

# Annual Operative Plan FY 2016

(October 2015-September 2016)



**USAID**  
DEL PUEBLO DE LOS ESTADOS  
UNIDOS DE AMÉRICA

**CADENAS DE  
VALOR RURALES**  
QUICHÉ, TOTONICAPÁN Y QUETZALTENANGO



**AGEXPORT**  
ASOCIACIÓN GUATEMALA S.A. DE AGRICULTORES



**Save the Children**

Project: Rural Value Chains Project Agexport-RVCP  
Cooperation Agreement No. AID 520-A-012-00003

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## General information

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|---|--|
| <b>Consortium</b>                       | Rural Value Chains   |
| <b>Consortium Representative</b>        | Guatemalan Association of Exporters (AGEXPORT)<br><a href="http://www.export.com.gt">www.export.com.gt</a> / <a href="http://www.encadenamientoempresariales.com">www.encadenamientoempresariales.com</a>  |
| <b>Project name</b>                     | Rural Value Chains   |
| <b>Cooperation Agreement</b>            | AID 520-A-012-00003  |
| <b>Sub-donations</b>                    | Save the Children. <a href="http://www.savethechildren.org">www.savethechildren.org</a>  |
| <b>Sub-contracts</b>                    | INCAP <a href="http://www.incap.org">www.incap.org</a><br>Vital Voices. Guatemala Chapter <a href="http://www.vitalvoicesguatemala.org">www.vitalvoicesguatemala.org</a><br>Sotz'il <a href="http://www.sotzil.org">www.sotzil.org</a><br>IICA <a href="http://www.iica.int/esp/regiones/central/guatemala/">www.iica.int/esp/regiones/central/guatemala/</a><br>AGEXPORT Laboratories Commission <a href="http://www.glabs.com">www.glabs.com</a><br>AGEXPORT Differentiated Coffees Commission<br>AGEXPORT Handicrafts Commission <a href="http://www.handmadeinguatemala.com">www.handmadeinguatemala.com</a><br>AGEXPORT School of Foreign Trade |
| <b>Strategic Alliances</b>              | Associations, Cooperatives, Service Providers, Brokers, Public and Private Organizations and Institutions, International Cooperation, Financial Institutions, SESAN, MAGA, and other.  |
| <b>RVCP period</b>                      | May 29, 2012 – May 22, 2017  |
| <b>Geographic area</b>                  | 12 municipalities from Quiché, Totonicapán, and Quetzaltenango in the Western Highlands.   |
| <b>Prioritized sectors</b>              | Horticulture, coffee, cardamom, and handicrafts. Possibly, fruit trees.  |
| <b>Total budget</b>                     | US\$23,000,000   |
| <b>Budget for the period</b>            | US\$6,390,686  |
| <b>General objective of the Project</b> | To expand the participation of families in rural areas in selected value chains to increase their income.  |
| <b>Name of document</b>                 | FY2016 Annual Operative Plan   |
| <b>Period</b>                           | October 1, 2015 – September 30, 2016   |
| <b>Date submitted</b>                   | February, 2016   |
| <b>References</b>                       | Mr. Iván Buitrón<br>Chief of Party<br><a href="mailto:ivan.buitron@agexport.org.gt">ivan.buitron@agexport.org.gt</a>   |

## Acronyms

|          |   |
|----------|---|
| AGEXPORT | Guatemalan Association of Exporters                               |
| ASDIR    | Rural Integral Development Association                            |
| BCM      | Chain Business Methodology  |
| COCODE   | Community Council for Local Development                           |
| COCOSAN  | Community Council of Food and Nutrition Security                  |
| CODESAN  | Departmental Council of Food and Nutrition Security               |
| COMART   | AGEXPORT Handicrafts Commission                                   |
| COMUSAN  | Municipal Council of Food and Nutrition Security                  |
| COMUDE   | Municipal Development Council of Food and Nutrition               |
| CONASAN  | National Council for Food Security and Nutrition                  |
| COSANE   | Committee on Chain Food and Nutritional Security                  |
| CS       | Selection Committee   |
| CD       | Steering Committee  |
| DR-CAFTA | The Free-Trade Agreement - Dominican Republic and Central America |
| FDA      | Food and Drug Agency  |
| FONAGRO  | National Fund for Agriculture                                     |
| FONAPAZ  | National Fund for Peace   |
| FPA      | Food for Peace Act - formerly PL 480                              |
| FTF      | Food for the Future Initiative                                    |
| GHFSI    | Food Security and Global Hunger Initiative                        |
| GOG      | Government of Guatemala   |
| HIVOS    | Dutch Humanist Institute for Cooperation                          |
| IARNA    | Institute of Agriculture, Natural Resources, and Environment      |
| ICTA     | Institute of Agricultural Science and Technology                  |
| IFAD     | International Fund for Agricultural Development                   |
| IICA     | Inter-American Institute for Agricultural Cooperation             |
| INCAP    | Institute of Nutrition of Central America and Panama              |
| INCOPAS  | Instance of Consultation and Social Participation                 |
| MAGA     | Ministry of Agriculture, Livestock, and Food                      |
| MINECO   | Ministry of Economy   |
| MSMEs    | Micro, Small, and Medium Enterprise                               |
| MSAS     | Ministry of Public Health and Social Assistance                   |
| MSME     | Micro, Small, and Medium enterprises                              |
| NGO      | Non-governmental Organization                                     |
| RVCP     | Rural Value Chain Project   |
| PEE      | Chain Business Program  |
| PESAN    | Strategic Plan for Food Safety and Nutrition                      |
| PIPAA    | Comprehensive Environmental Protection and Agricultural Program   |
| PLAMAR   | Master Plan on Irrigation and Drainage                            |
| PLANOCC  | Plan for Food and Nutrition Security for the West                 |
| PMA      | Environmental Mitigation Plans                                    |
| PRONACOM | National Competitiveness Program                                  |
| RFA      | Request for Applications  |
| RIMISP   | Latin American Center for Rural Development                       |
| SEFAS    | Financial Services for Sustainable Agriculture                    |
| SESAN    | Secretariat for Food Security and Nutrition                       |
| SINASAN  | National Food Security and Nutrition                              |

|       |   |
|-------|---|
| SGC   | Quality management System                   |
| SC    | Save The Children                           |
| USAID | US Agency for International Development     |
| USDA  | United States Department of Agriculture     |
| VVG   | Vital Voices Guatemala                      |
| WHIP  | integrated program of the Western Highlands |

**ANNUAL OPERATIVE PLAN**  
**October 01, 2015 to September 30, 2016**  
**Rural Value Chains Project -RVCP-**

## **1. Introduction**

The Guatemalan Exporters Association, AGEXPORT, consortium leader of the Rural Value Chains Project -RVCP- under the Feed the Future initiative implemented in 12 municipalities in the departments of Quiché, Totonicapán, and Quetzaltenango, presents the Annual Operating Plan -POA- for the 2016 fiscal year, corresponding to the period October 2015 - September 2016.

During this period it is sought to maintain participation in the spaces created by USAID implementing partners in the WHIP and in departmental coordination committees. At the same time, POA activities are directed to productive, commercial, and environmental development strengthening and SAN of 153 chains that RVCP benefits.

From Component 1, the AGEXPORT will develop activities to strengthen the 60 MSMEs it serves directly, in order to facilitate access to markets, support business management, provide specialized technical assistance in the field, facilitate trade promotion, and encourage the implementation of good agricultural and manufacturing practices to increase added value and product quality.

On its part, Component 2 by Save the Children will strengthen the organizational and administrative processes of type B and C rural MSMEs, aiming to legalize 8 MSMEs. Furthermore, aiming to increase the beneficiary population, it plans to incorporate at least 10 additional groups to the existing 50, corresponding to the project target.

In component 3, technical assistance will be added to income-generating components, together with a technology management process to improve agricultural productivity and drip irrigation systems to be installed in home gardens, to improve the diet of families and diversify production for food consumption. Additionally, specialized training events on watering installation and financial issues were scheduled for technical teams to be developed by the School of Foreign Trade.

Component 4 will not be developed, so negotiations with USAID will be made to reduce indicators and specific funds for this component.

In component 5, Save the Children and AGEXPORT will work in alliance with the CIMMYT, MÁS FRIJOL (More Beans), and CLUSA projects and the necessary initiatives to improve conditions for improving SAN and implement plots of corn and beans in order to improve basic grains productivity. Furthermore, diagnostics will be developed with new groups to define actions for improving production of basic grains (corn and beans), start processes of horticultural diversification, improve livestock production, and improve post-harvest handling practices.

Component 6 aims to improve the competitiveness of handicrafts value chains through recruiting consultancies in business development, technical assistance in productivity, and developing new product designs. It will promote the participation of producers in different local, national, and international events highlighting trade promotion through the "Human Art" strategy that includes several proposals to achieve the main objective of increasing marketing and sale of handicraft products of RVCP MSMEs.

From the environmental transverse axis, AGEXPORT will promote the implementation of adapting technologies through different instruments, including demonstration plots for adapting to climate change, promoting good agricultural practices, and developing farmers' capacities; for example, by preparing fertilizers through biofactories to be installed in strategic locations.

The issue of empowering women remains a priority. The technical team of Vital Voices Guatemala will strengthen capacities of 140 women leaders to empower them economically through income generation, opening leadership spaces, and access to productive resources.

In the transverse component of cultural identity, the RVCP will continue to work with the Sotz'il partner in developing the strategy and implementing actions with MSMEs, where 4 diagnoses were made in MSMEs. The information phase will be made with consortium partners, identifying implementation actions to appraise the contributions of ancestral knowledge and respect and rescue cultural practices in this important component.

In the Knowledge Management Component, the IICA, the contract was signed and the process of RVCP knowledge management, including gathering success stories and systematization of lessons learned from the project will start. Together with consortium partners, findings and experiences generated will be identified, defining communication activities to make the results known.

In this period, the project communication strategy will focus on making known the results and changes generated to date, documenting success stories and processes that have impacted communities. The plan is to use different media such as news, publications, web pages, videos, and success stories that demonstrate changes generated.

On the issue of monitoring, the implementation of a monitoring software will help introduce technology and expedite the registration and presentation of the results generated, allowing greater efficiency in field work to collect and systematize information in electronic media.

Finally, the FY2016 Operating Plan budget amounts to a total US\$6,390,686.

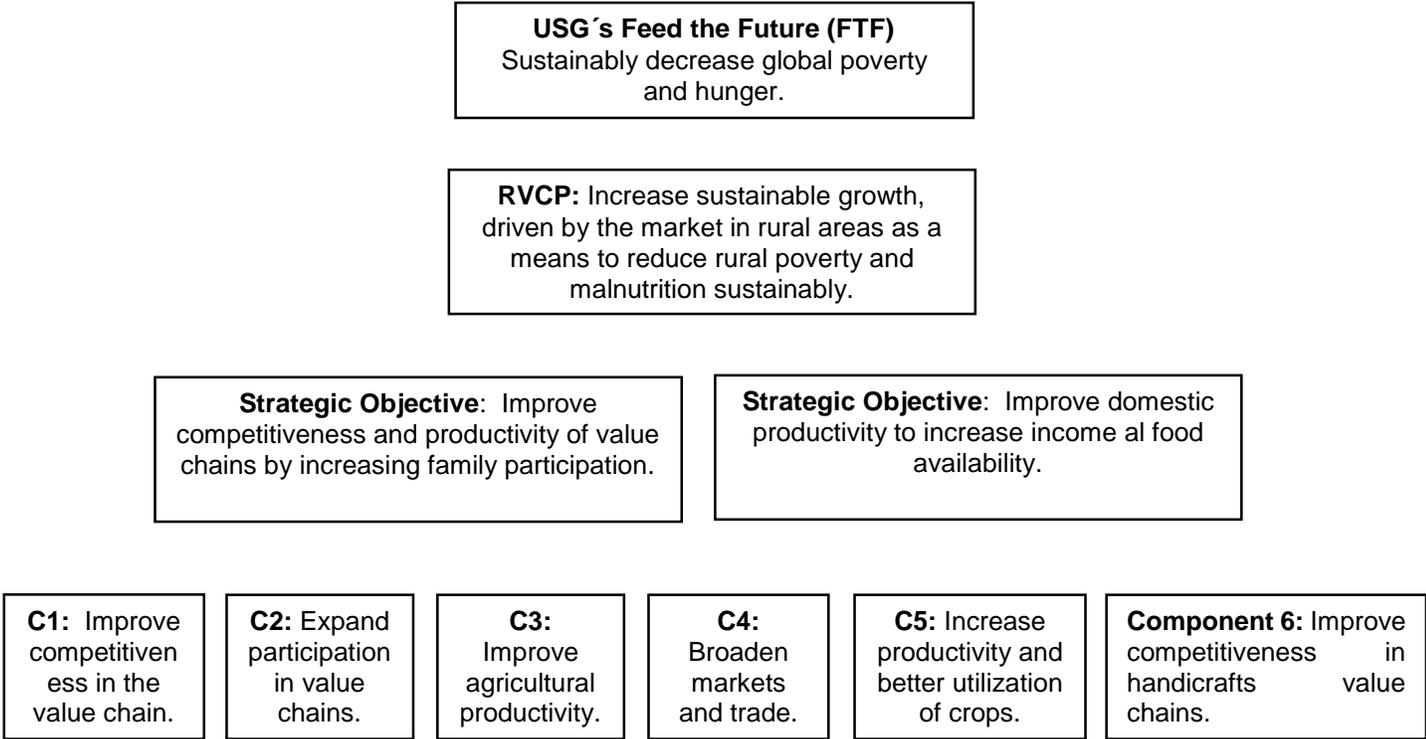
## 2. General Objective

The overall objective of the RVCP is to increase sustainable economic growth propelled by access to markets through value chains in rural areas as a means to reduce rural poverty and malnutrition sustainably, achieving the overall objective of the Feed the Future Initiative of the Government of the United States, which is to "reduce poverty and hunger sustainably globally."

To accomplish the overall objective, there are two strategic targets, one related to improving value chain productivity and competitiveness and another related to improving productivity of households to increase their incomes and food availability.

Objectives are accomplished by implementing six components through a set of activities aligned to the achievement of results and targets (see Figure 1).

**Figure 1. Rural Value Chains Program Results**



## Objectives per component

**Objective C1:** Improve competitiveness and expand capacities in selected associative MSMES through specialized technical assistance to increase capacity and market access, production management.

**Objective C2:** Increase horticultural and coffee production and a sales model for the benefit of poor rural households.

**Objective C3:** Improve agricultural productivity through access to new technologies to innovate, mitigate, and adapt to climate change, good agricultural practices, certifications demanded by the market that improve the competitiveness of associative MSMES.

**Objective C4:** This component will not be implemented (change of the contract with USAID to be processed).

**Objective C5:** Increase productivity of crops produced in rural households for domestic consumption and improve utilization thereof.

**Objective C6:** Strengthen the participation of women in the handicraft value chain and increase productivity and competitiveness of handicraft producing MSMES.

### 3. Participation in RVCP-coordinated spaces

For the next fiscal period, AGEXPORT looks to consolidate and continue participating in coordinated spaces generated by USAID and those generated by AGEXPORT.

- Participation in WHIP departmental committees.

Participation of RVCP Management in meetings scheduled by WHIP directors, alliances, and in coordination with USAID projects is expected, looking to continue coordinating and developing joint actions to benefit families in issues of productivity, nutrition, and health.

### 4. Coordination for RVCP implementation

#### 4.1 Strategic alliances for RVCP implementation in WHIP

The RVCP consortium will strengthen and develop new actions with strategic allies such as MASFRIJOL, BUENA MILPA, and CLUSA seeking to increase the expected results and generate greater sustainability in developed initiatives.

1. AGEXPORT-- MASFRIJOL/MSU Alliance: its main objective is to improve food security of 5,000 families of RVCP-AGEXPORT rural value chains through the provision of improved bean seeds for production and consumption. The following activities are planned for FY2016 to follow up the pilot project conducted in 2014, in which 2,300 families benefited from food consumption and application of new technologies:
  - 500 quintals of improved bean varieties ICTA Súper-Chiva, ICTA Altense, and ICTA Hunapú will be produced this year. This activity is part of the AGEXPORT -- MASFRIJOL/MSU alliance. This seed will be produced in Salamá, Baja Verapaz, by a MAGA-registered seed producer, who is permanently instructed by the ICTA, a

MASFRIJOL/MSU cooperative alliance producer. Of this amount of seed to be produced, 250 quintals will be distributed to 5,000 MSMES families RVCP/AGEXPORT; hence, delivering 5 pounds per family to plant 441m<sup>2</sup>. The remaining seeds will be distributed to MSMES supported by Save the Children and others supported directly by MASFRIJOL. It is important to note that to deliver seeds, priority will be given to families where the RVCP SAN strategy is implemented.

- Taking advantage of the experience developed by MASFRIJOL, it was agreed for their staff train the RVCP-AGEXPORT/AID technical staff, and subsequently the RVCP technical team will be responsible for training small producers of selected MSMES. The project team will also be responsible for technical assistance to families, following up production, and monitoring results. Also, practices will be promoted to improve bean consumption in the home, through a team of promoters on food and nutrition security.

This strategic alliance will involve a US\$120.066 investment by RVCP-AGEXPORT in bean seed, additionally to technical assistance and monitoring by the RVCP team in the field.

2. AGEXPORT - CIMMYT/BUENA MILPA Alliance: The Buena Milpa Project seeks to encourage innovation and research in agricultural networks and chains to improve production systems and reduce poverty and malnutrition. AGEXPORT with CIMMYT, will promote different activities to improve corn production with RVCP participating families, such as:
  - CIMMYT/BUENA MILPA will train at least 50 RVCP technicians, who work directly in the chains. These technicians will train producers in their chains and monitor corn production and storage in the field. Coaching will be related to these topics:
    - Good practices for corn production under the milpa system
    - Participatory improvement of corn
    - Massal selection
    - Postharvest corn handling
    - Corn seed conservation
3. CLUSA-AGEXPORT Alliance: The alliance will develop between 2016 and 2017 and benefit a total of 700 families of Component 1, prioritized in the SAN actions of RVCP. By 2016, 500 families will receive direct support. Through this alliance, the production of animal protein is promoted through the implementation of livestock units, which will integrate several animal species, such as creole hens, broilers, ducks, and turkeys. Among the activities of this alliance are:
  - CLUSA will develop a training program for field technicians and SAN promoters from RVCP/AGEXPORT to sensitize them as to the dietary importance of animal protein and instruct them on issues particularly related to animal production. These trained technicians and promoters will be able to support the CLUSA team in advising families on implementing livestock units. Additionally, AGEXPORT will promote experience-exchange activities among teams to improve knowledge building.
4. CNCG-RVCP Alliance: This alliance will allow to continue to promote environmental issues and climate change adaptation. Both institutions have put together human and financial resources to promote setting up demonstration sites, demonstration plots, biofactories, as well as providing training and technical assistance encouraging the implementation and use of technologies and good practices to properly use water resources, soil, forests, and like topics. (The explanation of this partnership is furthered in the environmental axis).

## 5. Activities to develop per component

### 5.1 Component 1: Improving Competitiveness in Value Chains

Component 1 Leader: AGEXPORT

**Strategic objective:** to improve competitiveness and expand rural MSMEs associative capabilities through specialized technical assistance to increase productive capabilities and market access management.

Description of main activities:

For component 1 in this POA, AGEXPORT scheduled permanent Business Development, Production Strengthening, Marketing, and Corporate Image activities with 42 out of the 60 committed chains, because the first 18 chains have concluded these processes, and their attention will be exclusively in technical assistance and support.

#### *i. Chain Execution*

During this period, the implementation of different investment plans of the value chains according to the execution status will be followed-up. Among the areas strengthened in these chains are:

- **Business management:** within the business management structure, quality management processes will be consolidated in order for MSMEs to maintain the applicability of administrative, financial, and accounting tools that have been promoted. Administrative specialists and technical assistants will carry out the following activities:
  - Coaching: coaching on theoretical and practical learning of administrative tools such as: handling production and sales records, jobs created, and production costs, among others, is scheduled.
  - Technical assistance: continuous support will be provided to MSMEs leaders to verify the use of tools and reinforce issues needing feedback.

Corporate strengthening actions will be developed with 60 MSMEs of Component 1.

- **Agricultural Productivity:** With respect to productivity, technical assistance activities will be intensified in order to increase results in terms of production; to this end, actions of technology transfer, implementation of good agricultural practices -BAPs- to maintain product quality and monitoring of the actions proposed in the environmental mitigation plans to reduce the potential project impacts will be followed-up. The technical team will continue strengthening the productive capabilities of producers of coffee, vegetables, cardamom, and deciduous fruits of the 60 chains of Component 1. In-field technical assistance will be provided to improve export products and basic grain production.

