to define protected areas. They plan regular hikes to the areas, empowering the entire community with the knowledge and skills to protect the environment.

**“It is a great contribution to be able to use technology to define protected areas.”**

*Elmer Gonzales*

*–Technical coordinator, San Isidro Municipality*

In many rural areas, community authorities lack the resources and knowledge to identify and define watershed boundaries. Identifying and marking community water sources is a critical – and often missing – step in ensuring water safety and environmental conservation. Undefined boundaries put entire communities at risk of consuming contaminated water as humans can unknowingly pollute the water through poor crop management or harmful practices such as forest fires and tree felling.

To safeguard water, USAID-ACCESO natural resource management specialists are training communities to identify and protect important natural areas, first through environmental education and then through practical applications of new technologies.

In August 2011, the project began working with municipal officials in San Isidro, Intibucá to improve the community’s management of natural resources. In just a matter of months, municipal employees and interested residents had learned to define and mark protected areas using GPS technology to locate the official geological perimeter of the watershed.

“This is the first step; once areas are defined, protection agreements can be made,” said Elmer Gonzales, a municipality technical coordinator. “Without USAID-ACCESO we could not have organized and achieved this step.”

Before attending the project’s trainings, some residents were living too close to the watershed, contaminating the town’s drinking water via runoff and waste. After working with USAID-ACCESO, the residents voluntarily relocated to plots a safe distance away from water sources.

Community residents are well-trained in the identification of the watersheds, taking regular tours of the protected areas to ensure their stability. With the clearly marked borders, local authorities can take tougher stances on imposing fines against those who attempt to harm these natural resources.

San Isidro municipality coordinators have also set aside specific areas for wood chopping that are far enough from water sources to prevent contamination and help better organize the consumption of limited resources. Residents are also experimenting with the use of natural microorganisms to safely break down coffee waste into organic fertilizer.

With support from the local forestry conservation institute, the municipality plans to legally declare their watershed area a national conservation area, which will help promote environmental protection on a national level.

USAID-ACCESO specialists continue working with residents of rural areas, promoting basic resource management practices to safeguard natural resources for future generations. To date, more than 6,613 participants have received training in these subjects, benefitting more than 30,000 rural residents.



# USAID | ACCESO

FROM THE AMERICAN PEOPLE

## SNAPSHOT

### Dairy Cows Present New Sources of Income

**With good livestock management practices, rural farmers – particularly women – bring in constant income from milk sales.**



Photo by Fintrac Inc.

Martha Calix, with her two children, is earning hundreds of dollars of new income a month from her dairy cow. She learned better feeding and care practices that helped increase milk production by 50 percent.

**“I am thankful we received support from the project in all areas.”**

Martha Calix

The path to overcoming poverty is steep and lined with numerous obstacles. For many rural Honduran households, small-scale agriculture production is the only viable income source, and eking out a living on small plots with limited access to inputs, credit, and markets is difficult at best.

To help smallholders overcome these obstacles, USAID-ACCESO production specialists look for ways that farming families can diversify income streams to ensure they are earning money year round.

The dairy cow project is one such source. Beginning in 2011, USAID-ACCESO teamed up with rural savings banks to offer financial assistance to purchase dairy cows in project-supported communities. Production specialists then worked hand-in-hand with beneficiaries to introduce livestock management and feeding practices that result in healthy, productive cows. USAID-ACCESO has worked with various projects and cooperatives, including Heifer, Programa Conjunto, Conbrifol and others, and now 81 USAID-ACCESO household clients are working with the dairy cow project.

In November 2011, Martha Calix, a single mother of two from Las Flores, La Paz, began attending project trainings. In just a few months she had learned how to better take care of her cow to increase its milk production. She constructed a covered area for the cow, began preparing her own feed instead of purchasing it, and started monitoring the cow's nutritional intake.

Thanks to these improved techniques, Martha and her family began seeing dramatic improvements in milk production. Their cow used to produce an average of 12 liters of milk a day, a number that has increased to 18 liters a day. This daily production translates to 24 bottles of milk, which Martha sells for approximately \$0.60 per unit. The family is now guaranteed at least \$440 in milk sales every month.

With the increased income, the Calix family is investing in other income-generating activities, including high-value vegetable production and pig rearing. They also plan to process some of the milk into higher-value dairy products to sell to local markets.

Martha and her family are a true testament to USAID-ACCESO's integrated approach to improving incomes, nutrition, and food security. The family is participating in a number of other project activities, including health and nutrition trainings and natural resource management. They recently installed an eco-friendly stove and biodigester to improve household sanitation conditions.

They are eager to learn more from the project and continue making improvements to both their home and agricultural production, ensuring brighter futures for their children.

“I want my daughter to study and become a professional,” Martha said.

The dairy cow project is proving to be a successful way to bring all family members, particularly women, into income-generating activities. The activity is so popular in La Paz that rural savings banks have adopted it as their own, offering young farmers the initial investment to buy the cow, and then linking them with USAID-ACCESO for technical assistance.



# USAID | ACCESO

FROM THE AMERICAN PEOPLE

## SNAPSHOT

### Eco-friendly Stoves Save Trees, Improve Health

**With the installation of eco-friendly stoves, more than 9,000 trees have been saved in rural project-assisted communities.**



Photos by Fintrac Inc.

Above, a traditional kitchen stove in rural Honduras.

Below, María Benitez is happy with her new eco-friendly stove that saves trees and improves household living conditions.



**“I used to use a load (around 200 pounds of wood) every two or three days, now the same load lasts almost two weeks.”**

María Benitez, mother

Rural Hondurans have used traditional wood-burning stoves for centuries to cook their meals. These stoves have large openings and require a lot of wood to maintain heat. In order to promote forest conservation and improve household living conditions, USAID-ACCESO renewable energy specialists are helping families install eco-friendly stoves, which burn significantly less wood.

Traditional stoves are made of sandy soil and covered in a lime mixture. They are generally quite large and do not heat efficiently, requiring regular restocking of wood. They also have an indoor chimney, which does not allow for proper ventilation and results in thick smoke and soot accumulation inside homes.

In June 2011, USAID-ACCESO began introducing eco-friendly stoves to client households. These stoves, though also made of sandy soil, have a brick-base that holds heat for longer periods of time, making them much more efficient.

These improved stoves only use approximately 100 pounds of wood per week compared to the 460 pounds most families were going through every week with the traditional stoves, cutting wood use by an average of 80 percent. The improved chimney directs smoke outside and helps drastically reduce the incidence of respiratory diseases.

“Our patients showed fewer cases of respiratory diseases this year thanks to the implementation of eco-stoves,” said Gladys Diaz, a nurse in La Laguna.

Angela Vasquez, a mother and health volunteer from La Laguna, La Paz, is extremely happy with her new stove. “I feel really good; I don’t have to cook outside anymore,” she said, referring to her old stove that was so big it could not fit in her kitchen.

María Benitez, another La Laguna mother, is also very thankful for the eco-stove she has been using for a year now. “I used to use a load (200 pounds) every two or three days, now the same load lasts almost two weeks,” she said.

Studies from the Tropical Agricultural Research and Higher Education Center in Copán show that 8.64 trees are saved for every eco-stove installed. To date, the project has installed 1,335 stoves, saving approximately 11,500 trees.

Beyond the environmental benefits, more efficient stoves save families’ time and energy formerly spent collecting wood, freeing them up for income-generating activities such as better crop management and value-added processing techniques.

The improved stoves, together with other household improvements, clean drinking water, sanitation, nutrition education, and diet diversity are helping improve family health and nutrition, particularly children under two years old.

The implementation of eco-friendly technologies is rapidly expanding in western Honduras, where beneficiary households are actively requesting assistance with installing eco-stoves, bio-digesters, and solar dryers.



# USAID | ACCESO

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## Monthly Bulletin July 2013

### JULY HIGHLIGHTS

- USAID-ACCESO is assisting 35,356 households in the most vulnerable communities in western Honduras, promoting production technologies and practices to increase incomes and improve the overall quality of life. The project is benefitting 190,239 people – 90 percent of whom live in poverty and extreme poverty conditions – through technical assistance and training in production, value-added processing, natural resource management, renewable technologies, disaster mitigation, and nutrition and health.
- The total production area increased to 37,024 hectares: 18,208 hectares of coffee, 15,781 of basic grains, and 3,035 of fruit and horticulture crops. The crops covering the most planting area this month include: corn, bean, coffee, sweet potato, onion, green bean, and Hass avocado.
- In order to sustainably increase the availability of animal protein in priority communities, nutrition and health technicians are training mothers with children under two years old and community health volunteers in the establishment and management of 318 chicken coops for egg consumption and 13 herds of goats for milk production. These backyard chickens and pasture goats will not depend on purchased balanced feed, which is a major constraint to the sustainability of animal protein projects.
- During the month of July, USAID-ACCESO signed an agreement letter with the regional northwestern office of the Forest Conservation Institute (FCI) to establish mechanisms for coordination between the two organizations to improve the management and utilization of national and communal forest resources. Through this partnership, client households and MSMEs working in the forested areas will now have access to technical assistance from FCI.