Good agricultural practices will be strengthened through the acquisition of equipment and technology needed to improve productivity. Among the equipment to be purchased to promote good agricultural practices are: personal protective equipment for application of plant-protection products, biological beds, storage facilities for empty containers. Technology to be implemented to improve productivity of different crops is related to: reconversion of drip sprinkler irrigation systems, promoting use of mulch, use of improved seeds, soil and water conservation, use and handling safe plant-protecting products, integrated pest management. This equipment and production technology, together with technical assistance, will increase the net income of farmers through increased productivity.

- **Marketing:** For marketing, MSMES will be oriented and encouraged to maintain long-term trade relations, to consolidate the bargaining power of their production based on the quality offered. Participation of value chains leaders will be promoted in missions and trade fairs nationally and internationally so that producers can exchange experiences, establish business relations with different companies, and strengthen their capacities to become familiar with the dynamics of global markets, and understand them. Among the activities carried out to strengthen the trade capacity of organizations are:
  - **Design of business image:**

For the period, developing a business image and promotional materials for twenty business MSMES is planned, so that this image allows them to make themselves known and visible as a small rural enterprise; all printed material is developed according to the branding provisions approved by USAID.

- **National and international fairs**

Fairs and learning missions prioritized for the fiscal year 2016 are:

National:

**Rural Trade Fairs:**

Rural Trade fairs are aimed to promote the increase Guatemala's exportable agricultural supply through trade between organized producers and national buyers. The scheduled fair consists basically of three elements: Business Conference, Training Program, and Showroom. The Business Conference consists of scheduled meetings between buyers and sellers of the products produced in different business MSMES. The Training Program is specifically designed for producer associations and related issues are addressed:

- Good Agricultural Practices and Good Manufacturing Practices
- Harmlessness (food safety importance)
- Organic agriculture
- Productive diversification
- Commercialization
- Market access
- Tax and financial topics

A Rural Fair is programmed in Chichicastenango (Quiché) to promote deciduous fruit (apple and peach) produced by six chains supported by the RVCP. This activity will take place during June 2016, with a US\$5mil budget.

At international Level:

- **Fresh Summit PMA in USA:** It is expected that five representatives of SMEs vegetables PMA platform. It will be held from October 22 to 26, 2015, at the Georgia World Congress Center, in Atlanta, Georgia, United States.

| Fair             | Place            | No. Participants | Date     | Purpose  | Budget per person | Total budget |
|------------------|------------------|------------------|----------|--|-------------------|--------------|
| Fresh Summit PMA | Atlanta, Georgia | 5                | Oct - 15 | Representatives of the chains learn new trends and innovative aspects of vegetable segment and market requirements for production. | \$2,600           | \$ 13,000    |

## ii. Developing territorial chains for cardamom, onion, and potato

Currently cardamom, onion, and potato chains are approved. With the addition of territorial chains, the RVCP promotes an approach that transcends particular attention of MSMES into a regional intervention, where different communities and groups settled in a territory with similar agro-climatic features are integrated.

In this POA, the RVCP aims to develop a set of strategic actions through which a comprehensive implementation of chains will be applied. Alliances with other projects and with private enterprises is expected.

**Figure 1. Model of intervention of territorial chains**



Everyone involved will develop activities to strengthen different areas of the chain.

| No. | Area                        | Activity  | Institution                                      |
|-----|-----------------------------|---|--|
| 1   | Productivity                | Productive training   | AGEXPORT-Save the Children                       |
| 2   |                             | Technical Support   |  |
| 3   | Market access               | Identify buying companies   | AGEXPORT-private company                         |
| 4   |                             | Working meetings with brokers   |  |
| 5   | Technology Transfer         | Setting up and reconversion of drip irrigation  | AGEXPORT-Save the Children, private company      |
| 6   |                             | Implementation of at least 5 units of onion drying.<br>Implementation of at least 5 units of cardamom drying. |  |
| 7   | Environment                 | Implementation of environmental mitigation plans.   | RVCP, DANIDA, PROAMBIENTE-AGEXPORT               |
| 8   |                             | Establishment of climate change adaptation plots  |  |
| 9   |                             | Implementation of energy forests  |  |
| 10  |                             | Advice for certification  |  |
| 11  | Food and nutrition security | Training in nutrition and health, supplementary feeding, and hygiene  | AGEXPORT, SAVE THE CHILDREN, CIMMYT & MASFRIJOL  |
| 12  |                             | Training and implementation of corn and beans plots to improve basic grain productivity                       |  |
| 13  |                             | Diet diversification and biological utilization of food through the establishment of vegetable patches        |  |
| 14  | Gender                      | Gender training to leaders, MEMEs producers   | VITAL VOICES, SAVE THE CHILDREN, COMART-AGEXPORT |
| 15  |                             | Training women leaders in leadership positions  |  |
| 16  |                             | Identification and promotion of productive projects for women and women leaders                               |  |

Planning joint actions help strengthen productive, commercial, and service management aspects to improve the competitiveness of the chain. Additionally to support from project partners (VITAL VOICE, SOTZIL, INCAP), activities to encourage environmental protection, cultural identity, working with gender focus, and development of actions to improve food and nutritional security of families involved in each of the chains will be promoted.

In addition, readapting the execution strategy that the project has implemented with partners, encouraging more comprehensive work for both individual MSMES as well as the new regional chains that are opening and demanding a new intervention strategy for improving results is being considered.

## Expected results Component 1

| No.  | Results   | Global Target 2012-2017  | FY-2015-2016 Target   |
|------|---|--|---|
| 1.1  | Generated sales value and volume of horticultural products and coffee for MSMEs.  | Q.351,710 horticulture, coffee, cardamom, and fruit trees.<br>(17,585.5 tons)<br><br>Sales of US\$18,113,784 for green vegetables, coffee, cardamom, and fruit trees. Accumulative during project duration.  | Q.150,000<br><br>Total: US\$6,500,000<br>Green vegetables US\$2,700,000<br>Coffee: US\$1,800,000<br>Cardamom US\$1,500,000<br>Fruit trees US\$ 500,000                                  |
| 1.2  | Gross profit per unit area, kilogram, or animal selected products   | Gross income by product: Green vegetables, coffee, cardamom, and fruit trees   | 10% green vegetables<br>9% coffee<br>5% cardamom<br>5% fruit trees  |
| 1.3  | Private companies of food security (profit), producer organizations, associations that have received assistance from the USG  | 60 private food security companies (profit), producer organizations, water user associations, women's groups, business and marketing associations, and community associations (CBOs) who receive assistance from USG   | 60 MSMEs (45 green vegetables, 9 coffee, 5 cardamom, 1 fruit trees)   |
| 1.4  | People who have received short-term training on agricultural productivity and food security.  | 3,150 people have received short-term training in agricultural productivity and 1,575 in food security.  | This year 2,875 new producers are expected to be trained, additionally to 3,150 trained in productivity and 1,575 in SAN.   |
| 1.5  | Work generated for poor rural households  | 2,055 jobs generated representing 534,219 wages.   | 800 new jobs created  |
| 1.6  | Rural households that have benefited directly from project interventions.   | 6,300 rural households have benefited directly from project interventions  | 400 new homes   |
| 1.7  | Availability and increased use of improved technical assistance, Business Development Services (BDS) by associative MSMEs along the value chain.  | 60 MSMEs (45 of horticulture and 15 of coffee) receive technical assistance in agricultural production.<br><br>60 associative MSMEs receive Business Development Services (BDS) including:<br>a. improving their organizational and administrative skills, b. access to credit and improved markets.<br><br>6,930 rural households benefited from technical assistance and SDE | 60 MSMEs (45 green vegetables, 9 coffee, 5 cardamom, and 1 fruit trees)<br><br>60 MSMEs (45 green vegetables, 9 coffee, 5 cardamom, and 1 fruit trees)<br><br>4,800 men and 1,230 women |
| 1.8  | Increased use of productivity technologies by associative MSMEs.  | 60 associative MSMEs using production technologies.  | 60 associative MSMEs using production technologies.   |
| 1.9  | Improved use of agricultural production inputs, technology, and services by associative MSMEs.  | 60 associative MSMEs (45 of horticulture and 15 coffee) improve the use of agricultural production inputs, technology, and services.   | 60 MSMEs (45 green leaves, 9 coffee, 5 cardamom, and 1 fruit trees)   |
| 1.10 | Increased participation of poor rural households in value chains.   | 6,930 poor rural households (70% men and 30% are women) are involved in productive activities of the horticulture and coffee value chains.   | 4,800 men and 1,230 women   |
| 1.11 | Private companies MSMEs, irrigation users' associations, women's groups, associations that implemented new technologies or good administrative practice as a result of US Government* intervention. | 60 private companies, producer organizations, irrigators, women's groups, business and marketing associations, and community associations that have implemented new technologies or good management practices as a result of US Government* intervention.  | 60 MSMEs (45 green leaves, 9 coffee, 5 cardamom, and 1 fruit trees)   |

### **iii. Market intelligence**

In this context, the Chains Program of the Development Division of AGEXPORT, will follow up the implementation of the investment plans of the 60 rural value chains, highlighting the following aspects:

- Monitoring and following up indicators
- Exchange tours
- Support in trade missions
- Control the implementation of MSMEs investment plan
- General support in the chain execution processes

To comply with the above mentioned activities, a line of technical staff to strengthen MSMEs monitoring of has been established.

In this regard, special attention will be given to agricultural sectors that are currently depressed due to low international prices and incidence of pests and diseases, such as coffee and cardamom. In the case of coffee, the consolidation of trade relations of MSMEs with their buyers will be promoted and the program of technical assistance for adequate rust control will continue. In the case of cardamom, a business conference will be held, promoting that cardamom producer organizations and exporting companies get together to reinforce trade. Similarly, ongoing support to cardamom producers from the Zona Reina (the Queen Zone) will continue to control thrips sustainably.

In chains of vegetable producers, strengthening relations between producer organizations and export companies is ongoing, commitments made between the two are followed-up so that success is the linking factor of long term relationships.

As stated above, a Rural Fair in Chichicastenango is planned, aiming to promote deciduous fruits (apple and peach) in the domestic market, which are produced by some chains.

- Market intelligence wages

Under the line of market intelligence, wages and law benefits for PEE staff will continue to be covered, including the Development Division Director, PEE Manager, 2 Field Operations Coordinators, 9 business specialists, 1 processes specialist, and 1 junior specialist.

### **iv. Mobilization, studies, and other**

This line includes monitoring and supervision activities of different business plans of undergoing value chains. It has a fund for expenses such as travel expenses, meetings with buyers and institutions to establish strategic alliances, specific studies that benefit developing activities for the different chains, participation in tours, fairs, and learning missions, exploratory and of accompaniment to leaders of different value chains.

It is also contemplated develop two reinforcement workshops for implementing MIP, updating good agricultural practices, and managing irrigation technologies in vegetable production, addressed to technicians and developers who share this knowledge with producers of business MSMEs served by RVCP.

**v. Office Equipment**

Within this period, there is a plan to purchase computer equipment, furniture, and equipment for the technical and administrative new personnel located at headquarters, Quiché and Quetzaltenango. Additional furniture and equipment will be purchased for organizations to strengthen their business skills. (See procurement plan).

**vi. ISO 9001-2008 Quality Management Program**

ISO 9001: 2008 follow-up audits for the Chain Business Program are scheduled in December 2015 and July 2016. This certification has improved the processes developed in the management of the Business Chains Program. ISO formats will continue to be used in all administrative and field processes in order to have a record and to support monitoring and evaluation indicators defined for each RVCP component.

**vii. Exchange of experiences**

Participation of representatives from C1 chains and the Chain Business Program (PEE) in trade fairs and missions is scheduled. Six PEE specialists will accompany leaders of supported MSMEs in order to make contacts with potential buyers of their products, and to support them through the learning process of aspects such as trends in product consumption, packaging and presentations, qualities required by the market, exchange of experiences with other similar organizations, among others.

**viii. Commercial Promotion to support RVCP MSMEs**

Support to agricultural MSMEs of the Rural Value Chains Project -RVCP- provided through trade promotion includes:

- Promote products from business MSMEs in specialized international fairs, through stands where group production and image are visible, as an ideal platform to show the exportable offer of Guatemala to the world.
- Support positioning of the productive supply of Guatemala through a representative sample of agricultural products produced under the Rural Value Chains Project.



**Fresh PMA Summit:** PMA Fresh Summit is the most important international perishables sector fair of in the US. The event specializes in the fruit and vegetable sectors. It is held annually in different states of USA. This is where over 20,000 participants from all supply chains of fresh fruits and vegetables and flowers in the world come together as a community to learn, build relationships, and do business. A fair scheduled October 22 to 26, 2015, in Georgia, Atlanta, USA. This fair has an estimated budget of US\$15.000.

## 5.2 Component 2. Increasing participation in rural value chains

Leader of Component 2: Save the Children

**Strategic Objective:** To expand horticultural and cardamom production and sales models for the benefit of poor rural households.

Description of the main activities of Component 2:

On one hand, activities will focus on strengthening micro, small, and medium enterprises (MSMEs) that have been dealt with in previous periods (follow up) as part of an exit and sustainability strategy. On the other hand, we continue the process of identifying new MSMEs with productive and commercial potential, through implementing a productive (training, implementation of BPA's and BPM's, and access to new technologies) and commercial (improving administrative and financial capacities of its members, access to sources of funding, and formalization or linking to markets) strengthening plan. The process will be based on the following major actions:

### **i. Identifying farmers with agricultural potential by region and municipality:**

Recognizing at regional level (municipalities, and intervention communities) potential MSMEs that can be considered as beneficiaries of the project. This is due to low membership of MSMEs served so far and shown lack of interest in growth due the limited availability of access to areas with commercial agricultural potential, little or no access to credit and inputs, and restricted volume of contracts for final purchase. Considering the targets and achievements proposed the previous period, inclusion of new MSMEs and their membership is necessary to achieve the approved objectives. For this purpose, meetings with leaders and boards of identified MSMEs are held to determine their economic activity, organizational level and to measure their interest in the project and, in general terms, their potential to achieve the targets set for C2 and C5. These MSMEs will be contacted from SC's own knowledge, referrals from trading companies, pre-diagnoses by AGEXPORT<sup>1</sup>, and those identified from local organizations such as municipalities, COCODES, and other. The strategy of working the onion chains in the Municipality of Sacapulas and cardamom in Uspantán together with AGEXPORT, may be a potential option to identify new MSMEs.

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<sup>1</sup> In the case of onion and cardamom, AGEXPORT has prior experience, so previously created links and capabilities will be used.

## **ix. Support to territorial chains**

The implementation strategy brings up the implementation of actions through a territorial approach. To do this, together with AGEXPORT (Component 1), we identified and selected cardamom chains in Zona Reina, Uspantán, and an onion chain in Sacapulas (both in Quiché), where joint activities will be planned and implemented to improve productivity and competitiveness of both chains. There are plans to integrate technical field teams, harmonize work strategies and complementary investments on a larger scale with a territorial vision.

### **ii. Identifying and selecting organizations with potential:**

Territorial chains do not rule out identifying new producer organizations with potential, which will be selected based on instituted criteria (poverty indicators, social-organizational and productive potential) and through lists of pre-identified groups in recognition phase, it is planned to carry out a rating exercise to prioritize the selection and confirmation of groups which may be RVCP beneficiaries. Meetings will be held with prioritized groups to inform them on project requirements, methodologies, objectives, and benefits to producers to start the process with leaders, boards, and assemblies, to sign a letter of commitment with Save the Children, formally adopting the group as a beneficiary.

### **x. Group diagnosis for MSMEs confirmation**

In order to design a refined and contextualized intervention for C2 and C5 RVCP, a diagnosis will be developed for each group of beneficiaries using participatory tools (interviews, SWOT workshops, surveys, sampling, etc.). Information on production capacities, organizational practices and organizational level, crop production for self-consumption and habits related to nutrition and health will be collected. Based on information gathered, group orientation will be confirmed according to type B or C characteristics defined by RVCP, and specific intervention plans will be developed.

### **xi. Organization and promotion of base groups:**

At this stage are addressed groups with which the intervention process begins by planning and executing activities prioritizing aspects of associativity to promote the growth of MSMEs and strengthen the organization to consolidate boards and functional committees for whom a training program in technical and administrative functions, use of administrative tools, records, basic controls, and business formats with socio-purposes, will be developed so that they can contribute to sustainable development of their communities.

### **xii. Market links and access to commercial information:**

Whereas potato, onion, cardamom, and fruit (peach and apple) producing MSMEs lack a direct link with specialized markets and/or wish to identify different options of the local market, accompanying activities are undertaken to identify specialized markets or companies buying their product. Business visits will be made to commercial enterprises in order to present the potential supply such as: products and their quality, production areas and volumes, prices, delivery terms, payment terms, etc.

The participation of organization in trade fairs and events that allow them to maintain market linkages will also be promoted. It is the responsibility of the person responsible for Component 2, supervisors and technicians, to advise and train leaders and producers participating in events and trade shows.

The production process will be ordered through a trade or marketing plan, included in the business plan, taking into account the information obtained in surveys and market monitoring. Plantings in gradations of production according to market demand will be proposed.

Regarding market information, a price information system for vegetables and fruits will be established through an alliance with a company specializing in the subject to send price information to producers via mobile messaging early morning every business day.

### **xiii. Business strengthening:**

- **Organizational and business training and counseling:** consultancies and coachings to strengthening new MSMEs will be developed, providing an entrepreneurial and commercial vision, strengthening boards and commissions, for which professional staff will be hired to promote and develop specialized training on financial management issues, planning, administration, strategic alliances, decision making, and conflict solving. This process will run in an estimated six months.
- **Legalizing organizations:** This process will be promoted taking into account interest shown by leaders to change their relations with third parties from informal to formal. To this end, MSMEs of farmers interested in legalizing their organizational figure to produce, process, and trade their horticultural production and other products will be identified. This period, we aim to promote the formalization **of eight** MSMEs that expressed interest in obtaining legal status last period.

Measures of the formalization process are:

- Training on organizations and types of legal organizations.
- Advisory services to formalize and legalize said entities as non-profit associations.
- Accompany registration in the Superintendency of Tax Administration (SAT), obtaining a Tax Identification Number (NIT), opening bank accounts, electing a board, and establishing accounting and management systems.
- Aspects to be considered for the legalization process of MSMEs: 1) consolidated organization, have a trained and knowledgeable board of the administrative and financial management of the organization and implications of legalization; 2) production and marketing volume and its link to the market; and 3) socialization of assemblies on positive and negative aspects of legalization and having the assembly's approval for legalization. It should be noted that having a legal figure is not a condition to support organizations.

**Advice on finances and access to agricultural credit:** Whereas one of the limiting factors for the growth of MSMEs is lack of financial resources, component 2 of the RVCP project promotes access to credit for small producers, connecting them to entities providing agricultural financial services, as BanRural, Genesis Empresarial, Share, credit and savings unions, etc.

Financial consultancies for organizations provide information and technical assistance necessary to develop and comply with internal regulations for fund management. These guidelines take into consideration the following aspects: a) Structural characteristics of the organization for fund management. b) Monetization of support obtained in the form inputs for production, c) Administrative aspects for managing a seed fund, d) Credit management and lending policy for reinvestment, e) Implementation of commissions on associative product selling for producer organization sustainability, f) Bank management and control books. To this end, services specializing in the subject will be contracted, which must adapt and adjust their methodologies and working tools to the nature and development of organizations.

**Exchange of experiences at rural company level:** visits to other productive and commercial initiatives in rural areas with a successful experiences at the organizational, productive, and commercial level will be promoted. The purpose of the exchange is to define factors that have favored and limited the performance of the organization. Board representatives and work commissions are involved. Attendees will be committed to socialize relevant aspects of the visit in a group meeting or

under a subgroup scheme. Visits to more developed MSMEs in the coverage area will be coordinated with AGEXPORT.

#### **xiv. Strengthening agricultural production:**

In addition to the investment plan, which defines the resources intended for that purpose, in regard to agricultural production, actions focus in elaborating production plans to guide productive activities for improved productivity and quality. To this end, the following is considered:

- **Preparing a production plan:** The production plan is determined by market demand and involves identifying potential crops that can be planted based on agro-climatic suitability of the area and previous experiences, defining their productivity, production costs, production areas, yields, production volumes, sowing and harvesting times, post-harvest handling and quality, and expected sales revenues. To make the production plan, demand (interested trading companies or potential markets) and the ability to offer different products will be taken into account.
- **Investment and business plan:** Is a tool for project management to support organizations. It is expected that each chain will have its proposal or investment plan aimed at strengthening the business organization, agricultural technical assistance, implementation of good agricultural and manufacturing practices, improvements to small-scale irrigation systems, and commercial image management.

Having defined market demand and investment plan, business plans of MSMEs can be formulated with more productive and commercial potential.