All photos by Fintrac Inc.  
Access to technical knowledge: project technicians and producers calibrate sprinkler systems.



Access to basic coffee practices: shade management, tissue management, liming, and nutrition programs according to their phenological stage.

**USAID-ACCESO client households, beneficiaries and other clients, July 2013**

Department	Household clients	Beneficiaries	Other Clients *
Copán	5,463	22,174	933
Intibucá	5,582	44,123	809
La Paz	5,724	33,388	780
Lempira	7,078	45,550	1,288
Ocotepeque	4,660	23,514	638
Santa Bárbara	6,849	21,490	1,142
Otros	0	0	524
<b>TOTAL</b>	<b>35,356</b>	<b>190,239</b>	<b>6,114</b>

\*Includes: MSMEs, buyers, input and service providers, municipal corporations, counterpart organizations.

### About USAID-ACCESO

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



# USAID | ACCESO

FROM THE AMERICAN PEOPLE



Access to balanced diets: families in Lempira plant mustard greens in their home gardens. These plants provide leafy greens that fortify food, specifically tortillas, with iron to improve the growth of young children.

## TECHNICAL ASSISTANCE

USAID-ACCESO carried out 32,585 technical assistance visits this month. Of these, 26,382 strengthened farmers' knowledge in agricultural production topics, including basic and cultural practices for coffee and horticulture crops; soil preparation and management; pest, disease and weed identification and control; transplant and planting; fertilization program management; nutrient balance; adequate use of agrochemicals; soil conservation; and contour plowing.

1,223 technical assistance visits focused on childhood nutrition, creating healthy households and reinforcing personal and home hygiene; 1,020 on processing; 1,502 on business skills such as production logs and reducing costs; 779 technical assistance visits in animal production focused on poultry farming and livestock management; 669 visits were on natural resource management; and 167 on postharvest and certification.

## VALUE ADDITION

USAID-ACCESO processing specialists continued working with communities to create new products from locally-available resources to generate off-farm employment opportunities. This month, 582 participants attended 65 training events during which they learned about good manufacturing practices, vegetable and fruit processing, and the production of milk and bakery products.

Forestry specialists continued promoting legal tree felling and working with woodcrafters to build furniture, doors, chests, and other in-demand products for sale to local markets.



Access to new products: sugar cane producers in Lempira learn better postharvest processing techniques. Improving the production and packaging process extends shelf life, helps increase incomes and makes the product more attractive to new markets.



Access to markets: the USAID-ACCESO team displayed project results to date, clients' products, and made contacts with local suppliers at a regional supermarkets exposition.

## ACCESS TO MARKETS

In July, 67 participants attended eight training events on market information during which they identified new market opportunities and potential clients, and studied buyer quality standards and regulations.

Marketing specialists continued coordinating tours of producers' plots to increase exposure for small-scale farmers and deliver information about market routes and formal buyer requirements. This month, the project organized 118 visits that facilitated sharing of market information, logistic details, and transportation coordination.

USAID-ACCESO presented agricultural and MSME products at a fair in Gracias, Lempira and at farmers' markets in communities of Copan to improve local sales and reduce transportation costs.



# USAID | ACCESO

FROM THE AMERICAN PEOPLE



**Access to animal protein:** in the community of El Cedral, Copán Ruinas, 25 cross-bred goats are being milked two times a day, producing a daily average of two liters of milk, diversifying the diets and improving nutrition for children older than one year.

## NUTRITION AND HEALTH

The nutrition and health team held 248 training events, giving 3,712 parents the opportunity to strengthen basic nutrition and health practices. This month, 1,720 participants were trained in family planning and optimal spacing of pregnancies. 769 participants increased their knowledge of healthy households – the concept of establishing healthy and safe norms within the home to prevent diseases and improve hygiene practices.

The construction of 318 chicken coops began and will benefit the same number of households in 13 communities. The access to egg protein will provide these families with balanced diets, ensuring proper growth of children 8 months and older.

## BUSINESS SKILLS

1,502 technical assistance visits focused on improving business practices and access to credit. 1,146 participants attended 109 training events. This month, trainings focused on the use of agricultural logbook for producers of yellow corn under calendarized planting programs for formal markets.