- **Agronomic crop management:** Agricultural technical assistance shall be the responsibility of the field technical team and supervisors, who will define the technology package to implement jointly with sourcing companies. To do this, a production plan that includes appropriate agronomic practices for growing purposes and ensures adequate productivity will be developed in line with market requirements in terms of product quality, chemical waste<sup>2</sup>, environmental management, etc. Phytosanitary and nutritional management plans by crop will be made prior to implementation. Such plans will be socialized with producers. Field technicians guarantee through technical assistance that producers carry out correctly agricultural practices as cleansing, fertilization after planting, pest control, disease control, irrigation, and correct harvest time. Producers will be trained in groups during field trips and visits planned ahead to reference plots located at strategic points.
- **Implementation of good agricultural practices:** Complementary to agronomic crop management, the implementation of good agricultural practices (GAPs) is vital for ensuring product quality and safety. In that sense, it is planned to train and reinforce producer organizations on the importance of GAPs in the production phase and, above all, to facilitate access to export and regional markets. For starters and given the capacity of organizations, at least five good basic practices will be implemented to allow them to gain expertise and strengthen their capacities, which are: biological beds, stands to collect empty containers, plot circulation, personal protective suits, and latrines. In addition some records and training on safe use of pesticides will be implemented, etc.
- **Implementation of good manufacturing practices:** They focus on quality assurance of products. Producers will be trained in terms of quality standards and product preparation, classification, cleaning, and packaging. Additionally, those groups that able to process, store, and market their finished products, lockers or metal cabinets suitable for pesticide storage, BPM's signals, and storage tools (agricultural baskets and sorting tables), will be implemented.

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<sup>2</sup> PERSUAP for export products will be applied, developed by AGEXPORT for PCVR

- **Generating records:** This consists in orderly recording elements of the actions implemented at two levels: a) at production unit level where production data originates, so that producers learn about labor cost, materials used, and total cost per production unit; b) at association and support organization level to keep consolidated data for monitoring production and business processes. Records will be kept in cards and handmade formats for producers' organizations use. Save the Children will provide the digitizing and analyzing processes for monitoring and evaluation purposes. Elements comprised in the records are: producers' lists, production records, records of deliveries, payments received. Records will be updated by crop, according to the production plan and according to the monitoring and evaluation requirements of the project plan (sowing areas, wages, etc.). These documents (production records and analysis of completed cycles) will be socialized with the beneficiaries in order to disseminate information about the behavior of the productive business exercise.

### ***iii. Risks and possible obstacles for C2 development***

Considering that agriculture is highly susceptible to climatic variables, which have increasingly taken more unexpected and extreme manifestations in recent years, it is clear that one of the greatest risks to cash crops is variation in the water regime (excess moisture or drought) as well as other less dramatic factors that accumulate effects on crop development such as the behavior of related pests and other aspects affecting productivity.

Public institutionalism does not escape the potential risks to implementation, especially due to little or no presence of key public entities in the process, such as the Ministry of Agriculture, Livestock, and Food - MAGA, among others.

#### **Actions to address the difficulties**

Training and technical assistance will be provided to farmers to promote preventive measures to adapt to climate change, planting plans will be promoted jointly with companies aiming to adapt the sowing times taking into account climatic conditions of the area.

We will continue to coordinate with government institutions the promotion of improved seeds of basic grains, in order to counter the problems caused by climate change.

- Results expected for C2:

The work strategy in alignment with human, material, and financial resources for FY2016, will improve the targets and results expected by the RVCP. Main actions to be taken: 1) At budget level: improve financial performance, prioritize resources to strengthen the capacity of producers and MSMEs on issues of productivity and quality; 2) Commercial strengthening: Prioritize market access, legalize MSMEs, and establish mini-centers for collecting and washing products, and 3) Contract consulting services with the aim of providing specialized technical assistance to producers of MSMEs.

Expected results are shown in the following chart:

**Expected results Component 2:**

| No. | Results   | Global 2012-2017 Target   | Target FY2015-2016   |
|-----|---|---|--|
| 2.1 | Broadening participation of rural households, including women in associative rural SMEs.                  | 3,910 poor rural households were directly involved in the productivity activity of the associative rural MSME (70% men and 30% women).<br>7,820 poor rural households received SDE and technical assistance (30% women and 70% men).  | 1,084<br>2,061   |
| 2.2 | Increased capacity in operational organizational processes and management capacity of the producer group. | 22 new associative MSMEs increased their organizational, operational, and management capacities.<br>28 groups of producers increased their organizational, operational, and knowledge management.   | 8<br>21  |
| 2.3 | Jobs generated at high-value coffee <sup>3</sup> and horticultural produce farms.                         | 619 jobs generated in rural associations MSMEs, accounting for 160,940 salaries.  | 165  |
| 2.4 | Increased access to productivity technologies and support services for members of the newly formed SMEs.  | 22 new MSMEs have access to productivity technologies and support services<br>3,910 poor households have access to productivity technologies and support services.<br>Hectares implemented with productivity technologies and support services<br>Vegetable hectares<br>Onion hectares<br>Cardamom hectares<br>Fruit trees hectares   | 22<br>2,000<br><b>TOTAL: 9</b><br>2<br>2<br>3<br>2   |
| 2.5 | Generated value and volume of sales of horticultural products and coffee by SMEs.                         | Q.67,948 of agricultural products, coffee, cardamom, and fruit trees produced cumulatively throughout the project.<br>Vegetable Quintals<br>Onion Quintals<br>Cardamom Quintals<br>Fruit trees Quintals<br>Sales generated by US\$3,520,474 in horticulture, coffee, cardamom, and fruit trees cumulative throughout the project.<br>Vegetables sales<br>Onion sales<br>Cardamom sales<br>Fruit trees sales | <b>Total: 48,311</b><br>7,247<br>14,493<br>16,909<br>9,662<br><b>Total:</b><br><b>US\$956,672</b><br>US\$143,389<br>US\$286,779<br>US\$334,575.00<br>US\$191,929 |
| 2.6 | Increased revenue from non-agricultural activities  | 5% increase in revenues from non-agricultural activities (starting from the initial baseline).<br>Vegetables gross profit<br>Onions gross profit<br>Cardamom gross profit<br>Fruit trees gross profit   | 5%<br>10%<br>5%<br>5%<br>5%  |
| 2.7 | Gross profit per unit area  | 7,820 poor rural households received SDE and technical assistance (30% women and 70% men).  | 4,692  |

<sup>3</sup> Switched to cardamom cultivation as of FY2014-2015. For result 2.7, income margin must not be yet defined for this crop.

## 5.3 Component 3. Improving Agricultural Productivity

Component 3 leader: AGEXPORT

**Strategic objective:** Improve agricultural productivity through access to new technologies for innovation, mitigation, and adaptation to climate change, good agricultural practices, certifications demanded by the market that improve competitiveness of associative MSMEs.

C3 will be implemented as an integral part of components C1, C2, and C6 through which investments will be oriented to improve the productivity of coffee, vegetables, and handicrafts value chains.

Activities to strengthen productive capacity of rural organizations for 2016 are:

Description of main activities:

### ***i. Technology access and use to improve productivity and adapting to climate change***

#### **a. Irrigation**

7.5 new hectares of drip low-pressure micro-irrigation technology will be incorporated in the areas used by Component 5 family gardens.

1,500 RVCP families will benefit from this irrigation, increasing the ability to produce food throughout the year. The increase in productivity with irrigation is estimated at 33%.

Trained technical personnel will provide technical assistance for the proper use and implementation of irrigation. Also, a handbook on use and maintenance of micro-irrigation for home gardens will be issued, including dosage and frequency of irrigation, plus cleaning and revision frequency, for an efficient use of the system installed in each home garden. 1500 manuals will be reproduced and distributed to managers and beneficiary families.

#### **b. Mulch**

In order to control weeds, reduce soil tillage, create a microclimate for better development of crops, and improve insect, fungi, and bacteria control, technical assistance will be provided in the use of mulch in an area of approximately 15 hectares. Implementation of this technology will be promoted in 10 MSMEs, improving soil condition, minimizing labor for tilling due to mechanical weed control at least 30 days' wage per hectare, resulting in savings of Q.2,340.00 in hand labor per hectare. Additionally, it improves water use increasing productivity by at least 2%, equivalent to 414 more pounds of produce per hectare.

### ***ii. Demonstration agricultural production plots and adapting to climate change***

Parting from the manuals **Technologies for Agricultural Production and Adaptation to Climate Change, BPA Manual, and Technologies Selection Guide** developed by AGEXPORT in 2015 and the observations made by the Regional Advisor on Environment of USAID, Joe Torres on the RVCP

Environmental Assessment, 28 demonstration plots for agricultural production and adaptation to climate change will be implemented, which through the "master farmers", will help provide training and advice to producers in their own region. Plots will be managed by experienced farmers who speak their language, and will be trained to perform in situ promotion of these technologies.

In these demonstration plots, some of the 30 technologies will be implemented, such as: soil conservation (hedgerows, dead barriers, rut level, irrigation channels), integrated pest management (crop rotation, yellow traps, trap crops) and 14 good agricultural practices such as latrines, *biodeps* (sic), sanitary modules, use of personal protective equipment, circulation plots). The aim in these plots is to strengthen the knowledge and capacity of rural producers Quiché, Totonicapán, and Quetzaltenango in implementing production technologies in export crops adapted to climate change, using them as tools for learning, demonstration, and replication in other organizations in the area, with people in their community, and in their own language.

**iii. AGEXPORT School of Foreign Trade Training to RVCP technical staff, promoters, and producers**

The project will hire the AGEXPORT School of Foreign Trade to develop a training process called "Training Trainers," which is aimed at technical personnel, promoters, and farmer teachers, seeking to update and strengthen their capacities.

A total of 43 agricultural technicians, 50 promoters, and 50 farmer teachers is expected to obtain knowledge in:

- a) Irrigation systems - use, maintenance, and management
- b) Rural extension
- c) Good agricultural practices
- d) Mitigation plans and environmental monitoring
- e) Implementation of technologies for adaptation to climate change

The purpose of the Training Trainers Program is that they serve as a means to transfer knowledge, replicating in producers and families of the MSMEs of the RVCP project.

**Expected Results Component 3**

| No. | Results   | Global Target  | FY2015-2016 Target  |
|-----|---|--|---|
| 1   | Increased production yields per MSMEs   | 10% increase in horticultural production yields.<br>12% increase in coffee production yields.  | 10% at vegetables level and coffee production yields recovery   |
| 2   | Hectares with improved technologies; good agricultural practices as a result of the technical assistance of the US Government | 10 MSMEs reconvert their sprinkler system to drip irrigation. (C1)<br>50 hectares reconvert sprinkler irrigation to drip irrigation.<br>15 MSMEs implement crops technology under coverage conditions (Mulch). (C1)<br>20 hectares implemented with the technology of crops under coverage conditions (Mulch). | 15<br>7.5<br>Monitoring the use of mulch with 10 MSMEs.<br>Tracking results of 20 hectares with mulch |

|   |  |   |   |
|---|--|---|---|
| 3 | Technologies or management practices within development phases: Phase III: Available for transfer. | 9 technologies or management practices within the development phases: Phase III: available for transfer   | Monitoring the use and results of 4 technologies: micro-irrigation systems, bio-factories, demonstration sites, and MIP |
| 4 | Adoption of new Good Agricultural Practices - GAPs-  | 60 MSMEs apply good agricultural practices (soil conservation and improvement, maintained crop harmless and quality, and protected farmers' health and natural environment). (C1, C2).<br>60 MSMEs implement management systems for production quality, based on international standards or market needs. (C1, C2).<br>30 MSME with good agricultural practices. (C1) PIPPA certified MSMEs | 60<br><br>15<br><br>10  |
| 5 | Approval of new information and communications (ICT).  | 60 MSMEs adopt ICT in their horticultural and coffee crops. (C1, C2).   | 10  |
| 6 | Private Sector Competitiveness   | 140 MSMEs have improved management practices resulting from the Project.<br>140 MSMEs receive technical assistance from the project to invest in improved technologies as a result of the Project.  | 20<br><br>20  |

## 5.4 Component 5: Increase crop productivity for self-use and improved food utilization

Component 5 leader: Save the Children and INCAP

**Strategic objective:** Increase productivity of crops produced in rural homes for domestic use and improve their utilization.

### i. Implementation of nutritional food security component

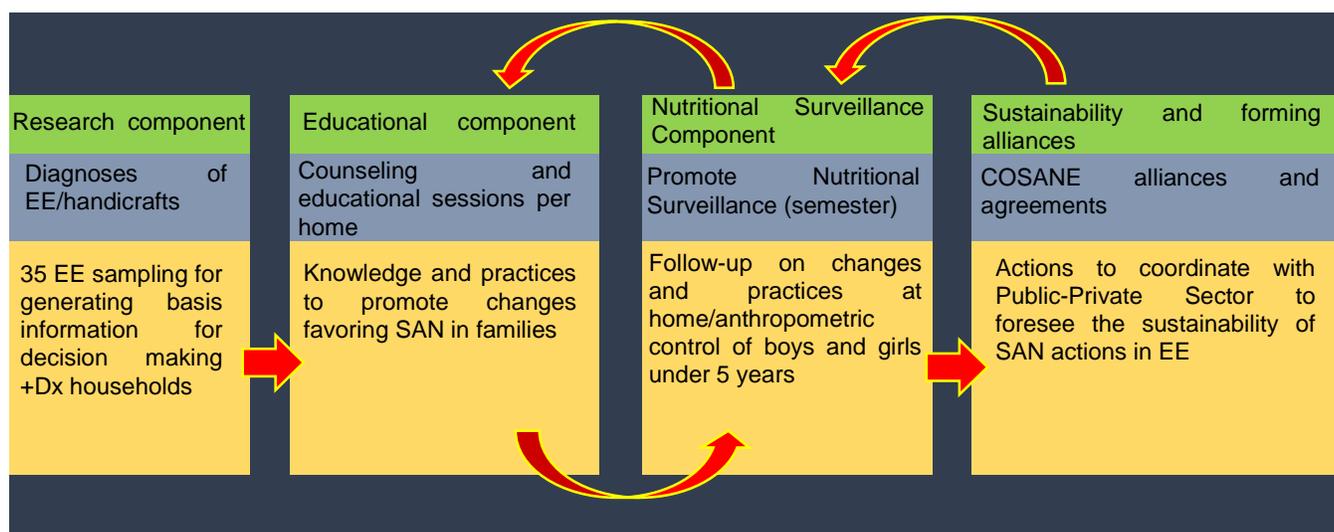
Component 5 focused on nutritional food security and, as per different interventions, it has different implementers:

- AGEXPORT. Interventions in families participating in Component 1 and Component 6 (Handicrafts).
- Save The Children administrates SAN actions in Component 2.
- Local NGOs serving in various interventions of the component.
- Consultants and other support services figures.

The implementation of SAN actions in the RVCP focuses on the following areas of intervention:

- i. Educational interventions
- ii. Strengthening access to and availability of food for families located in the window of the 1000 days (pregnant women and children under 2 years) and families with children under five.
- iii. Promote nutritional surveillance
- iv. Partnerships sustainability and creation

With respect to these actions, there is an intrinsic relationship dynamic to the central theme, which is Food Security that strengthens actions that promote knowledge, attitudes, and practices to promote change in food practices that stimulate food and nutrition security of participating families according to the eligibility criteria.



## Intervention Strategies

To promote SAN actions intervention strategies aimed at strengthening and promoting practices to improve the situation of households in terms of the pillars of access, availability, and adoption of practices are set forth. This is promoted through home gardens, alliances to promote plant and animal protein production (MASFRIJOL, CLUSA). An incentive program for promoting SAN and participation in counseling activities, among other.

## Description of the main areas of intervention

### i. SAN Educational component

It incorporates household counseling activities and educational sessions with women's groups in the communities involved in the production chains. This year is projected to be working on educational activities in at least 140 productive chains, of which 50 are served by direct intervention of SAVE THE CHILDREN and 90 by AGEXPORT. Of the 90 chains served by AGEXPORT, 60 will have regular assistance (which are served from the beginning of RVCP). Additionally, in at least 50 chains served by SAVE THE CHILDREN counseling activities are also incorporated into homes on priority issues of

health, hygiene, and nutrition of healthy children and pregnant women, as well as preparation and use patterns of native foods and those produced in home gardens promoted under the SAN component.

This component will work with a structure of 26 community promoters on Food Security and Nutrition (PCSAN) and 4 Community Managers in Food Security and Nutrition (SCSAN). The SAN educational process applies to families participating in components 1, 2, and 6. Participants are included under the following criteria:

- Pregnant and lactating mothers with children within the 1000-day window.
- Families with children under 5 years.
- Women of childbearing age (as last resort, women between 14 and 49 years).

The target for FY2016 counseling interventions is to reach a total of 4,680 families (2400 C1 and 2,280 C2) within which two types of educational activities are inserted, according to how often households are visited:

- Families with about 24 chains that have had educational activities since the RVCP began operating (18 agricultural business chains and 6 handicrafts chains). These chains will receive "maintenance" educational activities through group education sessions.
- Families from the remaining chains (116) that begin and/or continue educational activities through counseling to households and community group sessions with women.

Furthermore, for educational activities related to educational group sessions, it is projected to reach 5,880 families (**3000 C1** and **2,880 C2**).

Subjects prioritized, within actions in individual household counseling and group sessions, are:

- Post-harvest management and production activities on poultry farming, barnyard animals, and silvopasture and livestock systems.
- Prioritizing investments in nutrition and health education.
- Feeding pregnant women and nursing mothers, breastfeeding, complementary feeding, and feeding the sick child.
- Hygiene.
- Promoting basic health services.
- Risk management.
- Alternative practices for raising domestic animals.

In addition, the implementation strategy of home gardens includes educational topics focused on:

- Increased yields of food crops for domestic use.
- Alternatives to increase the productivity of basic food crops.
- Practices and improved food preparation and storage techniques in rural households focused on the diversity and quality of food.
- Conducts related to improving nutrition.

Each subject is prioritized as planned for all 140 chains; however, depending on the needs and/or priorities in the chains, topics may be raised as needed. Such is the case of house gardens care, food preparation, and quality and nutritional value of the food grown in gardens (native and non-native); which need to be addressed by production and harvesting cycle.

At least one counseling visit and group meeting will take place per family and community.

## **ii. Strengthening access and availability of food.**

### **a. Home garden implementation**

The home garden strategy is incorporated in the framework of this component to improve access to different and quality foods, promote knowledge and practices for food preparation, and promote behaviors related to nutrition improvement. The target for this strategy during the current fiscal year is to implement 3,660 house gardens favoring families included in RVCP business chains, prioritizing families participating in SAN educational activities.

In the case of AGEXPORT, the implementation of house gardens will take place in areas determined by producers. Two deliveries of seeds and a delivery of two sets of fruit trees are scheduled.

- *First group.* 1500 selected families will be served, according to the criteria described below. House gardens for this group will be implemented October, 2015.
- *Second group.* The rest of the families (900) will be served, completing the 2400 target for this intervention with C1 and C6.

Meanwhile in component 2, Save the Children plans to establish a total of 1,260 family gardens and 52 demonstration gardens. C2 home gardens will be established in homes with limited space for planting; therefore, the kind of garden to be promoted is that which families can implement using patio areas at home, utensils, and recyclable material. This type of house garden will also be promoted in urban households of handicraft chain partner families, taking into account that they not always have available space.

Besides seeking improved availability and access to a diverse and quality diet for participating families, it also aims to improve the income of families through the sale of house gardens surplus production; also prioritizing educational activities aimed at promoting investing adequately the income generated in healthy eating and investments that favor the family, expressed the Food and Nutritional Security Specialist (SAN).

A home garden implementation guide will be available including issues such as: a) location, size, and circulation of home gardens; b) planting and soil preparation systems; c) weed control, thinning, and fertilization; d) pest and disease control; e) garden for use and sale. Instruction processes also include themes focused on sustainability of home gardens, which is a significant indicator of the effect that ensures access and availability of foods to participating families upon completion of the RVCP.

Minimum conditions for implementing home gardens, especially those directly implemented by AGEXPORT:

- The garden needs to be close to the partner's house for constant monitoring and care.
- Nearby water source to install the irrigation system as planned.
- Availability of organic inputs in the area (not required), as: brushwood, rotted manure, compost made by farmers or any type of organic fertilizer (purchased by the partner). In the event that none of the aforementioned is available, that the ground is made fallow, making the soil suitable for planting the garden (loamy).
- Preferably no trees cast direct shade on the garden (vegetables do not grow under shade).
- If possible (not mandatory), that the partner can fence the garden with resources from the area (reeds, bamboo, sticks, or other, and rope) to prevent passing animals or people from harming it.
- Take into account the vulnerability of the land to rain, wind, theft, freezings, etc.

#### **Seed species**

Planting native species such as cilantro, squash, chipilín, amaranth, among others, will be promoted; however, the species promoted are shown in the table below, considering their nutritional value for use by participating families and the convenience of selling surplus for continuing the gardens and income generation.