Business and finance specialist helped establish 12 legal entities, 11 rural banks and a woman-owned service company dedicated to food processing, as well as working with 59 fruit and vegetable farms to update their agricultural budgets. Technicians made two field visits to Santa Barbara and Intibucá with ODEF and one more in Santa Barbara with BANPAIS to identify new financial opportunities for project clients.



**Access to credit:** ODEF visits the youth group members of AJAVI Caja Rural in Pueblo Viejo, Intibucá. There are 12 members ranging from 17 to 29 years old (including 3 women) that produce potatoes, carrots, and yellow corn.

### Trainings – July 2013

Area	Participants	Events
Renewable Energy	195	18
Business Skills / Finance	1,146	109
Natural Resources Management and Disaster Mitigation	1,067	51
Postharvest and Certifications	572	46
Processing and Added Value	582	65
Production	24,878	2,820
Market Information	67	8
Nutrition and Health	3,712	248
ACCESO project	16	2
<b>TOTAL</b>	<b>32,235</b>	<b>3,367</b>

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## Monthly Bulletin *August 2013*

### AUGUST HIGHLIGHTS

- USAID-ACCESO is assisting 35,565 households in the most vulnerable communities in western Honduras, promoting production technologies and practices to increase incomes and improve the overall quality of life. The project is benefitting 191,603 people – 90 percent of whom live in poverty and extreme poverty conditions – through technical assistance and training in production, value-added processing, natural resource management, renewable technologies, disaster mitigation, and nutrition and health.
- The total production area increased to 42,055 hectares this month: 18,514 hectares of coffee, 20,425 of basic grains, and 3,116 of fruit and horticulture crops. Crops covering the most planting area included: corn, bean, coffee, sweet potato, and allspice.
- During the month of August, USAID-ACCESO opened two nutritional training centers in the communities of Los Olivos and San Pedro Lomas, Intibucá. These centers, which are located in schools, provide nutrition and health knowledge to local mothers on how to prepare healthy foods for their children under two years old. The center also teaches mothers that participate in the school lunch initiative.
- The project held the Boncafe coffee award ceremonies in Lempira and Intibucá this month. 37 winners were USAID-ACCESO producers (19 from Lempira and 18 from Intibucá); their products scored between 86 and 90 points, categorizing them as high-quality specialty coffees. More than 250 producers from the two departments participated in the events.



All photos by Fintrac Inc.

**ACCESS to technical knowledge:** Copán producers visited producers in Ocotepeque to learn basic production practices for lettuce.



**ACCESS to markets:** Coffee producers from Lempira received top prizes for their high-quality coffee at the Boncafe award ceremony.

USAID-ACCESO client households, beneficiaries and other clients, August 2013			
Department	Household clients	Beneficiaries	Other Clients*
Copán	5,528	22,277	1,027
Intibucá	5,700	44,381	832
La Paz	5,868	33,573	867
Lempira	6,941	45,282	1,535
Ocotepeque	4,651	23,901	673
Santa Bárbara	6,877	22,189	1,265
Otros	0	0	718
<b>TOTAL</b>	<b>35,565</b>	<b>191,603</b>	<b>6,917</b>

\*Includes: MSMES, buyers, input and service providers, municipal corporations, counterpart organizations.

### About USAID-ACCESO

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# USAID | ACCESO

FROM THE AMERICAN PEOPLE



*ACCESS to new opportunities:* A farmer applies ACCESO's basic agricultural practices to his corn field; he will sell his harvest under contract to formal markets.

## VALUE ADDITION

USAID-ACCESO processing specialists continued working with communities to create new products from locally-available resources to generate off-farm employment opportunities. This month, 1,290 participants attended 161 training events during which they learned good manufacturing and processing practices, and techniques to produce frozen chicken tacos, *dulce de leche*, and other dairy and bakery products. Clients also learned how to construct eco-stoves.

Forestry specialists continued promoting legal tree felling and working with woodcrafters to build furniture, doors, chests, and other in-demand products for sale to local markets.



*ACCESS to local markets:* Feeding pen for a small poultry business in Santa Barbara.

## TECHNICAL ASSISTANCE

USAID-ACCESO carried out 35,716 technical assistance visits this month. Of these, 27,121 strengthened farmers' knowledge in agricultural production topics, including basic production practices for coffee and horticulture crops; soil preparation and management; pest, disease, and weed identification and control; transplant and planting; fertilization program management; nutrient balance; adequate use of agrochemicals; soil conservation; and contour plowing.