List of species implemented by AGEXPORT:

| Species      | Edible part    | # of ounces to deliver | Repetitions per planted ounce | Estimated sowing area per cycle | Plants per square meter |
|--------------|----------------|------------------------|-------------------------------|---------------------------------|-------------------------|
| Radish       | Root           | 1                      | 7.93                          | 3                               | 125                     |
| Beet         | Root           | 1                      | 31.88                         | 3                               | 22.22                   |
| Cauliflower  | Flower         | 0.5                    | 376.27                        | 3                               | 6.25                    |
| Celery       | Leaf           | 1                      | 2.18                          | 3                               | 416.67                  |
| Spinach      | Leaf           | 1                      | 10.63                         | 3                               | 66.67                   |
| Cabbage      | Leaf           | 0.5                    | 330.93                        | 3                               | 6.25                    |
| Chili pepper | Fruit          | 0.5                    | 325.27                        | 3                               | 3.57                    |
| Chard        | Leaf           | 1                      | 5.53                          | 3                               | 66.67                   |
| Cucumber     | Fruit          | 1                      | 63.75                         | 3                               | 4.44                    |
| Ayote        | Fruit and leaf | 1                      | 12.75                         | 3                               | 4.44                    |
| Lemon        | Fruit          | 1 <i>pilón</i> (sic)   |                               | 3                               |                         |
| Avocado      | Fruit          | 1 <i>pilón</i> (sic)   |                               | 3                               |                         |

### Implementing criteria

- The beneficiary farmer must provide labor for the garden implementation and fence it so that passing animals do not damage it.
- To minimize water use, a drip irrigation system kit will be implemented. A watering can is an alternative to consider when the irrigation system is not feasible.
- Be willing to make a contribution of Q.25, which the association or chain will administer and will serve as seed capital for new crop cycles for the family garden.
- Sign a commitment letter where the irrigation system is donated as long as the recipient undertakes to constantly maintain and plant the garden.
- The project proposal must include an exit strategy that allows economic disassociating from Rural Value Chains. This proposal is the capitalization of a seed bank whose administration will be responsible for administering the chain through the directive board so beneficiaries of home gardens buy seeds from the association at a significant price.
- Be willing to work the home garden, give them enough time to be implemented, and time for training are qualifications to become beneficiaries, as well as to have the need for it.
- Each family that implements a home garden shall prepare with assistance from promoters a detailed planting plan, according to the crop cycle and the area for planting.

## Implementation Process

Key activities involved in the home gardens are:

|    | Activity                             | In charge   |
|----|--------------------------------------|---|
| 1  | Families identification              | Specialists   |
| 2  | Technicians and promoters training   | Specialists   |
| 3  | Previous land set-up                 | Technicians and promoters                           |
| 4  | Delivering seeds to technicians      | Specialists   |
| 5  | Delivering seeds to families         | Technicians and promoters                           |
| 6  | Sow                                  | Beneficiary supported by promoters                  |
| 7  | Delivering mini-irrigation systems   | AGEXPORT and provider                               |
| 8  | Supervision and support              | Promoters, technicians, PCSAN, AGEXPORT specialists |
| 9  | Monitoring and evaluation            | Promoters, technicians, specialists PCSAN           |
| 10 | Integrating species into family diet | PCSAN   |

### Home garden supervision and monitoring

Promoters and technicians are responsible for this activity, but it is integrated into the PCSAN monitoring process when they make their home visits to go over the checklist at a healthy garden defined in the home gardens Family Guide. Also, it's promoters with the help of mother leaders who will strengthen this process through trainings focused on the use of vegetables for consumption and healthy diet diversification.

### Incorporating species into the family diet

The technical team and PCSAN will follow-up counseling actions related to home gardens and poultry breeding, as well as demonstrations of preparing food.

Training topics that PCSAN will teach with help from leading mothers are: nutritional contribution and complementarity with basic grains, food selection, preparation, preserving, and processing based on vegetables planted in the home garden, food preparation demonstrations, use, importance, and consumption of vegetables in the diet, and domestic distribution of food.

To strengthen the adoption of technology by producers, brochures related to vegetable production and nutrition component will be developed.

### ***b. Increasing food productivity food for consumption (corn and beans***

As part of the strategy to strengthen food access and boost family income, alliances are in place with institutions implementing projects ideal to the SAN, looking expand agricultural and livestock activities of participating families. Alliances with the following WHIP interventions emerged:

#### **MásFrijol**

The purpose of this partnership is to improve food security of 5,000 families in 140 rural value chains by providing them improved bean seeds for production and consumption.

To improve the availability of protein in families participating in the RVCP, the alliance signed between AGEXPORT, Save the Children, and MASFRIJOL will provide improved bean seeds to 5,000 families aiming to complement and strengthen access actions and food availability.

## **Buena Milpa (CIMMYT)**

This alliance will promote the use of improved seeds and the establishment of a bank of creole corn seed.

### ***c. Promoting animal protein consumption***

To reinforce animal protein consumption, AGEXPORT established the alliance with the League of Cooperatives of the United States of America (CLUSA), which seeks to support **700** families in the production of animal protein through breeding creole poultry and laying hens, broilers, rabbits, and in some cases, goats. On the side of component 2 led by Save the Children, 902 families will benefit through training in managing and vaccination of poultry, livestock medicine cabinets, and the provision of pens for proper care of birds.

### **iii. Promotion of nutritional surveillance**

This year actions will be developed to establish a nutritional surveillance plan in the SAN vulnerable population within chains. General actions to be taken are:

- Implementation of a surveillance system from which to track change patterns evidenced by actions of this component with participating families and,
- Systematization of information related to component interventions, supported by valid methodological processes.

This is why this monitoring system, whose ultimate purpose is to design Nutrition Surveillance Plans (PLAVINes), is made up of the following instruments:

**Baseline.** Within the project cycle evaluation process, it defines the initial comparison values to determine change in indicators and the scope of the objectives and results posed. This baseline focuses on project indicators.

**Diagnostics.** The purpose of these was oriented to develop diagnostics for each of the chains but considering its cost, a number of chains covering at least 30% of production linkages was determined. That is why these diagnoses have been made by AGEXPORT specialists and chains themselves as a specific baseline of the organization. Among their characteristics are:

- They cover 100% of the member families of each chain and generally generate the following information:
- Georeferencing of households is performed, allowing to locate chain-partner families. This information is used by chain technical teams.
- Collected information includes: demographic information, SAN situation of families, specific housing data, house classification regarding conditions and unmet basic needs, income, education, among others.

**Nutritional surveillance.** At least one measurement will be performed during FY16 to identify the situation of change generated in families as a result of implemented educational activities. Also, the results of this nutritional surveillance will be socialized with the Boards of production chains as well as the Nutritional Food Security Committees to raise awareness on the issue and promote a culture of following-up. This monitoring will be done in at least 90 business chains.

**Nutritional Surveillance Plans.** Information available on the above instruments, provides input for the analysis of the SAN situation of participating families and also allows the monitoring of actions and related interventions. Also, this analysis of working closely with families allows timely identification of malnutrition cases for follow-up according to established protocols.

#### **iv. Sustainability and partnership**

Strategic liaisons with community leaders and key organizations to promote that families acquire practices aiming to improve their families and, especially, the most vulnerable members – children. Among the organizations with which we will be seeking to establish these alliances are: COSANE, MSPAS, SESAN, ANAM, MAGA, WHIP projects implementing organizations, among others.

##### **Sustainability through COSANE**

The creation of the Nutritional Food Security Committee of the Chains (COSANE) is a strategy that will allow productive organizations to carry out actions to ensure food security of partner chain families internally.

This committee will be comprised of five leaders who will be made aware, trained, and educated on Nutrition and Food Safety issues, project design and management in SAN. This is so that internally, chains remain with installed capacity and a structure to follow-up the minimum SAN actions oriented to nutritional surveillance for the welfare of partner families and their communities.

Topics to develop in strengthening the COSANE are:

- Organization, role, and functions of local committees
- SAN and human development
- Leadership and teamwork
- Community self-management and social participation
- Logical Framework Approach for project formulation

##### **Interagency liaisons**

Key liaisons for monitoring and sustainability of actions in chains are:

- The Secretariat of Food Security and Nutrition (SESAN), Ministry of Development (MIDES), and the Ministry of Agriculture and Livestock (MAGA) through the Vice-Ministry of Food Security. Implementing follow-up. For 2014 and 2015, considering the weaknesses offered by these two instances, no great progress is evidenced; however, for 2016 favorable expectations arise in this process with the change of government and authorities in these instances.
- Public-private coordination with communication actions and advocacy actions to make known the actions implemented in SAN, in order to establish alliances and/or partners that favor, complement, and/or strengthen such actions.
- Presentation of results and progress through public events, publications, and advocacy material to strategic entities to promote the replication of these actions in similar instances.
- Participation in spaces with public-private entities to promote actions for Food and Nutritional Security to strengthen them internally and externally in partner organizations.
- Promote and strengthen actions implemented with RVCP consortium organizations.

##### **v. Training actions for technical teams**

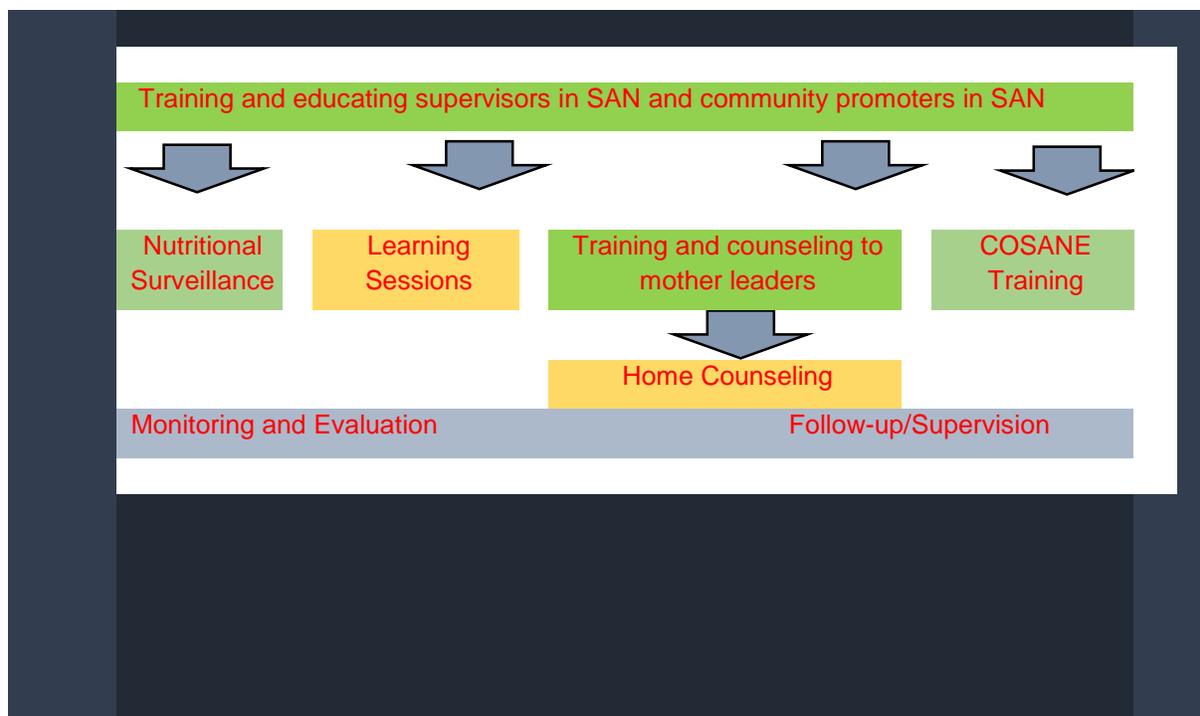
Interventions were made directly with women household heads in their homes through home counseling and educational sessions. It is therefore vital to maintain a constant plan to strengthen the technical and field teams to reinforce and raise awareness on the topic of SAN.

For this purpose, actions will be developed aimed at:

- At least 26 community promoters and supervisors on Food and Nutritional Security, reinforcing specific topics of their operating area as well as other fundamental and complementary issues such as gender, home gardens, environment, among others.

Additionally, this team is strengthened in the following areas:

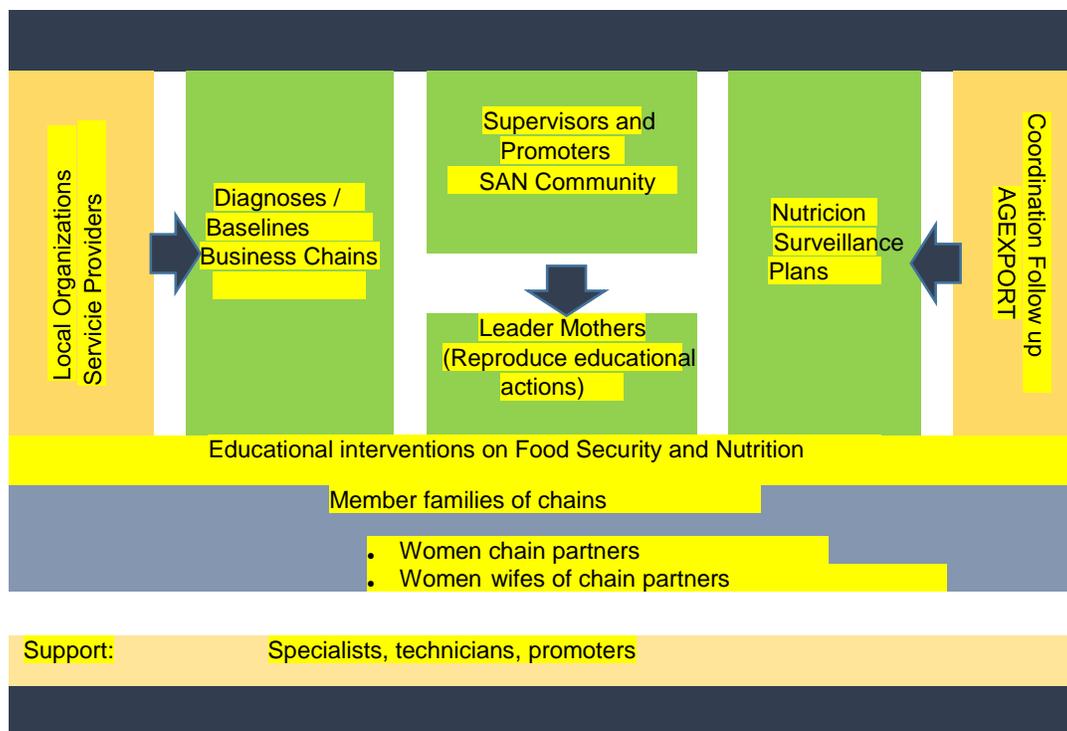
- Reinforcements and continuous updates.
  - Community diagnostics in Rural Value Chains (Agricultural and Handicrafts).
  - Reinforcement in diagnosis and surveillance addressed to departmental supervisors and PCSAN.
  - Training on establishing and implementing Food and Nutritional Security Committees in COSANE chains.
- Training at least 100 leader mothers in the same subjects as well as educating them in a way to ensure the existence of a reference in the topic of SAN in communities served.



- At least 7 specialists, 43 agricultural technicians, 4 home-garden promoters, 40 agricultural technician promoters, and RVCP coordinator team reinforced in SAN topics prioritized under this component and on issues of biological use of food produced in home gardens with emphasis in strengthening them for sensitization in their intervention groups.

#### ***xv. Key actors in the component***

Several actors are defined in each of these components, who are involved in the actions, depending on the area of intervention and expertise of each. The following diagram maps these key players.



## ***xvi. Pilot programs***

In order to implement a strategy that generates valuable information for establishing sustainable schemes to ensure food security in households and establish a control and surveillance system of the SAN of families participating in the chains of rural value, the pilot program described below is presented.

### **Model households**

They are developed through the support of the leader mothers. From mothers participating in SAN interventions, the leading mothers' profile is defined by identifying the main characteristic of being internal multipliers in their communities and/or nearby communities, replicating the contents of SAN prioritized within of the project.

A leader mother is a participant, member, or spouse of a member who, through a socioeconomic study made in her home, proves to have implemented practices generated from counseling interventions and can be constituted as one who replicates such practices.

Thus, the PCSAN will strengthen educational and counseling interventions to achieve more effective replicas.

One of the strategies of interventions for mother leaders is that they can apply their counseling actions by inviting other participants to their homes.

In this way, a means to encourage and promote leader mothers, is to turn their households into model households. This way, they will be provided with the resources necessary to turn their homes into models regarding SAN. SAN favoring options are:

- Improved stoves
- Filter
- Minimum floor
- Cages for minor species
- Water management
- Latrines
- Family gardens

Participants' visits to model households is a way of making demonstration tours showing how a home looks when exercising good health and hygiene practices. The target is at least 100 model households implemented by at least 100 mother leaders. On the other hand, the objective is that at least 50% of the participating families is benefited in at least one.

| No. | Results   | Global 2012-2017 Target  | FY 2015-2016 <sup>4</sup> Target |
|-----|---|--|----------------------------------|
| 5.1 | Increased yields of food crops for domestic consumption.  | 3,910 households increase crop yields for domestic consumption. (C2 direct households participating in productive activities)  | 1,835                            |
|     |   | 10% of the yields of crops for domestic consumption increased. (C2)  | 10%                              |
| 5.2 | Greater rural domestic knowledge of alternatives to increase staple food crops productivity.                  | 3,910 households adopt alternatives to increase productivity of staple foods. (C2)   | 2,500                            |
| 5.3 | Increased knowledge of practices and techniques of food preparation and storage improved in rural households. | 3,910 households using improved food storage and preparation techniques. (C2)  | 2,967                            |
|     |   | 7,820 homes trained in the use of food through the value chain and vegetable gardens implementation for self-consumption of the house and promoting a diversified diet. (C2) | 5,880                            |
| 5.4 | Greater knowledge of alternative practices for animal breeding.   | 7,820 households increase their knowledge for breeding domestic animals as an alternative for domestic consumption. (C2)   | 6,754                            |
| 5.5 | Improved access to food diversity and quality.  | 3,910 households improved access to quality food. (C2) Direct households involved in productive activities.  | 3,192                            |
| 5.6 | Behaviors related to nutrition improvement.   | 3,910 households improved eating behaviors. (C2)   | 2,500                            |

<sup>4</sup> This target corresponds to the October 2015 – September 2016 period, it is no cumulative.

| No. | Results   | Global 2012-2017 Target  | FY2015-2016 <sup>4</sup> |
|-----|---|--|--------------------------|
| 5.7 | Better use of health services and maternal and infant nutrition.                        | 3,910 households improve the use of health services and maternal and infant nutrition. (C2)    | 3,087                    |
| 5.8 | People trained in child health and nutrition through programs supported by the project. | 2,100 persons trained in child health and nutrition through programs supported by the project. | 800                      |
| 5.9 | Children under five years covered by nutrition programs supported by the project.       | 3,000 children under five years covered by nutrition programs supported by the project.        | 447                      |

## 5.1 Component 6: Improving competitiveness of handicrafts value chains

Component leader 6: AGEXPORT through the Handicrafts Commission

### Description of main activities

#### i. Strengthening handicrafts value chains

During this period, the Handicrafts Commission -COMART- will follow up the 30 identified and approved handicrafts MSMEs. The activities scheduled for the next period are:

##### ***i. Business development:***

Strengthening the organizational structure of beneficiary groups, developing administrative tools to record sales, production, material control, and production costs that enable them to meet the various market opportunities presented to them and improve their competitiveness and productivity. For this period, three consultants in business development projects will be hired to strengthen thirteen handicrafts chains that were recently approved, in order to respond to their partners and new customers, through an investment of approximately US\$33,000.00. As a result of these assessments, MSMEs will be strengthened in administrative, financial, organizational, productive, and trade issues. Through these activities it is estimated to benefit 300 craftswomen.

##### ***ii. Artisanal production development***

One of the main objectives of the project is to increase incomes of artisans through access to international markets and product diversification. For this, we work on the development of 26 new collections representing a total 390 products for the 13 MSMEs that joined Component 6 in mid-2015. To carry out this activity, three national designers will be hired, who will be assigned a group of organizations as scheduled.

On the other hand, in order to position the MSMEs in the market and ensure their participation in trade fairs to be successful, 6 consultants aimed at the new 13 approved organizations will be hired. Following are: 2 consultants on product image, 1 on business consulting, and 3 on product design. All these services will be carried out in order to strengthen their capacities and increase their competitiveness. The projected investment is US\$110.833.

In addition to the efforts of business and image strengthening, it is important to ensure the quality, diversity, and versatility of the products made by the organizations, so that they can build alliances with new buyers; therefore, specialized technical assistance for 13 new MSMEs will be hired in productive issues such as: foot-pedal weaving loom, waist loom, dressmaking, *mostacilla* beads, and natural fiber product development (pine leaf, palm, maguey, and wood) *macramé* bracelets, which allow to increase the quality and volume of crafts production. Each of craft chain in different communities will be constantly monitored by specialized technicians.

13 rural promoters and 13 administrative assistants to support new organizations directly will be incorporated. Support to promoters and participants of the previous 17 MSMEs is ongoing, resulting in a team of 30 developers and 30 assistants, who will follow up the programs established in project MSMEs. Purchases of raw materials for the development of the different designs of craft products will take place during January and February 2016.

It is sought to develop an environmental protocol to verify that the MSMEs of artisans meet the requirements of good environmental practices, waste management, and use of raw materials, which will help improve the competitiveness of products made and ensure mitigation of potential environmental impacts. This protocol will be developed by the company Green Development.<sup>5</sup>

### ***iii. Crafts Commercial Development***

As part of the market opening and income generation strategy for organizations, we will participate in various local, regional, national, and international trade promotion events, such as:

1. Central American Handicrafts Fair "New World Handicrafts" to be held in September 2016, at Casa Santo Domingo Hotel in La Antigua Guatemala. This event provides for the participation of the 30 beneficiary organizations.
2. Two annual Show Rooms exhibiting different products developed in organizations in order to make them known nationally through different media and sensitize the local population for consumption.
3. New alternatives for commercialization are planned, such as:
  - Participation in museums and other cultural activities
  - Manage sales opportunities through alliances with domestic chain stores
  - Identify new international buyers
  - Contact companies to connect with the manufacturing chain.
4. *Enlazarte2016*: this activity seeks to integrate organizations into a value chain, through training in different marketing topics, which will be launched during an exhibition of handmade products, seeking for exporting companies to know them from the Handicrafts Commission and other sectors that could join. In this activity organizations will have the opportunity to implement what they learned through training activities on topics relating to sales techniques, product presentations, and sale tools, among others.
5. **The St. Petersburg International Economic Forum to Strengthen International Alliances for SMEs in the Global Market**

In order to identify cooperation and investment opportunities to strengthen services of agencies promoting exports to serve SMEs in Latin America, we are looking to have two RVCP persons participate in the Forum, in St. Petersburg, Russia, from June 16 to 18. \$2,000.00 (airfare and transportation). The event will cover other expenses.

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<sup>5</sup> A company with over 5 years' experience in Environmental Impact Assessment in Guatemala, that gives consultancies to corporations on implementing sustainable business strategies based on efficiency, profitability, and harmony with the environment.

#### ***iv. Developing trade promotion***

1. Through the implementation of promotional resources, marketing and corporate image materials for the 13 new organizations, we aim to develop:
  - business logos
  - business cards
  - banners
  - posters
  - short videos
  - Among others
  
2. Participation in different fairs that will be held at different times in 2015-2016. MSMEs will participate as follows:
  - Colombia Handicrafts Expo 2015 to be held in December of the same year.
  
  - 30 MSMEs will participate in the Enlazarte fair to be held in May 2016. The event will involve a promoter and a representative of each of the 30 organizations, a total of 60 persons. This fair will be held at the premises of AGEXPORT, and MSMEs will participate with a selected sample of products developed during new products design consultancies, 30 products per organization.
  
  - 30 MSMEs will participate in the New World Craft Fair on September 2016. A promoter and a representative of each of the 13 organizations will attend, for a total of 26 attendees. This fair will display products made through design consultancies, equivalent to products by MSMEs.

#### ***v. Trade Promotion/HUMAN ART initiative***

Human Art is the strategy of the Handicrafts Commission to strengthen organizations involved in the project, primarily to generate new business and relationships with strategic partners, seeking long-term sustainability. Human Art contributes to meeting the objectives of Component 6 of the RVCP Project through the development and implementation of a comprehensive communication, trade promotion, and sales strategy, contributing to highlight the Guatemalan identity by elaborating a collection of high-quality handmade products - some of which will focus on becoming works of art.

Trade promotion is this project's innovative component and consists of:

##### **a. The collection**

Aiming to develop products that generate direct income for the 30 crafts MSMEs, a collection called HUMAN ART will be designed, which responds to current market demands, guaranteeing quality and innovation in each piece. The collection will be prepared by a group of artists and designers of national and international reputation, which will boost its commercial value in the market, directly affecting the increase in income of the artisans.

The collection is divided into two phases:

##### **First Phase: Collection wholesaling**

A homogeneous collection of products will be developed by a group of national designers and artists who will be hired by the Handicrafts Commission and respond to the needs of the international market. The target is to be marketed in international fairs (NYNOW and NWC), department stores, specialty shops, and boutiques.

Sale and operationalization of this phase will be conducted according to the operation methodology of rural value chains already included in the Component 6 of the RVCP project.

A catalog of products made under the context of the collection will be created to promote it at domestic and international level.

## **Second Phase: Transforming craftsmanship into works of art**

This phase aims to raise the value of products by transforming them into true works of art that are unique and with a great degree of design and innovation.

To ensure this objective, 15 national and international renowned artists and designers will be invited, who will work *ad honorem* and together with organizations develop works of art to be sold at auctions and galleries internationally.

### **Activities to develop:**

- Convene national designers to develop the first phase.
- Design and develop samples
- Prepare and print promotional material
- Participate in trade promotion fairs (NY NOW, NWC)
- Develop a product catalog
- Field technical consultancy per organization
- Plan and strategy for convoking
- Establish alliances with key players in the Guatemalan and international art world to convoke artists
- Convoke artists and designers
- Design and develop artworks
- Exhibition in Guatemala
- Exhibition in New York
- Exhibition in DC

## **b. Gallery/Auction**

Products developed during the second phase of the Collection will be turned into works of art that will be auctioned to the highest bidder. The main objective of The Gallery/Auction is to generate income to 30 MSMEs artisans who will participate in international galleries with products that acquire an exponential commercial value due being designed by artists. 80% of the sales price of the auctioned work will be donated by the artist to the group of artisans with whom he worked the piece, and the remaining 20% will be the price paid to the artist who developed the work.

Exhibitions will be held in Guatemala, New York, Washington, and an additional city in the United States to be confirmed. Among the museums and galleries that have been identified as potential spaces to display the works of art are:

1. Museo Ixchel in Guatemala City
2. Galería G&T
3. Galería Rozas Botrán
4. American Folk Art Museum in New York
5. Folk Art Museum in Washington DC
6. West Elm (selected stores across the US)
7. Rainforest Alliance Annual Gala
8. UN New York
9. La Fototeca

### **c. HUMAN ART: Rescuing Culture in Guatemala/Marketing Strategy**

To make sure that scheduled activities are achieved, a consultancy will be hired by a sales assistant, who will be responsible to follow-up on the requests and seek sales opportunities nationally and internationally.

Human Art also seeks to rescue culture in Guatemala and to open a national market that recognizes the value of products handmade by Guatemalan artisans. Furthermore, the Guatemalan market may be one of the main channels of sale and dissemination of work done by RVCP artisans' organizations.

To help achieve the sales targets of the project, approaches with various offices will be made to determine their interest:

- Prepare a collection of samples for the sale of souvenirs and to promote items with domestic companies.
- Guate a Mano, which aims to sell products made by artisans in domestic markets, in 3 events to be held in Guatemala malls.
- Alliance with Banco Industrial for corporate gifts for December 2016.
- Fototeca - alliance for national communication movement through a photo contest. The first 10 winners will have the opportunity to publish their photos in the book, and the following 20 will take part in a nationwide photographic exhibition.
- Sheva, create an alliance to place products in the cosmetic bags selling abroad.
- Support for participation in trade promotion fairs.
- Reverse trade missions, which consist of international clients' visits to organizations and strategic partners. This strategy allows targeting potential customers and meet specific needs.
- Strategic partners for product sale (product development)
- Strategic alliances with specialty stores in the US through the communication consultancy with Elle Communications.
- Raw material sale strategy: allows a more efficient and rapid production and to reach new customers who can turn products into finished articles. An example is fabrics sold by yard, pompoms, *mostacilla* canvases, etc.

Alliances among beneficiary organizations and companies/exporters (wholesale buyers, retailers, etc.) will be strengthened to accelerate presence in international markets to strengthen and develop the chains.

Strengthening the area of Commercial Promotion of the Handicrafts Commission through participation and presence in different national and international events, trade and exploratory missions seeking new market alternatives for their products.

### ***vi. Communication strategy***

Additionally to generating income for beneficiaries of the RVCP project, the Human Art Project aims to publicize and document the craft techniques taught from generation to generation by different groups of artisans.

To achieve these objectives, we will work on three pillars of communication: visual identity development, communication strategy to external and internal audiences, and sales strategy and promotion.

### **a. Developing a visual identity**

Different communication materials will be defined Within the HUMAN ART project activities - (promotional material and video).

### **b. Communication strategy development and implementation**

To make the project a success, a communication campaign will be developed with the following objectives:

1. Raise awareness of handmade products in Guatemala.
2. Generate sales of handicraft products from The Collection, created by RVCP program benefited groups.
3. Communicate the RVCP Program, the HUMAN ART Project, and both their objectives and achievements.

To organize and convoke US guests to auctions, we will have a high profile committee that will be comprised of philanthropists, businessmen, celebrities, etc. and could include the following:

- JIM BRETT - West Elm
- BILL CLINTON Foundation
- HARARE NY
- JONATHAN ADLER

### **c. Social networks**

Generate great presence of the HUMAN ART Project on social networks (Instagram, Facebook, Twitter) in order to establish direct communication with the target audience; promote a national and international voice, as well as assist in the convening of every auction.

### **d. Video**

Part of the communication objectives include producing an institutional video of the HUMAN ART Project together with the RVCP Program to promote and educate the target audience and collaborate in achieving sales of The Collection and The Gallery/Auction. This video will show the process of developing a product and how the different actors in the chain work together to achieve development targets.

Publicize the project in different national and international media:

- Prensa Libre
- El Periódico
- Siglo XXI
- LOOK Magazine
- Soy502
- Elle Decor
- Elle México
- Architectural Digest
- House Beautiful
- NYMAG
- Interior Design Magazine

### **vii. Participating in national and international fairs:**

We will participate in national and international fairs specialized in major markets, taking a preselected offering that calls the attention of major buyers and, at the same time, promote, their coming to the country to meet the producers groups.

Participation in national and international fairs and events will be defined according to the capabilities of each organization in terms appropriateness of products to the target market. Likewise, it is intended for exporting entrepreneurs to participate as promoters of chain products and help find new markets.

This category intends to cover expenses related to exhibition spaces, airline tickets, and travel expenses to participate in national and international fairs for marketing and sales promotion.

To this end, the following are proposed:



**Central American Handicrafts Fair New World Crafts**, which aims to promote handicrafts from the region in the international markets. This event will take place at Hotel Casa Santo Domingo in La Antigua Guatemala during the second or third week of September, 2016. Estimated costs for this event are around \$50,000.00. This includes buyers' airfare, stands, paneling, audio, and food for both participants and speakers.



**New York Now**, is the gift fair that presents the latest trends and products, ideas and manufactures of the sector. It is addressed to traders, company representatives, and retailers. It is held every year in January and August. The investment is estimated at US\$10,000.00.



**Expoartesanías** is recognized as an important marketing platform for the artisanal sector towards domestic and international markets, in addition to being the only one specializing in Latin America. It will be held in Corferias, Bogotá, on December 8 to 12, 2015, aiming to present new craft techniques for development of new products and thus find out if they can be implemented with Component 6 artisans. Estimated amount: US\$3,000.



**Feria Nacional de Comercio Justo y Solidario** (National Fair for Fair and Solidary Trade). This fair is organized by the Interagency Commission for Fair Trade of the Ministry of Economy. It takes place in La Antigua Guatemala in December. The estimated investment to participate is US\$3,000.00.



**Taipei International Gift & Stationery Show** will be held on April 22 - 25, 2016, in Taipei. It is organized by the Taiwan External Trade Development Council and is the biggest event in Taiwan dedicated to gifts in general, offering a wide range of attractive, innovative, and trendy products, including artisan producers. To participate in this fair, we have the support

to pay for the stand and airfare. We must only pay some lodging, mobilization, and shipment expenses of samples. \$2,000.00.

Upon identifying new markets, it is expected that we identify at least three more international fairs in which to participate, seeking to promote handicrafts.

### ***viii. Market intelligence***

This line takes into account plans to include pay to technical staff that tracks and monitors the implementation of the investment plans of the 30 chains that are operating. Among the staff contracted for Component 6 are the handicrafts commission coordinator, five technicians, and a product and image designer.

Hired staff, contributes in different ways to fulfill the strategies and work plans. It is vitally important for the realization of sales, production monitoring, and quality assurance in products - processes which are the responsibility of team of promoters and field technicians. Also, with the aim to order the administrative processes of the chains, administrative assistants have been hired who are responsible for supporting groups as to fulfilling administrative and financial formats to guarantee the sustainability of activities of the groups through time.

The purchase of computer equipment and office furniture for staff at the head office and Quiché have been considered.

As part of the activities that will strengthen market access of artisanal chains, we plan to promote a handicraft meeting with rural leaders at national and international level, to strengthen their negotiation skills and business insight, which is carried out through the Enlazarte platform. Partners from the Commission of Handicrafts and several international and domestic guests participate in this platform. Promote the development of an exchange of experiences with women artisans from other regions of the country who are developing innovative handmade products.

### ***ix. Risks and potential obstacles***

1. Weather events may affect the productive development of the sector as well as workshops, trainings, visits and technical assistance, in which event activities will be rescheduled at the earliest possible date.
2. The availability of raw materials and their possible price increase may pose a risk to production costs of organizations. However, constant talks are held with suppliers to ensure availability and negotiate the best production prices. It is important to note that this is an external factor dependent upon supply and demand. On the other hand, we work out products production costs with technicians and promoters to try to optimize resources in order to minimize the impact of price increases. We also work in parallel with buyers to adjust purchase prices according to these situations.
3. Activities in rural areas may be affected by roadblocks due to climatic conditions or social difficulties.

## Expected Results for Component 6

| No. | RESULTS  | FY2015-2016 TARGET  |
|-----|--|---|
| 6.1 | Integrating groups into marketing channels for exports in value chains.                                      | 30 artisan groups are integrated into marketing channels to export in value chains.                                   |
|     |  | 30 groups of craftsmen participate in promotional events nationally and internationally to promote their handicrafts. |
| 6.2 | Marketing and promotion of handicraft products with added value.   | 26 collections put together, around 390 new will be designed throughout the period.                                   |
| 6.3 | No. of beneficiaries   | 2,250 people involved in the project (85% women and 15% men).   |
| 6.4 | Increase business MSMEs sales  | US\$700,000 in cumulative sales by artisans groups.   |
| 6.5 | Increased availability and use of technical assistance and business development services for business MSMEs. | 30 groups of craftsmen access technical assistance and business development services.                                 |

## 6. Transverse Axis

### 6.1 Environmental Sustainability

#### Description of main activities

The environmental sustainability axis of remains very important for AGEXPORT and members of the project consortium. On that account, we have continued establishing communication with other actors in order to make alliances to develop better work with chains and communities where the Rural Value Chains Project is developed.

#### ***i. Institutional alliances and liaisons***

Will continue to work closely with alliances between AGEXPORT, HIVOS, and TNC. The latter develops the Climate, Nature, and Communities of Guatemala -CNCG- Project, with whom we will continue to establish demonstration plots, coachings, technical assistance, and designing materials for disclosing practices and technologies to adapt to climate change. These are some of the actions that will continue in the framework of alliances to boost the environmental axis.

#### ***xvii. Establishing the Environmental Management System -EMS- for RVCP***

The Environmental Management System will be designed and developed from the last quarter of 2015, taking the following aspects into consideration:

- Recommendations made by the environmental assessment to the RVCP
- Improvements identified in the implementation of environmental mitigation plans prepared for productive MSMEs (vegetables, coffee, and crafts);
- Knowing and monitoring the phenomena affecting communities and according to the weaknesses of each MSME regarding the environment.

The Environmental Management System will be implemented with the 140 RVCP chains and the long-term target is to adopt it as part of the methodology of the Trade Chains Program and implemented in any project implemented.

The design will take into account all the experience accumulated during the years of the Trade Chains Program in environmental and rural development issues.

### ***xviii. Implementation of environmental management***

The RVCP and the team responsible for the implementation of environmental management are scheduled to perform the following actions with the RVCP project MSMEs:

- Implement environmental mitigation plans, incorporating the elements and recommendations of the environmental assessment conducted by Sun Montain and the Regional Environment Advisor during 2015. These plans will apply to the 140 production chains (vegetables, coffee, handicrafts, cardamom, and fruit).
- Training technicians, agricultural promoters, and MSMEs managers in the use and implementation of Environmental Mitigation and Monitoring Plans, EMMP, and the Environmental Management System, EMS.
- Training producers using Good Agricultural Practices manuals and that of technology transfer.

### ***xix. Demonstration sites for adapting to climate change:***

A demonstration site is a territory located in a micro-basin, at community scale, where good practices are adopted in production systems with small and medium producers threatened by climatic events, taking into account the natural dynamics of the landscape that produces sustainably environmental goods and services (water, soil, forest) essential to production and living well.

The AGEXPORT/HIVOS alliance will develop the implementation of 4 demonstrative sites of adapting to climate change, distributed 2 in Quiché, 1 in Totonicapán, and 1 in Quetzaltenango. Through an analysis on these sites, climate risks such as erosion, drought, frost, landslides, slopes, floods, among others, are identified for the purpose of implementing adaptation measures at community level, such as: agroforestry systems management, production diversification, protection of forest remnants, protection and management of river beds and water sources, restoration of degraded soils, implementation of biofactories and demonstration plots to benefit members and nonmembers. Proper implementation of these sites improves their economic, social, and cultural level.

### ***xx. Biofactory implementation:***

In order to continue under the scheme of natural production of cardamom in the Zona Reina and coffee in the Ixil area, in addition to taking into account the recommendations of the environmental assessment to "promote organic cardamom and coffee management", through the AGEXPORT/HIVOS alliance, 3 biofactories: two coffee in the Chajulense MSMEs and Maya Ixil and one in the Zona Reina Saquixpec will be implemented. They will be used for the production of bioferments, which are produced from mountain microorganisms and minerals. By applying these bioferments, application of chemicals is reduced, ensuring compliance with organic protocols certification. They are safe for producers and harmless to the environment.

### ***xxi. Implementation of yellow traps for integrated pest management IPM:***

Integrated pest management is a practice that will continually be encouraged in the project's 140 MSMEs. During this period, the use of yellow traps with 39 MSMEs will be in place seeking to cover an average of 50 cultivated hectares. The use of yellow traps is one of the recommendations used for

physical control of insects. This method allows to identify pests. It helps the producer decide which control product he needs to apply and when. By implementing this pest control method, we expect to contribute to combating thrips affecting vegetable and cardamom plantations.

### ***xxii. Creating an environmental protocol for handicrafts***

To ensure proper environmental management of the handicrafts production made by small rural producers of value chains and considering the recommendation of the environmental assessment in regard to having information on sources of raw materials and products used in the preparation handicrafts, in addition to meeting the requirements of good environmental practices and waste management, the Handicrafts Environmental Protocol will be developed.

The protocol will be prepared by Green Development, which seeks assurance and adoption of practices related to environmental compliance regarding handicraft production and meeting national, official, and market regulations.

### **xxiii. Implementation of Mitigation Plans and Environmental Monitoring (EMMP) developed during RVCP environmental assessment**

Mitigation plans and environmental monitoring will continue to be implemented for each of the 60 MSMEs, 40 vegetable C2 MSMEs continue to be served by C1, and 30 handicrafts C6 MSMEs.

During this POA, the implementation of the EMMP for cardamom and deciduous fruit chains will begin.

The budget provides mitigation plans follow-up, adapting them to new chains. The development of plans for cardamom and fruit is reflected in the budget in each component. In C1, 60 chains; C2, 50 chains; and C6, 30 chains, adding up to a total \$155,000.00 Environmental Management Budget, which is included in more detail in the environmental management line of each component.

Among activities highlighted in the EMMP implementation of this POA are:

- Improved water resource management, based on consumption knowledge and utilization.
- Solid waste management through distribution of collection centers, implementing awareness campaigns, and recycling agricultural plastics.
- Geopositioning MSMEs partners' plots in order to monitor their use and establish data on land use changes. The purchase of measurement equipment (GPS) Garmin eTex20 was considered, bearing in mind quality and cost.
- Develop an alliance with the MEP for monitoring potential risk areas.
- Implementation of Good Agricultural Practices.
- Equipping farmer teachers with personal protective equipment (PPE) and spray.
- Soil analysis for fertilization purposes.
- Identify volumes of water used and required in the MSMEs for conservation purposes and proper use.
- Implementation of forest nurseries with native species and high-energy efficiency.
- Continue supporting quality certifications as per market requirements.

The environmental team RVCP will continue to monitor mitigation measures that work in different MSMEs in order to identify opportunities for improving the implementation of the EMMP.