2,061 technical assistance visits focused on childhood nutrition and improving personal and home hygiene; 1,351 on processing; 1,636 on business skills such as production logs and reducing costs; 1,401 technical assistance visits in animal production focused on poultry farming and livestock management; 585 visits focused on natural resource management; and 645 on postharvest and certification.



*ACCESS to new opportunities:* A woman-owned bakery receives technical support in Ocotepeque.

## ACCESS TO MARKETS

In August, 324 participants attended 28 training events on market information. The producers and buyers learned about quality standards and regulations, supply, and the negotiation process.

Marketing specialists coordinated tours of producers' plots to increase market exposure for small-scale farmers and deliver information about market routes and formal buyer requirements. This month, the project organized 205 visits that facilitated sharing market information, logistical details, and transportation coordination.

USAID-ACCESO organized two agricultural markets in Copán Ruins to promote local sales and reduce transportation costs, directly benefitting 16 families. The project also met with US-based Occidental Food Company to coordinate an export program for allspice.



# USAID | ACCESO

FROM THE AMERICAN PEOPLE



**ACCESS to a nutritious diet:** A young boy eats a meal made during a training exercise at the nutritional training center in La Paz.

## NUTRITION AND HEALTH

The nutrition and health team held 202 training events, giving 3,154 parents the opportunity to strengthen basic nutrition and health practices. This month, 851 participants were trained in family planning and optimal spacing of pregnancies (two years between pregnancies) to contribute to a better quality of life. 675 participants learned about nutritious food preparation and practiced recipes for natural juices, rice with vegetables, fortified tortillas, bean soup, and other vitamin-rich recipes made from low-cost and accessible ingredients. 641 participants learned “healthy household” practices: the concept of establishing healthy and safe norms within the home to prevent diseases and improve hygiene practices.

Project staff and community partners inaugurated two new nutritional training centers in the communities of Los Olivos and San Pedro Lomas, Intibucá.

## BUSINESS SKILLS AND POLICIES

1,636 technical assistance visits focused on improving business practices and access to credit. 1,290 participants attended 161 training events. This month, trainings focused on using agricultural logbooks to track calendarized planting programs of yellow corn for formal markets.

The project worked with 44 MSMEs in Lempira and Santa Barbara in legalization and training activities for 388 people (132 women). A total of 128 MSMEs have been legally registered with the help of USAID-ACCESO and 113 are in various stages of the process.



**ACCESS to water:** Community members mark watershed borders in participation in Intibucá.

### Trainings – August 2013

Area	Participants	Events
Renewable Energy	194	19
Business Skills / Finance	1,290	161
Natural Resources Management and Disaster Mitigation	951	50
Postharvest and Certifications	802	61
Processing and Added Value	990	95
Production	26,004	2,781
Market Information	324	28
Nutrition and Health	3,154	202
ACCESO project	42	3
<b>TOTAL</b>	<b>33,751</b>	<b>3,400</b>

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## Monthly Bulletin *September 2013*

### SEPTEMBER HIGHLIGHTS

- USAID-ACCESO is assisting 34,891 households in the most vulnerable communities in western Honduras, promoting production technologies and practices to increase incomes and improve the overall quality of life. The project is benefitting 186,650 people – 90 percent of whom live in poverty and extreme poverty conditions – through technical assistance and training in production, value-added processing, natural resource management, renewable technologies, disaster mitigation, and nutrition and health.
- During the month of September 602.6 new hectares were cultivated reaching a total production area of 43,263 hectares under project technical assistance, including: 17,836 hectares of coffee, 22,217 of basic grains, and 3,209 of fruit and horticulture crops. The crops with the highest planting area were: coffee, beans, corn, sweet potato, tomato, onions, banana, orange, and cabbage.
- During the month of September, USAID-ACCESO participated in the eighth American Forestry Congress; during the event the project presented recycled wood processed products made with help and technical assistance from the forestry specialists. The Latin America Director of the United States Forest Service and the Secretary of the Forest Conservation Institute of Honduras attended the event.
- In September, USAID-ACCESO held the First Annual Microenterprise fair in the city of Marcala, La Paz. 19 MSMEs and five financial institutions were able to identify business and trade opportunities.



All photos by Fintrac Inc.

*Access to new opportunities:* A tomato farmer is benefitting from improve production practices and access to market driven production programs.



*Access to new markets:* Using sustainable techniques, technicians are helping clients manufacture new products made from recycled wood.