#### ***xxiv. Meeting on climate change and the environment***

In alliance AGEXPORT/CNCG and other partners, a forum (two locations Nebaj, Quiché, and Quetzaltenango) is to be held to address aspects of change in climate and environment, the climate situation in the region, and impact on RVCP-supported value chains. This activity is planned for May, for technical promoters and farmer teachers.

#### ***xxv. Absorption wells and fertilizer pens:***

As recommended by ANACAFE and an environmental assessment that new wells for wastewater absorption will be implemented. Variables such as amount of water used, production volume, and soil type will be considered. These wells and fertilizer pens will be implemented in 8 model plots managed by farmer teachers and at least in 16 replica plots of coffee producers.

At the same time, training will be given on making fertilizer pens from coffee pulp following environmental guidelines.

These activities seek to reduce pollution of the watertable, water sources, and nearby rivers, raising producers' awareness to better handle sub-products of wet coffee processing and control wastewater and pulp produced during harvest properly.

#### ***xxvi. Development of environmental pictographic posters***

To support the process of technical assistance and transfer of technology by farmer teachers, a set of posters with environmental guidelines as solid waste management, water management, management of firewood, use of agrochemicals, among others, will be developed in a pictographic form, hence fulfilling one of the recommendations of the environmental assessment advising to "Post training materials with sufficient pictograms to support learning by illiterate farmers."

#### ***xxvii. Implementation of equipment for farmer teachers***

Farmer teachers must set an example in adaptation technologies and good practices implementation, what makes it a must for them to have the minimum equipment to perform their work. Hence, a personal protective suit (PPE) including shirt, pants with pvc front, a double pvc apron, sunglasses, an Arab-type cap, size 9 nitrile gloves, an activated carbon respirator n/maintenance, and spraying equipment, must be used according to GAPs and during knowledge-exchange visits with producers of their region.

#### ***xxviii. Experience exchange***

It has been considered to develop activities to exchange in-field experiences and make visits to demonstration sites of other projects such as ANACAFE and Save the Children, as well as sites and demonstration plots of RVCP/AGEXPORT. These activities will be performed with group leaders supported by MSMEs, farmer teachers, technicians, and agricultural promoters of the project.

These activities look to analyze cumulated experiences, rescuing actions that had better results, and identifying those where problems arose to use as feedback for training field personnel.

#### ***xxix. Develop water availability analysis in irrigated MSMEs***

For proper water management, as per the Environmental Evaluation to RVCP, an analysis of water availability and use in MSMEs will be conducted where irrigation systems reconverted. This analysis must include: measuring the amount of water reaching the existing irrigation system, current system demand, projected demand, and a comparison of water use by irrigation sprinkler and drip system per chain using this system.

Proper water management must be based on knowledge of the system, its use, measurement, monitoring, and how to modify its functioning when problems and needs arise.

### ***xxx. Technology transfer in handicrafts***

The production system of textile crafts has not changed for many years in rural areas; hence, production remains slow and medium quality. Different technologies make it possible to produce a garment in half the time and with improved quality. Therefore, 16 pedal machines will be implemented to make fabrics and 80 looms to produce *mostacilla* products to be delivered to model craftsmen. They can be an example to other producers and interest them in these technologies.

### ***xxxi. Solid waste management awareness campaign***

Following up on the recommendations of the environmental assessment on proper solid waste management, a pilot awareness project on integrated waste management and solid waste will be executed in 10 MSMEs (agricultural and artisanal) in two prioritized municipalities: Santa María Cunén and Santa María Nebaj, Department of El Quiché.

The objectives of this campaign are building capacities in business MSMEs on issues of waste management and solid wastes, promote innovations to reduce waste generation, implement proper disposal, and implement plans for integrated waste and residue management in organizations currently supported by AGEXPORT's Rural Value Chains Project and conduct trainings for children in two schools (one per municipality) to raise awareness in new generations on this process.

### ***xvii. Environmental training events***

In order to further knowledge about the correct implementation of EMMP, two trainings (one per semester) for field technicians, promoters, boards and artisans, will be delivered by specialists in the agricultural and environmental project areas.

Topics will be based on the implementation of good environmental practices and mitigation measures proposed in the EMMP, plus how to monitor the actions taken by MSMEs in different production areas.

#### **Expected results - Environmental Axis**

| No | Results   | Global 2012-2017 Target  | FY- 20152016 Target |
|----|---|--|---------------------|
| 1  | Set up an environmental management system for RVCP                        | 1 Environmental management system developed for the project, including: identifying potential environmental impacts, selecting necessary mitigation measures, implementation monitoring. | 1                   |
|    | Create an environmental seal for crafts protocol                          | 1 Environmental crafts protocol governed by the Crafts Commission of AGEXPORT  | 1                   |
| 2  | Environmental Mitigation Plans (WFP) implemented by MSMEs                 | 120 MEMES and groups of farmers, environmental mitigation activities implemented according to its particular PMA.  | 140                 |
|    |   | 3,000 households implement environmental mitigation activities.  | 3000                |
| 3  | Management initiatives developed for implementing environmental services. | 2 initiatives developed for implementation of environmental services (pilot project): a draft for  | 2                   |

|   |  |   |      |
|---|--|---|------|
|   |  | coffee carbon footprint and carbon footprint for horticulture   |      |
|   |  | 1,000 households instructed on paying for carbon footprint and environmental services.  | 1000 |
| 4 | Improve knowledge of agricultural practices and crafts based on the sustainable management of natural resources.                                       | 120 MEMES increased their knowledge of agricultural production and handicrafts based on sustainable management of natural resources.                                  | 120  |
|   |  | 2,000 households trained in sustainable agriculture and the use of best management practices and resource management.   | 2000 |
| 5 | Public and private partnerships for environmental management practices.  | 3 Strategic alliances with the public and private sector in order to promote environmental management activities, including climate change mitigation and adaptation. | 3    |
| 6 | Tools, technologies, and methodologies for adapting to climate change have been adopted by producers as a result of assistance from the US government. | 3 tools, technologies, and methodologies for adapting to climate change have been adopted by producers.   | 3    |

## 6.2 Gender

Team Leader: AGEXPORT, Subcontract with Vital Voices Guatemala

**Strategic Objective:** To incorporate rural women in the economic development of their community and promote their active participation in the associations they belong to through promoting gender equality and strengthening their leadership, personal, and technical skills.

To implement the Gender Transversal Axis, focusing on Economic Empowerment of Rural Women<sup>6</sup> of the Rural Value Chains Project, the following strategic objectives are pursued:

1. Strengthen capacities of women so that they can influence decision making in their homes, communities, and society.
2. Promote citizen participation of rural women.
3. Promote women's access of productive and financial resources.
4. Promote women's involvement and participation in value chains.

According to the aforementioned strategic objectives, intervention in this axis orients the following results, outputs, and indicators corresponding the targets selected for this effect.

<sup>6</sup> Economic empowerment: According to the Chains Program Methodology of AGEXPORT, it is seen as "creating opportunities for women to achieve economic autonomy, excelling in business, and generating income through skills development to the benefit their home and community, thus contributing to improving their life quality."

| Objective   | Result  | Indicator/target  |
|---|---|---|
| Strengthen the capacities of rural women so that they can influence decision-making in their homes, communities, and society. | Rural women influencing decision-making in their homes, communities, and society. | - At least one woman in every MSME in decision-making and influence positions within her community (O111-1).<br>- 140 MSMEs women make decisions about their compensation (O111-2).   |
| Promote rural women citizen participation.  | Rural women's citizen participation strengthened.                                 | - 75% of women participating in the MSMEs have a personal Identification document (DPI) at the end of the process, are registered voters, and know the processes of citizen participation (O2I1-3).   |
| Promote rural women's access of productive and financial resources.   | Women empowered to access resources financial and productive.                     | - 140 MSMEs women have access to resources such as land and water (O3I1-4).<br>- 140 MSMEs women have access to financing (O3I2-5).<br>- Proportion of women participants receiving USG assistance and increase access to economic resources (assets, credit, income, or employment). (O3I3-6). |
| Promote rural women's involvement and participation in value chains.  | Rural women strengthened to get involved and participate in MSMEs.                | - 140 MSMEs increase women's participation. (O4I1-7).<br>- 140 Leaders of MSMEs trained to develop gender strategy (O4I2-8).  |

### Interventions and articulation of initiatives for the economic empowerment of rural women

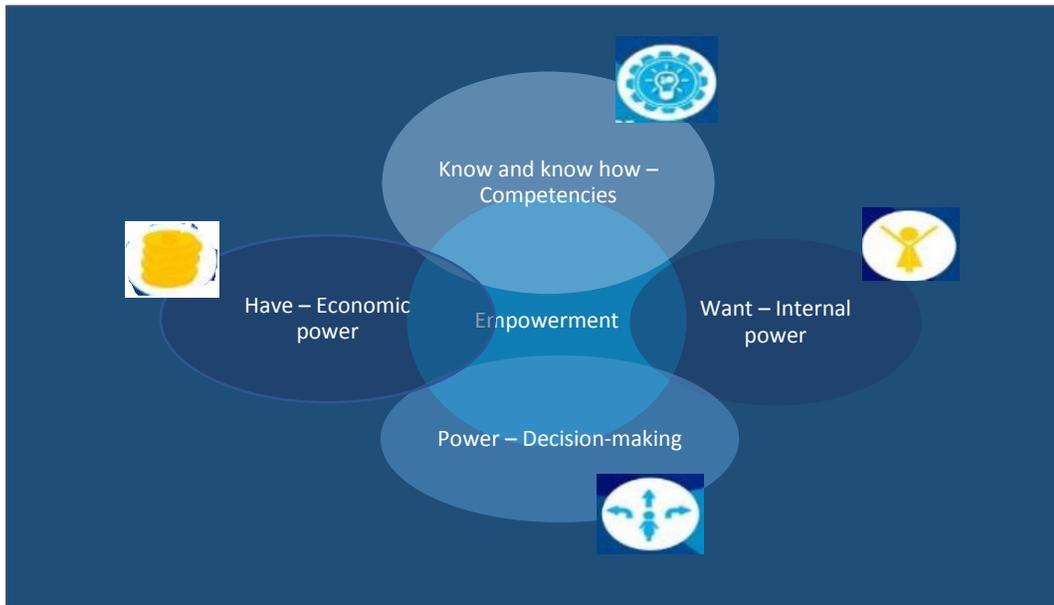
Addressing each objective, in order to achieve the expected results and indicators required by the RVCP, the intervention strategy for each defined below.

The strategy responds to the strategic frame of the economic empowerment methodology of rural women, focused in:

Empowerment means "to make an individual or disadvantaged social group powerful or strong." It refers to the process by which men and women take control over their lives, set their own agendas, acquire skills or are recognized through them, increasing their self-esteem, solving problems, and developing self-management.

Empowerment development refers to the capacity of every person to take control of his/her own life, reach his/her own objectives, live as per his/her own values, become self-sufficient, and have the opportunity to choose and influence.

Empowerment is comprised of four important interrelated aspects that contribute to the economic empowerment of women and their leading capacity:



\* Taken from the Economic Empowerment of Rural Women Methodology –MEEMR-

The strategy responds to the strategic framework of the methodology of economic empowerment of rural women, which focuses on:

**Strategic Framework for economic empowerment of rural women (EEMR)**

In response to RVCP methodology of EEMR, the strategic framework of gender axis responds to three intervention areas described below. Interventions with participants in target groups are on:

- Economic Empowerment Culture
- Organizational and Business Leadership
- Income generation

***i. Promoting the culture of economic empowerment of women***

This result strategically seeks to strengthen the culture of gender equality and economic empowerment of rural women in the development areas of the Eco-Business Chains Program, leading to social recognition, effective acceptance and joint participation between men and women in rural economic development.

From this result, it seeks to promote a culture of empowering women so that partners of business chains and members of Boards of Directors of Eco-business organizations recognize the position and the importance of equal participation of women in production, business, and decision-making processes.

Strategic actions to achieve this outcome focus on:

**Incentive plan:**

This strategy will be implemented by Vital Voices Guatemala and is based on developing an incentive plan to implement actions to promote equity that affects 8 RVCP gender indicators. This plan will present organizations with a menu of practical, achievable, and measurable actions. It includes tangible benefits also - some free of charge for organizations for implementing actions to promote gender equity.

Following is a proposal of criteria to consider in developing the incentives plan. Vital Voices Guatemala proposes a system in which each organization will accumulate points for meeting the criteria set out

in the plan. Monetary value will be assigned to the accumulated points according to the total amount available per organization. In each monitoring session, it will be determined how many criteria the organization has participated with and the amount will be delivered. Incentives must be destined to items that benefit the organization and all its members.

### **Gender empowerment activities with technical teams:**

Some of these activities will be developed by Vital Voices Guatemala in coordination with AGEXPORT to carry out activities to strengthen the understanding of specialists and technicians in gender and economic empowerment of rural women.

Activities will be promoted within a communications strategy framework to communicate issues and key messages including a gender perspective in activities with specialists, technicians, and RVCP promoters.

### **Raising awareness to promote conditions of equal participation of men and women in sustainable economic development processes**

- Training and tools in topics related to incorporating gender perspective in training agricultural promoters and producers to AGEXPORT technical teams.
- Awareness-raising events for men and women in chains. Through key messages incorporated into training activities and/or meetings with promoters, board members, members from 140 chains.
- Monitoring chains that are formally incorporating gender perspective.

This will be achieved through incorporating awareness-raising activities by technical teams into their training processes and interventions of SAN Community Promoters and Leader Mothers. The latter, at household level.

### **Plan to promote gender awareness in women participating in SAN educational activities**

Part of what these actions seek is to introduce quotas for women who join Boards and include a quota for social investment that favors women (through quotas for women members, installation of nurseries that encourage women participation, inclusion in an EEMR agenda, among others).

To this end, community promoters will be trained in SAN -PCSAN- and at least 130 mother leaders will be trained by RVCP gender coordinators so that they influence the Economic Empowerment of Rural Women with target groups constituted by chain members' wife mothers. In this case, as per the Vital Voices budget, a budget percentage to pay for PCSAN is strengthened. This, considering that to achieve these targets, groups of said promoters and mother leaders who are the intervention strategy for educational activities and surveillance SAN have time.

Also, topics will be included on issues focusing on awareness of equal participation of men and women and decision-making of at least 2400 women members and wives of members involved in educational interventions of component 5, focusing on promoting and improving the SAN; especially, on issues of self-esteem and women's rights. Among this number of women are included at least 100 leader mothers, who will be supported to assist and promote work with women.

## Target groups

To establish the culture of EMER, actions are oriented towards the following target groups:

- Technical equipment (specialists, technical assistants, and promoters)
- Board members
- Women members and members' wives
- Women on Boards

Contents according to target groups

| Contents Technical Teams, Specialists, and Promoters   | Board Members   | Women partners and partner wives   |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Social construction of genders and new masculinities</li> <li>• Gender roles and stereotypes</li> <li>• Tools for Promoting Gender Equality in the US to raise awareness in partners in the learning processes of the value chain.</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Plan for promoting gender equality:</b></li> <li>• Gender conceptualizing and participation of women and men in the production chain and EE decision making spaces.</li> <li>• Prioritizing strategic lines of the Plan. Follow-up prioritized implementation lines.</li> <li>• Tools for promoting gender equality in EE.</li> </ul> | <ul style="list-style-type: none"> <li>• Self-esteem</li> <li>• The role of women in the value chains</li> <li>• Citizen participation</li> <li>• Use of women's time</li> <li>• Family finances: joint decision on household spending, prioritization of expenditures, and importance of saving.</li> <li>• Identify new EE project ideas for income generation for women.</li> <li>• How credits work</li> </ul> |

## RVCP achieved indicators

Considering the objectives of gender axis, which propose eight indicators within the framework of EEMR actions, the strategic outcome focused on implementing an EEMR culture, reaches these indicators:

- Strengthen the capacities of rural women so that they can influence decision-making in their homes, communities, and society.
- Promote citizen participation of rural women.
- Promote rural women involvement and participation in value chains.

Four project indicators are reached, which focus on strengthening the participation of women members in decision-making posts (O111-1), strengthened citizen participation of women (O211-3), strengthened household income management and decision making capabilities (O111-2), increased participation of women (O411-7).

### ***ii. Strengthening meaningful participation of women in MSMs and business eco initiatives to promote income generation***

Strategic result oriented to income-generating activities and participation of women in business-model oriented activities.

This seeks to strengthen the effective inclusion of women in the management of production-business processes and decision-making in productive and community participation organizations, on equal terms, by promoting organizational and business leadership at different levels of participation.

This strategic outcome focuses specifically on the following activities:

- Strengthening organizational leadership and business
- Mainstreaming gender equality emphasizing income-generating activities

According to prioritized contents, we propose to strengthen and promote:

- Access to productive and financial resources
- Training and Technical Assistance in Production and Business Development
- Organizing in Associative Groups and Markets to promote income generation initiatives implemented by women participating in business chains.

This requires the implementation of strategic and methodological actions proposed below.

### **Group investment funds:**

Implement activities that encourage women from business chains to get organized to save and create their own source of income. These activities are applicable to small groups in business chains, and will generate profits through interests and promote decision-making ability in participating women.

The following implementation activities are being carried out:

- Develop the Implementation Manual "Investment group funds: Capitalized Women"
- Present the model "Capitalized Women" to at least 24 groups.
- Carry out four monitoring and follow-up activities with the 24 groups who participate in the "Capitalized Women" model.
- Prepare materials for launching activities of the "Capitalized Women" model.
- Launch the "Capitalized Women" model with representatives of 140 business chains.
- Generate success story in implementing this strategy.

This intervention will allow the incorporation of activities to promote good management of savings and group organization; actions will be promoted to strengthen participation and leadership of women participants.

### **Inclusive businesses, empowered women: Economic activities for income generation**

Develop 5 models that enable women to generate income through financially profitable activities that require little initial investment and working capital.

This intervention socialization will be made to 140 business chains, including the participation of women in at least 10 business chains.

### ***iii. Strengthening women's organizational and business leadership***

Training topics include strengthening leadership, both business and social, to promote the participation of women in decision-making spaces in productive and community-level groups. Leadership is considered a key issue, seeking to involve in the process women leaders capable of generating changes in their lives, their family, and their community, and inspire members of their community by example - men and women. PEE promotes identifying women leaders in communities capable of being inserted into production and business development processes and influence community participation spaces.

The intervention strategy is based on promoting what Vital Voices calls Inclusive Business. Actions are aimed at:

- Strengthening women in decision-making positions. Developing and training them on issues related to personal development and leadership.

- Training in personal skills and business abilities. Enhancing personal skills and business abilities of women beneficiaries of RVCP.

Actions of this result will be conducted with gender coordinators of RVCP hired by Vital Voices and in some cases, with support of Community Promoters in SAN -PCSAN-.

### Target groups

- Groups of women members and wives of members who have developed project proposals to generate additional income.
- Women on Boards.
- Leader members in boards.

According to the target groups and prioritized topics towards which these actions are oriented are:

| <u>Women on Boards</u>  | <u>Phase 1 – Groups of women of new EE</u>   | <u>Phase 2 – Groups of EE women</u>  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Self-esteem</li> <li>• Citizen participation</li> <li>• Use of women’s time</li> <li>• Leadership</li> <li>• Organization. How a board of directors work.</li> </ul> | <ul style="list-style-type: none"> <li>• How to make a project</li> <li>• Income-generating projects.</li> </ul> | <p><b><u>Training</u></b></p> <ul style="list-style-type: none"> <li>• Entrepreneurial personal characteristics</li> <li>• Needed resources and budget</li> <li>• How to calculate my profit</li> <li>• Financial resource management</li> <li>• Access to credit</li> </ul> <p>- <b><u>Technical advice:</u></b> Communicate with organizations and institutions that provide technical advice.</p> |

### Achieved RVCP indicators

Indicators that meet the strategic objectives of this axis are covered through these interventions:

- Strengthen the capacity of rural women to influence decision-making in their homes, communities, and society.
- Promote citizen participation of rural women.
- In this case, x project indicators are achieved and are those focusing on strengthening the participation of women members in decision-making posts (O111-1), strengthening women’s decision-making on income they generate (O111- 2); training and strengthening citizen participation of women (O211-3), training women in access to productive and financial resources (O311-4 and O411-7), creating leaders for the gender strategy development (O412-8).

### Target groups

The following target groups are projected for this strategic outcome:

- Member women
- Productive chains (C1 and C2)
- Handicrafts (C6)

## **Achieved RVCP indicators**

From prioritized indicators in this axis, this strategic outcome focuses on women with access to financial and/or productive resources (O3I1-4) and (O3I2-5), women increasing their economic resources (O3I3-6), increased participation of women in the spaces of business chains (O4I1-7).

### **Impact actions:**

- Promote a gender equity approach in the value chain process (emphasizing income-generating actions) through:
- Monitoring what is done in the EEs and how women generate income (organizations of the consortium)
- Increase in number of partners
- Income generated by productive units established by women (C6).
- Income generated by production units that favor women (C1 and C2).
- Productive units established by women with generated jobs/self-employment (C6).
- Productive units generating employment/self-employment (C1 and C2).
- View of the work of women in EEs.
- Implementation of projects generated by women's groups strengthened in forming business projects.

### ***iv. Progress results communication strategy***

As a mechanism to report progress along the implementation of the RVCP, this axis is adhered to strengthen the contents of the axis to the Communication Disclosure and Strategy, allowing current and potential participants access information about services and opportunities promoted by PEE and its strategic allies, and how to participate in them. For this purpose, we suggest:

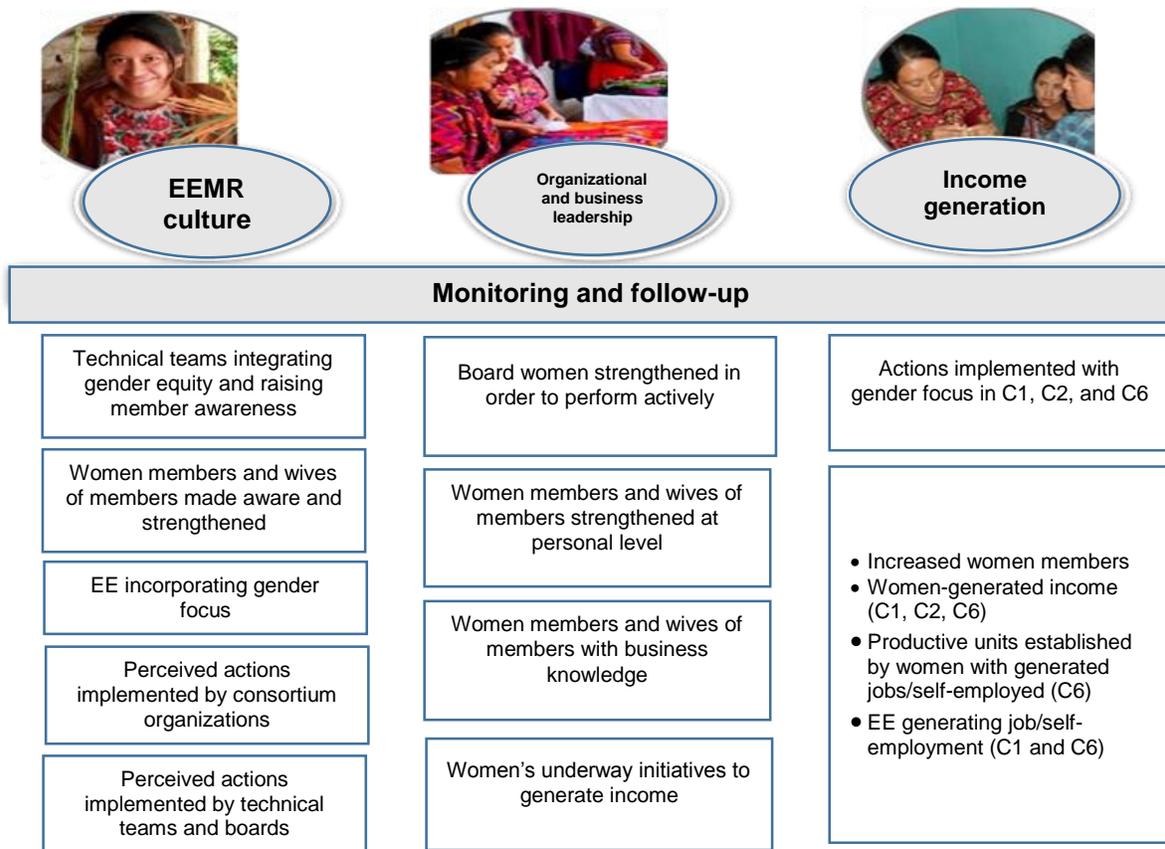
- Forums
- Advocacy material
- Presentation of progress, work strategies, and building alliances to promote the women's active participation in production chains.
- Systematization of successful experiences.
- Participation in areas of interest to the subject.
- Materials that promote progress and actions implemented, among other actions.
- Communication campaign to raise consortium members' awareness on gender.
- Communication campaigns through social networks, to include key messages promoting gender inclusion.

### ***v. Knowledge management***

- Through IICA systematization actions, identify success stories of women who stand out in value chains to write about them. Also, systematize women's participation in promoting business chains promoted by RVCP.
- Similarly, Vital Voices Guatemala will identify success stories in actions it implements to write about them.

## vi. Monitoring and Evaluation

In order to respond to indicators, objectives, and outcomes set for this axis, for each of the three strategic outcomes of this structure, monitoring and follow-up actions will be planned using elements posed the following diagram:



## 6.3 Rural Financial Services

**Strategic Objective:** To promote the process of financial services for producers, which begins with the selection of MSMEs by a Selection Committee and thus start supporting the value chain.

### i. Description of main activities

During the previous period, AGEXPORT worked in alliance with OIKOCREDIT to advise and diagnose capacities of 4 MSMEs that are served by the RVCP, so that in the future they are creditworthy.

Considering the results achieved in the first phase, OIKOCREDIT expanded and facilitated AGEXPORT other economic resources, to give continuity to the actions with MSMEs, financing a second phase of work, which includes the following activities:

### ***xxxiii. Technical assistance to MSMEs***

A support plan will be developed with ADIBA, AGROSIXIL, APROCAFI, and Rabinal Vargas. The plan takes into account advice and guidance to monitor the implementation of tools and instruments designed in the first phase, which to improve entrepreneurship and bankability of organizations.

As a result of the activities prioritized within technical assistance the following will be achieved: (i) ensure that bookkeeping is up to date and all accounting assistants be implemented to ensure quality and reliability of the information and that this practice be institutionalized; (ii) strengthen the decision-making process based on accounting information; (iii) implement a budget control system; (iv) train and institutionalize the use of cash flow tool; (v) implement an inventory control system; (vi) strengthen governance; (vii) monitor fiscal and tax issues; (viii) develop an accounting procedures manual to clearly reflect sales, withholding taxes, input purchases, sales and VAT registrations, all this ensures that organizations will keep records and operations in order, thus opening opportunities to access funding.

As part of the support on issues related to access to financing and in partnership with AGEXPORT's School of Foreign Trade, a training session will be held addressed to accountants and administrative staff of at least 20 organizations to even out and update accounting and financial information, promoting that human resources of these organizations be competent, and that they have installed capacity to handle current credits and future credit arrangements.

### ***xxxiv. Monitoring groups with access to credit***

With support from specialists and the monitoring team of the project, this year monitoring will be conducted to document groups that have requested and obtained credits as a result of the advice provided by the project. This will be quarterly.

### ***xxxv. Identifying organizations with financial services***

Continued alliances with financial and credit entities is planned in order to promote credit access for rural organizations. We plan to identify and start working together with two financial institution projects, coordinating jointly possible actions to be implemented in the MSMEs.

#### **Expected Results financial services axis**

| <b>No</b> | <b>Results</b>   | <b>Global 2012-2017 Target</b>  | <b>FY-2015-2016 target</b> |
|-----------|--|---|----------------------------|
| 1         | Improve credit access for associative MSMEs.                     | 25 associative MSMEs have access to credit from financial institutions. | 10                         |
| 2         | Strategic alliances with formal credit from determined entities. | 3 formal credit alliances with financial institutions in the territory. | 2                          |

## 6.4 Cultural Identity

In partnership with Sotz'il, AGEXPORT will develop a strategy on cultural identity with the following scope.

**Strategic objective.** Incorporate a vision of respect and monitor the RVCP strategy and its different components for the strategic aspect of cultural identity from the point of view of the Mayan people.

During FY2016 the strategy developed to strengthen cultural identity and a methodological approach of how to integrate aspects of cultural identity into the actions of the components and the overall actions of RVCP will be implemented.

### *i. Description of main activities*

#### **xxxvi. Implementation of RVCP cultural identity strategy**

The recognition, protection, registration, and systematization of traditional knowledge of Indigenous Peoples and local communities in Guatemala can contribute to plan development, revitalize the economy, help in efforts to adapt to climate change, and strengthen the Food and Nutrition Security in rural areas. Indigenous Peoples and local communities retain a set of values, traditions, symbols, beliefs, codes, standards, interests, and knowledge that comprise the specific cultural identity of the territory they inhabit, being an integral part of community life, present in religious, political, environmental, productive, and economic areas. At the production level, traditional knowledge allows to adapt new technologies and products to geography and community dynamics. These traditional knowledge will form the basis for promoting the development of indigenous peoples and local communities, within the collective rights and values of their cultural identity and cosmogonical beliefs, generating a strategy of cultural identity to guide the value chains from indigenous cultural perspectives, as proposals for overcoming the social crisis and marginalization.

Specific objectives of the implementation of the cultural identity strategy under the RVCP project:

- Build and implement a comprehensive community development strategy for communities' well living, where prioritized rural value chains develop.
- Promote the application of traditional practices identified from a successful chain model developed around community production systems.
- Promote traditional production systems partnerships with chains systems, to ensure local food security and nutrition.

The strategy includes implementing the following activities.

- **Strengthening traditional organizations:** recognize and strengthen traditional community organization models within Rural Value Chains.
  - a. Recognize community leadership for planning actions of Rural Value Chains.
  - b. Develop capacity building processes aimed at community leaders (men and women) members of the MSMEs.
  - c. Case studies on collective production management within the trade MSMEs.

- **Visualizing products with cultural identity:** Marketing products differentiated with cultural identity.
  - a. Promote alternative certifications that give Trade MSMEs products added value and access to differentiated markets as an initiative to strengthen cultural identity.
  
- **Recognition of community cultural integrity:** To promote the inclusion of traditional cultural elements of Rural Value Chain communities.
  - a. Encourage technical responsible persons and teams assigned to the MSMEs to participate and know culturally-relevant traditional community activities.
  
- **Intercultural communication and participation:** Use local languages and forms of participation in relevant Rural Value Chains processes with cultural appropriateness.
  - a. Incorporate specialists and chain leaders who speak native peoples' languages.
  
- **Productive diversification:** Promote productive diversification of the CRV as a strategy to achieve food and nutrition security and environmental sustainability.
  - a. Exchange between members of the CVR and indigenous organizations with established patterns of agroecology, organic farming, home gardening, and handicrafts to learn about initiatives and product development that contribute to strengthening cultural identity.
  
- **Economic sovereignty of Rural Value Chains:** Establish Rural Value Chains with enduring business and cultural sustainability over time.
  - a. Studies on potential new markets
  - b. Establish Social Audit Councils within the CVR

### Expected Results for Cultural Identity axis

| No | Results  | Global 2012-2017 Target  | META FY- 20152016   |
|----|--|--|---|
| 1  | Methodology to incorporate essential aspects of cultural identity into the RVCP. | 1 Methodology developed to incorporate essential aspects of cultural identity into the RVCP. | 1 Methodology developed for incorporating essential aspects of cultural identity into the RVCP. |
| 2  | Developed project proposals that contribute to strengthen cultural identity.     | 5 project proposals developed.   | 4 project proposals developed.  |
| 3  | Products with developed cultural identity.                                       | 25 products developed with cultural identity.  | 5 products developed with cultural identity.  |

## **6.5 Knowledge management**

**Strategic Objective:** To contribute to the understanding and use of better practices for rural territory development based on rural value chains.

As a strategic partner of RVCP, IICA supports applied research and knowledge management for RVCP. During this period, it will prepare and present them the systematization of experiences, lessons learned (positive and negative), as well as factors that favor or disfavor the application of AGEXPORT's chains methodology within the RVCP project. The activities considered by IICA are:

### ***i. Description of main activities***

#### ***xxxvii. Case study***

- A relevant case study will be identified to unveil the actions of RVCP at general level, to be selected by mutual agreement among the partners, to communicate its design, process, results, and projection to other municipalities and communities of Quiché, Totonicapán, and Quetzaltenango.
- A study on the economic empowerment of women in artisanal and agricultural activities. (To be defined jointly by the project team and Vital Voices).
- Case study on the experience of Ixil Coffee Producing Organizations Network -ORCAFI-, its origin, actions, and role in addressing the rust disease in Ixil coffee production.

#### ***xxxviii. Specialized studies***

At least three (3) specialized studies will be developed regarding productive technological innovation (technology: irrigation and Mulch, etc.), organizational, commercial, and organizational factors; key to commercial agricultural productivity and consumption. They will be defined jointly with the project team.

#### ***xxxix. Support to public-private alliances***

From partnerships developed for the implementation of RVCP, AGEXPORT will make an analysis to arrive at the lessons learned and determine factors favoring consortium results.

## ***xI. Expected results for the knowledge management axis***

| <b>No</b> | <b>Results</b>   | <b>Global Target</b>  | <b>FY-2015-2016 TARGET</b>                                      |
|-----------|--|---|---|
| 1         | Technical and academic documentation created to strengthen economic, social, and environmental development | 1 research conducted by IICA, as groundwork for an investigation based on the application of RVCP in the western highlands. | Applicable next period.   |
|           |  | 2 Technical notebooks on topics of prioritized by the Steering Committee. One will be related to women.                     | 2 Technical notebooks. Topic defined by the Steering Committee. |
| 2         | Promoting advocacy of public - private partnerships  | 2 strategic discussion forums to promote rural development in the agrarian sector.  | Applicable next year.   |
|           |  | Promoting public-private partnerships for the agricultural sector.  | 1 Public-private alliance in the agricultural sector.           |

## **7. Communications area development**

**Strategic Objective:** To facilitate through different communication tools and key messages, activities and success stories of RVCP value chains to evidence employment opportunities, income generation, trade promotion, economic empowerment of women, food and nutritional security of rural households in poverty in the west.

Through its communication unit, AGEXPORT planned to develop different activities in order to raise awareness and draw attention to the actions and progress that the RVCP performs as well as to publicize the work that institutions such as USAID, AGEXPORT, consortium partners, WHIP, and local governments carry out to assist in the development of communities in rural areas.

Actions planned within the communication strategy are:

- **Brochure design**

**Objective:** Make known through innovative designs and strategic content issues impacting value chains of vegetables and handicrafts, to effectively communicate its contents through graphics and photographs.

- **Summary of the progress and results of components and indicators:**

Preparation of informative brochures per RVCP component, which should evidence the achievements of each one, with photographs showing what is done.

- **Ixil Coffee Study:**

This material contains important information about rust in the Ixil coffee, control practices, tips for coffee plantations maintenance, and benefits to communities, among other.

- **Photo pamphlets on economic empowerment of women:**

Through professional photographs, this brochure will portray the theme of economic empowerment of women and their participation in rural value chains, including short texts about the changes experienced by women. The material will be distributed to managers of MSMEs, municipal and national authorities, representatives of international organizations, private companies, and sectors working nationwide with women.

- **Raising awareness**

**Objective:** Present through different spaces an exchange of information and experiences of value chains, so that results and success stories are known through the media and other target audiences.

- **Exchange tours:**

Tours with AGEXPORT partners are carried out to learn the rural work of value chains in different communities in the departments supported by the project.

- **Rural Forum**

This action seeks to expose cases of young rural entrepreneurs, who have improved their life situation through participation in MSMEs. This activity will initially take place in rural areas so that people in the area learn actors' experiences firsthand.

- **Knowledge management**

**Objective:** To strengthen the capacities of value chains in various issues through audiovisual material, facilitating communication of knowledge and skills.

- **Production of visual materials:**

4 videos on knowledge management with animated images will be made for rural producers, seeking to raise awareness on the importance of implementing actions such as good agricultural and manufacturing practices, environmental management, economic empowerment of women, food security and nutrition, marketing, among others.

- **Success stories and results RVCP**

Two success stories or news per chain will be designed, addressing the results and changes generated throughout project implementation in families, including advances and improvements in areas such as gender, adaptation to climate change, environment.

- **News in the media:**

Make known through different media, results and success stories that illustrate what is done in the RVCP through press releases, exchange tours, interviews, among others.

- **Website:**

In a special space of the trade chains webpage, the RVCP project will have different tools to publicize what is done. It will also have a section of MSMEs location maps, as well as different actions carried out, and success stories.

- **Implementation of social networks:**

News, success stories, videos, and facts will be published on social networks like Facebook, Twitter, and YouTube to disseminate key messages and publicize the many achievements.

- **Success story videos:**

Audiovisual material as a means to promote successful results of rural MSMEs.

- **Events for result presentations:**

A socialization event and FY2016 results presentation is to be held in December 2015.

- **Electronic bulletin:**

An electronic bulleting, *Our Day to Day*, will be sent digitally to publish news related to the Project.

- **Map Library**

MSMEs can be found independently and together.

- **Effective perceptibility of RVCP**

Objective: To develop communication materials that meet the branding and marking established by the RVCP.

- **Implementation of perceptibility and communication kits:**

This material makes it easier for specialists, technicians, and promoters to disclose and position the image using printed and digital materials in national and international visits and tours.

- **Communication workshop for experts:**

It will be addressed to the Development Division to raise awareness on the importance of communication to value chains.

- **Signs and banners:**

In compliance with the branding and marking of the project, in FY15 signs and banners were made to show what is done in the RVCP. We will continue with this system so that all MSMEs have the same communication tools.

- **Meetings with the RVCP Consortium**

Regular meetings with consortium partners held to communicate through the different tools provided what each of the consortium partners does.

## 8. Monitoring and Evaluation

The monitoring and evaluation unit of the RVCP Project carries out different actions to achieve expected results set for this period. Following up on these includes:

### ***i. Designing monitoring software and evaluating the RVCP Project***

Software for monitoring and following up the RVCP Project will be completed and implemented to systematically manage indicators generated by the project. The generation of information by the system will allow immediate processing of reports on the status and progress of the project and help implementing partners to make decisions more rapidly. However, to implement the software the following additional activities must be carried out:

**ii. Data scan into monitoring and evaluation software**

During the software design process, information will be scanned and recorded (data collection, MSMEs data analysis, indicators, and targets) to update it and have necessary project information available.

**iii. Monitoring and evaluation software implementation phase**

Once data is digitized, the monitoring unit will be able to speed up progress reports in terms of indicators and targets set in the RVCP Project. The monitoring and evaluation software will allow better MSMEs monitoring, and generated information will be more reliable.

**iv. Visits to MSMEs to assess indicator progress**

Four field trips are planned to monitor and evaluate progress systematically in indicators and results generated by the RVCP project from its various components. These visits provide for the verification of records generated by project partners and interviewing MSMEs managers and producers.

**v. Visits to MSMEs to hold interviews and verify producers' satisfaction**

Two visits (midyear and year end) will be scheduled to interview randomly producers of MSMEs in order to establish satisfaction levels and acceptance of project actions.

**vi. Partner reviews and audits**

In coordination with Project Management, two visits to the offices of partner institutions of the project are planned to verify the quality of records and documentation of indicators.

**vii. Support in producing reports and documentation required by benefactors**

Recording, reviewing, and consolidating information from the indicators to be reported to benefactors. This will support the review and feedback reports by verifying the quality of reported data and uploading it to the "Clearinghouse" monitoring system, managed by the DEVTECH-USAID monitoring unit.

During this period, the Monitoring and Evaluation Unit will be conducting other complementary activities:

- Follow up compliance with the Performance Management Plan (PMP), a tool that allows planning, management, and documentation of project objectives and indicator progress.
- Supervise that registry folders of documents (ISO formats) are updated with all backups documenting progress indicators and targets generated by the project.
- Provide information and support coordination of interim evaluation activities of the RVCP project.

- Coordinate with the project management a budgetary review to establish the efficacy achieved and generate reports for project management and sub-management.
- Require partners' compliance in the delivery of quarterly reports with their respective sources of verification.
- Provide systematic information per indicator to produce quarterly reports.
- Cooperate in the review and feedback from quarterly and annual reports.
- Cooperate in the preparation of indicator reports required by USAID.
- Cooperate in the preparation of annual projections required by USAID.
- Facilitate meetings with members' staff to clarify doubts about indicator progress and targets per component.
- Train technical members' staff in understanding indicators and applying record formats for documenting progress.
- Participate in M&E meetings promoted by USAID or assigned by project management.

### ***viii. Interim evaluation RVCP***

During this period an intermediate evaluation of the RVCP Project is developed in order to comply with the guidelines established by DEVTECH-USAID. This assessment will be developed Vox Latina, and its main objective is to analyze the progress made regarding target and indicator compliance. An investment of \$50,000 is estimated.

## **9. MSMEs operating expenses**

This line takes into consideration the administrative staff that supports chain program activities in the areas of financial performance, purchasing, accounting, and processes. This staff is responsible for controls, monitoring and adjudication of each of the processes of procurement of goods and/or services of each MSMEs and activities carried out to meet the objectives of the program, as well as accounting and monitoring all matters relating to the financial performance of each MSME.