#### USAID-ACCESO client households, beneficiaries and other clients, August 2013

Department	Household clients	Beneficiaries	Other Clients *
Copán	5,510	24,263	1,208
Intibucá	5,631	41,018	1,029
La Paz	5,784	30,469	946
Lempira	6,739	42,912	1,692
Ocatepeque	4,397	21,953	745
Santa Bárbara	6,830	26,035	1,370
Otros	0	0	713
<b>TOTAL</b>	<b>34,891</b>	<b>186,650</b>	<b>7,703</b>

\*Includes: MSMEs, buyers, input and service providers, municipal corporations, counterpart organizations.

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# USAID | ACCESO

FROM THE AMERICAN PEOPLE



Access to technical knowledge: Producers from Intibucá are learning good agricultural practices for carrots.

## TECHNICAL ASSISTANCE

USAID-ACCESO carried out 32,587 technical assistance visits this month. Of these, 24,425 strengthened farmers' knowledge in agricultural production topics, including basic practices for coffee and horticulture crops; soil preparation and management; pest, disease, and weed identification and control; transplant and planting; fertilization program management; nutrient balance; adequate use of agrochemicals; soil conservation; and contour plowing.

2,160 technical assistance visits focused on childhood nutrition and improving personal and home hygiene; 1,106 on processing; 1,977 on business skills such as production logs and reducing costs; 970 technical assistance visits in animal production focused on poultry farming and livestock management; 991 visits focused on natural resource management; and 641 on postharvest and certification.

## VALUE ADDITION

USAID-ACCESO processing specialists continued working with communities to create new products from locally-available resources to generate off-farm employment opportunities. This month, 769 participants attended 96 training events during which they learned good manufacturing and processing practices, and techniques to produce frozen chicken tacos, *dulce de leche*, and other dairy and bakery products. Clients also learned how to construct eco-stoves.

Forestry specialists continued promoting legal tree felling and working with woodcrafters to build furniture, doors, chests, and other in-demand products for sale to local markets.



Access to new opportunities: Passion fruit planting with basic production practices and purchasing agreements with local buyers.



Access to markets: the project participated in an agribusiness fair, *Promoting Business 2013*, displaying fresh and processed products from project clients.

## ACCESS TO MARKETS

In September, 326 participants attended 20 training events on market information. The producers and buyers learned about quality standards and regulations, supply, and the negotiation process.

Marketing specialists coordinated tours of producers' plots to increase market exposure for small-scale farmers and deliver information about market routes and formal buyer requirements. This month, the project organized 184 visits that facilitated sharing market information, logistical details, and transportation coordination.



# USAID | ACCESO

FROM THE AMERICAN PEOPLE



Access to better health and nutrition: A health volunteer in Ciprés, Belén Gualcho, fills out a weight and height monitoring chart with a nutrition and health technician.

## NUTRITION AND HEALTH

The nutrition and health team held 215 training events, giving 3,348 parents the opportunity to strengthen basic nutrition and health practices. This month, 1,174 participants were trained in family planning and optimal spacing of pregnancies (two years between pregnancies) to contribute to a better quality of life. 547 participants learned about nutritious food preparation and practiced recipes for natural juices, rice with vegetables, fortified tortillas, bean soup, and other vitamin-rich recipes made from low-cost and accessible ingredients. 648 participants learned “healthy household” practices: the concept of establishing healthy and safe norms within the home to prevent diseases and improve hygiene practices.

## BUSINESS SKILLS AND POLICY

1,977 technical assistance visits focused on improving business practices and access to credit. 1,450 participants attended 94 training events. This month, trainings focused on using agricultural logbooks to track calendarized planting programs of yellow corn for formal markets.

The project worked with 44 MSMEs in Lempira and Santa Barbara in legalization and training activities for 388 people, including 132 women. A total of 128 MSMEs have been legally registered with the help of USAID-ACCESO and 113 are in various stages of the process.



Access to new knowledge: A group of community bank leaders attend training on best management practices for their banks.

### Trainings – August 2013

Area	Participants	Events
Renewable Energy	291	18
Business Skills / Finance	1,450	94
Natural Resources Management and Disaster Mitigation	973	53
Postharvest and Certifications	720	62
Processing and Added Value	769	96
Production	23,254	2,583
Market Information	326	20
Nutrition and Health	3,348	20
ACCESO project	-	-
<b>TOTAL</b>	<b>31,131</b>	<b>2,946</b>

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**USAID-ACCESO**