Activities within this line are:

- Salary and law benefits payment to the management team, among which are: financial administrative coordinator, administrator, administrative assistants, accounting and purchasing coordinator, purchasing assistants, accounting assistants in both, the headquarters in Santa Cruz Quiché, Nebaj, and in the west subsidiary.
- Lease payment for offices occupied by all USAID Rural Value Chains Project staff, headquarters and El Quiché
- Operating expenses: consumption expenditures are planned, such as: stationery, cleaning supplies, supplies, spare parts, maintenance, services, and cleaning. These expenses apply to the headquarters, western branch, and El Quiché staff.

## 10. Audits

An external audit of all accounting records and financial statements of the project for 2015 is planned for November 2015 and June 2016. Consultancies will also take place to review and monitor the integration of financial performance of sub-agreements.

## 11. Institutional Strengthening

AGEXPORT has a fund for institutional support, which strengthens the administrative capacity of the institution. Within this line is payment of the annual maintenance of SAP licenses of chains program staff and institutional staff linked to the project, licenses that allow for systematized accounting records of the project, as well as auditool and ACLs licenses that are part of administrative accounting support systems of the project.

## 12. Other Direct Costs - AGEXPORT

- **AGEXPORT Institutional salaries:** This line includes payment of institutional salaries of AGEXPORT prorated as per time used for project activities. These positions interact directly or indirectly in consortium administrative and management processes.
- **Other direct costs:** This line includes expenses related to maintenance and repair of the AGEXPORT building, institutional furniture and equipment, vehicle maintenance, institutional security, technological support for the building and the vehicles for the project, among others.

Taking into consideration to integrate field staff to further monitor the project activities, it is deemed necessary to purchase two HONDA motorcycles for use by field specialists.

## 13. Quick Response Fund

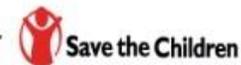
Funds from this category are subject to approval by USAID, and they allow to respond quickly and efficiently to problems or activities that have not been planned or scheduled in advance, but still increase costs under this agreement.

## 14. Budget

Guatemalan Association of Exporters

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Business Chains Program



## RURAL VALUE CHAINS –RVCP- FY16 PROJECT BUDGET

| Component  | Budget              | FY16 Q1           | FY16 Q2           | FY16 Q3           | FY16 Q4           |
|--|---------------------|-------------------|-------------------|-------------------|-------------------|
|  | Dollars             | Dollars           | Dollars           | Dollars           | Dollars           |
| <b>Component 1: Value chains competitiveness improvements</b>                                    | <b>\$ 2,019,382</b> | <b>\$ 573,167</b> | <b>\$ 561,458</b> | <b>\$ 460,064</b> | <b>\$ 424,693</b> |
| 1201-1260 Competitive Fund _ Specialized technical support through business development services | \$ 1,072,377        | \$ 360,772        | \$ 297,047        | \$ 246,373        | \$ 168,186        |
| 1261 - Nutrition and food security   | \$ 113,969          | \$ -              | \$ 28,410         | \$ 42,779         | \$ 42,779         |
| 1262- Vital Voices of Guatemala Foundation, gender equity  | \$ 94,520           | \$ 29,520         | \$ 65,000         | \$ -              | \$ -              |
| 1263- Differentiated Coffees Commission - agricultural productivity, coffee                      | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              |
| 1264- Laboratories Commission - training   | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              |
| 1350 - Environmental Management personnel  | \$ 116,898          | \$ 28,413         | \$ 28,413         | \$ 28,413         | \$ 31,658         |
| 1265- Market intelligence personnel salary (technical area)                                      | \$ 458,361          | \$ 105,776        | \$ 105,776        | \$ 105,776        | \$ 141,034        |
| 1266- Mobilization, studies, and other   | \$ 126,804          | \$ 30,804         | \$ 32,000         | \$ 32,000         | \$ 32,000         |
| 1267- Experience exchange tours  | \$ 5,803            | \$ 5,537          | \$ 266            |                   |                   |
| 1268- Office equipment   | \$ 10,390           | \$ 82             | \$ 4,545          | \$ 2,515          | \$ 3,247          |
| 1269- ISO 9001:2008 Certification  | \$ 6,467            | \$ 2,181          | \$ -              | \$ 2,208          | \$ 2,078          |
| 1270- AGEXPORT trade promotion   | \$ 13,793           | \$ 10,082         | \$ -              | \$ -              | \$ 3,711          |

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**USAID**  
DEL PUEBLO DE LOS ESTADOS  
UNIDOS DE AMÉRICA

**CADENAS DE  
VALOR RURALES**  
QUICHÉ, TONINCAPÁN Y QUETZALTENANGO



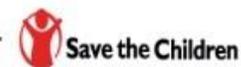
## RURAL VALUE CHAINS –RVCP- FY16 PROJECT BUDGET

| Component  | Budget              | FY16 Q1           | FY16 Q2           | FY16 Q3           | FY16 Q4           |
|--|---------------------|-------------------|-------------------|-------------------|-------------------|
|  | Dollars             | Dollars           | Dollars           | Dollars           | Dollars           |
| <b>Component 2: Expand participation in rural value chains</b>   | <b>\$ 1,436,881</b> | <b>\$ 388,773</b> | <b>\$ 241,116</b> | <b>\$ 459,746</b> | <b>\$ 347,246</b> |
| 1361-1389 - Production chains executed directly by Save the Children and chain execution through two local development and production management organizations | \$ 1,306,555        | \$ 355,791        | \$ 190,769        | \$ 424,524        | \$ 335,471        |
| 1341- Vital Voices Guatemala Foundation, gender equity   | \$ 9,840            | \$ 9,840          | \$ -              | \$ -              | \$ -              |
| 1356 - Environmental Mitigation Plan and environmental management activities   | \$ 120,486          | \$ 23,142         | \$ 50,347         | \$ 35,222         | \$ 11,776         |
| <b>Component 3: Improve agricultural productivity</b>  | <b>\$ 221,770</b>   | <b>\$ 102,471</b> | <b>\$ 85,532</b>  | <b>\$ 17,532</b>  | <b>\$ 16,234</b>  |
| 1271- Introduction of alternative technologies for adaptation and mitigation   | \$ 143,598          | \$ 73,140         | \$ 70,458         | \$ -              | \$ -              |
| 1272- Technological demonstration plots  | \$ 23,142           | \$ 13,912         | \$ 9,230          | \$ -              | \$ -              |
| 1273- AGEXPORT School of Foreign Trade   | \$ 55,030           | \$ 15,419         | \$ 5,844          | \$ 17,532         | \$ 16,234         |
| <b>Component 5: Increase crop productivity of for self-consumption and improve food utilization</b>  | <b>\$ 512,980</b>   | <b>\$ 53,593</b>  | <b>\$ 110,881</b> | <b>\$ 231,950</b> | <b>\$ 116,555</b> |
| 1391-1414 SC - Technical assistance and support to basic grains production, product diversification, and nutrition education                                   | \$ 484,938          | \$ 53,593         | \$ 108,284        | \$ 228,054        | \$ 95,006         |
| 1275 Nutrition and food security   | \$ 28,042           | \$ -              | \$ 2,597          | \$ 3,896          | \$ 21,549         |

Guatemalan Association of Exporters Exportadores

Development Division

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## RURAL VALUE CHAINS –RVCP- FY16 PROJECT BUDGET

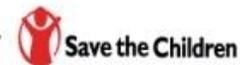
| Component  | Budget              | FY16 Q1           | FY16 Q2           | FY16 Q3           | FY16 Q4           |
|--|---------------------|-------------------|-------------------|-------------------|-------------------|
|  | Dollars             | Dollars           | Dollars           | Dollars           | Dollars           |
| <b>Component 6: Improve the competitiveness of handicrafts value chains - COMART</b>   | <b>\$ 1,065,187</b> | <b>\$ 252,902</b> | <b>\$ 224,965</b> | <b>\$ 282,781</b> | <b>\$ 304,539</b> |
| 1276-1310 Competitive or direct technical assistance fund for handicraft organizations   | \$ 479,565          | \$ 119,559        | \$ 107,830        | \$ 157,384        | \$ 94,791         |
| 1311- Market Intelligence  | \$ 297,674          | \$ 88,162         | \$ 68,703         | \$ 72,106         | \$ 68,703         |
| 1312-1313 – Operating costs  | \$ 130,539          | \$ 24,815         | \$ 35,241         | \$ 35,241         | \$ 35,241         |
| 1314- Technical assistance to PYMES  | \$ -                | \$ -              | \$ -              | \$ -              | \$ -              |
| 1315- Commercial Promotion   | \$ 92,485           | \$ 5,647          | \$ 2,688          | \$ -              | \$ 84,150         |
| 1316- Visibility events  | \$ 4,302            | \$ -              | \$ 260            | \$ 3,652          | \$ 390            |
| 1317- Vital Voices Foundation Guatemala, gender equity   | \$ 14,720           | \$ 14,720         | \$ -              | \$ -              | \$ -              |
| 1318- INCAP - Nutrition and food security  | \$ 24,345           | \$ -              | \$ 6,086          | \$ 6,086          | \$ 12,173         |
| 1352- Environmental mitigation plan and environmental management activities  | \$ 21,558           | \$ -              | \$ 4,156          | \$ 8,312          | \$ 9,091          |
| <b>Transversal Components</b>  | <b>\$ 149,454</b>   | <b>\$ 11,440</b>  | <b>\$ 74,014</b>  | <b>\$ 20,000</b>  | <b>\$ 44,000</b>  |
| 1358 - Project environmental management for adaptation, mitigation, technology transfer in sustainable management of natural resources | \$ 20,014           | \$ -              | \$ 20,014         | \$ -              | \$ -              |
| 1319- Vital Voices Foundation Guatemala, gender equity   | \$ 11,440           | \$ 11,440         | \$ -              | \$ -              | \$ -              |
| Sotzil Association - Cultural Identity   | \$ 30,000           | \$ -              | \$ -              | \$ 20,000         | \$ 10,000         |
| IIICA – Knowledge management   | \$ 88,000           | \$ -              | \$ 54,000         | \$ -              | \$ 34,000         |

Guatemalan Association of Exporters  
 Development Division  
 Business Chains Program



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**CADENAS DE  
 VALOR RURALES**  
 QUICHÉ, TONONICAPÁN Y QUETZALTENANGO



## RURAL VALUE CHAINS –RVCP- FY16 PROJECT BUDGET

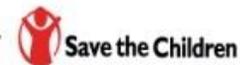
| Component  | Budget            | FY16 Q1           | FY16 Q2           | FY16 Q3           | FY16 Q4           |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | Dollars           | Dollars           | Dollars           | Dollars           | Dollars           |
| <b>Communication area development</b>  | <b>\$ 109,759</b> | <b>\$ 29,215</b>  | <b>\$ 22,117</b>  | <b>\$ 32,710</b>  | <b>\$ 25,716</b>  |
| 1324- Communication strategic plan   | \$ 60,674         | \$ 18,184         | \$ 15,104         | \$ 24,139         | \$ 3,247          |
| 1325- Communication area salaries  | \$ 36,751         | \$ 10,385         | \$ 7,013          | \$ 8,571          | \$ 10,781         |
| 1326- Presentation of results  | \$ 12,334         | \$ 646            | \$ -              | \$ -              | \$ 11,688         |
| <b>Monitoring and evaluation</b>   | <b>\$ 160,081</b> | <b>\$ 34,454</b>  | <b>\$ 29,424</b>  | <b>\$ 61,245</b>  | <b>\$ 34,959</b>  |
| 1327- Monitoring and evaluation specialist and junior monitoring specialist salary | \$ 64,496         | \$ 15,924         | \$ 15,924         | \$ 15,924         | \$ 16,725         |
| 1328- Monitoring system implementation   | \$ 50,441         | \$ 5,032          | \$ 13,500         | \$ 13,675         | \$ 18,234         |
| 1329- Baseline, intermediate, and final line                                       | \$ 45,144         | \$ 13,498         | \$ -              | \$ 31,646         |                   |
| <b>Operating expenses of value chain implementation</b>                            | <b>\$ 438,005</b> | <b>\$ 108,655</b> | <b>\$ 109,327</b> | <b>\$ 108,206</b> | <b>\$ 111,817</b> |
| 1330- Operating salaries   | \$ 314,252        | \$ 77,940         | \$ 77,940         | \$ 77,940         | \$ 80,430         |
| 1331- Office rent  | \$ 35,488         | \$ 8,872          | \$ 8,872          | \$ 8,872          | \$ 8,872          |
| 1332- Office expenses  | \$ 88,265         | \$ 21,842         | \$ 22,515         | \$ 21,393         | \$ 22,515         |

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## RURAL VALUE CHAINS –RVCP- FY16 PROJECT BUDGET

| Component   | Budget       | FY16 Q1      | FY16 Q2      | FY16 Q3      | FY16 Q4      |
|---|--------------|--------------|--------------|--------------|--------------|
|   | Dollars      | Dollars      | Dollars      | Dollars      | Dollars      |
| <b>External audit</b>   | \$ 14,709    | \$ 9,909     | \$ -         | \$ 4,800     | \$ -         |
| 1333- Annual audit and performance evaluation of sub-agreements                               | \$ 14,709    | \$ 9,909     | \$ -         | \$ 4,800     | \$ -         |
| <b>Institutional strengthening</b>  | \$ 31,468    | \$ -         | \$ 31,468    | \$ -         | \$ -         |
| 1334- Strengthening of administrative capacity of the institution                             | \$ 31,468    | \$ -         | \$ 31,468    |              |              |
| <b>Direct costs of consortium management</b>  | \$ 130,010   | \$ 32,155    | \$ 31,997    | \$ 29,140    | \$ 36,718    |
| 1335- AGEXPORT institutional staff  | \$ 79,035    | \$ 19,295    | \$ 17,922    | \$ 17,922    | \$ 23,896    |
| 1336- Vehicle purchases   | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 1337- Other direct expenses   | \$ 50,975    | \$ 12,860    | \$ 14,075    | \$ 11,218    | \$ 12,822    |
| <b>Quick response fund</b>  | \$ 101,000   | \$ -         | \$ -         | \$ -         | \$ 101,000   |
| 1338- This QRF will give USAID the flexibility to respond quickly and efficiently to problems | \$ 101,000   | \$ -         | \$ -         | \$ -         | \$ 101,000   |
| <b>TOTALS</b>   | \$ 6,390,686 | \$ 1,596,735 | \$ 1,522,300 | \$ 1,708,173 | \$ 1,563,478 |

## PURCHASE PLAN RVCP FY16

| Guatemalan Association of Exporters AGEXPORT               |        |              |                  |  |                            |                   |                 |  |  |  |  |
|--|--------|--------------|------------------|--|----------------------------|-------------------|-----------------|--|--|--|--|
| Rural Value Chains Project RVCP                            |        |              |                  |  |                            |                   |                 |  |  |  |  |
| Cooperation Agreement 520-A-12-00003                       |        |              |                  |  |                            |                   |                 |  |  |  |  |
| Period: October 1, 2015 to September 30, 2016              |        |              |                  |  |                            |                   |                 |  |  |  |  |
| Assets purchase plan                                       |        |              |                  |  |                            |                   |                 |  |  |  |  |
| In US\$  |        |              |                  |  |                            |                   |                 |  |  |  |  |
| Description of goods                                       | Amount | Unit cost \$ | Total cost \$    | Use of goods   | Physical location          | Place of purchase | Origin of goods |  |  |  |  |
| <b>AGEXPORT –DEVELOPMENT DIVISION</b>                      |        |              |                  |  |                            |                   |                 |  |  |  |  |
| Executive chairs   | 2      | \$ 200       | \$ 400           | Chairs for new technical RVCP project personnel  | Guatemala, Quiché          | Guatemala         | Taiwan          |  |  |  |  |
| Meeting room chairs  | 10     | \$ 120       | \$ 1,200         | Roll chair for meeting room used by project staff  | Guatemala                  |                   | Taiwan          |  |  |  |  |
| Meeting room coffee cabinet                                | 1      | \$ 470       | \$ 470           | Furniture to keep cafeteria supplies   | Guatemala                  |                   | Guatemala       |  |  |  |  |
| Clip-on microphone   | 1      | \$ 500       | \$ 500           | microphone to be used in project events, under responsibility of the communications division | Guatemala                  |                   | Guatemala       |  |  |  |  |
| Digital cameras  | 3      | \$ 400       | \$ 1,200         | Digital cameras for RVCP new entrant technical staff   | Quiché, Xela               |                   | Japan           |  |  |  |  |
| GPS Garmin eTrex 20  | 25     | \$ 325       | \$ 8,117         | GPS to be used by RVCP technical staff for geopositioning                                    | Central, Quiché, Xela      |                   | USA             |  |  |  |  |
| 2. GPS Garmin MAP 62s                                      | 2      | \$ 714       | \$ 1,429         | GPS to be used by RVCP technical staff for geopositioning                                    | Central, Quiché, Xela      |                   | USA             |  |  |  |  |
| Small fans   | 4      | \$ 40        | \$ 160           | Fans for RVCP project staff  | Head offices, Quiché, Xela |                   | Taiwan          |  |  |  |  |
| DELL Laptops   | 4      | \$ 1,400     | \$ 5,600         | Computers for administrative and technical RVCP new entrance staff                           | Head offices, Quiché, Xela |                   | USA             |  |  |  |  |
| Portable External Hard Drive 2T                            | 3      | \$ 200       | \$ 600           | Equipment used by project staff to support information                                       | Head offices               |                   | Japan           |  |  |  |  |
| 250GB SSSD hard drive                                      | 1      | \$ 250       | \$ 250           | Disk for RVP high-definition data storage and processing                                     | Communications DD          |                   | USA             |  |  |  |  |
| Design software  | 1      | \$ 1,500     | \$ 1,500         | Design license update  | Head offices               | Guatemala         | USA             |  |  |  |  |
| <b>AGEXPORT Development Division subtotal</b>              |        |              | <b>\$ 21,425</b> |  |                            |                   |                 |  |  |  |  |
| Honda Motorcycle model 2015, XL200, 200 CC, 5-speed, 20 HP | 2      | \$ 4,200     | \$ 8,400         | For use by specialists in Quiché   | Sacapulas and Zona Reina   | Guatemala         | Brazil          |  |  |  |  |
| <b>AGEXPORT PEE Subtotal OTHER DIRECT EXPENSES</b>         |        |              | <b>\$ 8,400</b>  |  |                            |                   |                 |  |  |  |  |

|  |               |                     |                      |  |   |                          |                        |  |
|--|---------------|---------------------|----------------------|--|---|--------------------------|------------------------|--|
| <b>Guatemalan Association of Exporters AGEXPORT</b>  |               |                     |                      |  |   |                          |                        |  |
| <b>Rural Value Chains Project RVCP</b>               |               |                     |                      |  |   |                          |                        |  |
| <b>Cooperation Agreement 520-A-12-00003</b>          |               |                     |                      |  |   |                          |                        |  |
| <b>Period: October 1, 2015 to September 30, 2016</b> |               |                     |                      |  |   |                          |                        |  |
| <b>Assets purchase plan</b>                          |               |                     |                      |  |   |                          |                        |  |
| <b>Amounts in US\$</b>                               |               |                     |                      |  |   |                          |                        |  |
|  |               |                     |                      |  |   |                          |                        |  |
|  |               |                     |                      |  |   |                          |                        |  |
| <b>Description of goods</b>                          | <b>Amount</b> | <b>Unit cost \$</b> | <b>Total cost \$</b> | <b>Use of goods</b>  | <b>Physical location</b>                                    | <b>Place of purchase</b> | <b>Origin of goods</b> |  |
| <b>AGEXPORT – Handicrafts Commission</b>             |               |                     |                      |  |   |                          |                        |  |
| <i>Executive chairs</i>                              | 2             | \$ 200              | \$ 400               | <i>Chairs for technical RVCP project staff</i>                                     | <i>COMART technical staff in Central offices and Quiché</i> | <i>Guatemala</i>         | <i>Taiwan</i>          |  |
| <i>Digital cameras</i>                               | 2             | \$ 500              | \$ 1,000             | <i>Camera to for use by the COMART communications division</i>                     |   | <i>Guatemala</i>         | <i>Japan</i>           |  |
| <i>External portable 2T hard drive</i>               | 1             | \$ 200              | \$ 200               | <i>Equipment for use by COMART communications staff</i>                            | <i>Central offices</i>                                      | <i>Guatemala</i>         | <i>Japan</i>           |  |
| <i>Laptop DELL computers</i>                         | 3             | \$ 1,400            | \$ 4,200             | <i>Equipment for technical COMART staff</i>  | <i>Central offices and Quiché</i>                           | <i>Guatemala</i>         | <i>USA</i>             |  |
| <i>Design Software</i>                               | 1             | \$ 1,500            | \$ 1,500             | <i>Design license update</i>   | <i>Central offices</i>                                      | <i>Guatemala</i>         | <i>USA</i>             |  |
| <b>AGEXPORT-COMART SUBTOTAL</b>                      |               |                     | <b>\$ 7,300</b>      |  |   |                          |                        |  |
| <b>AGEXPORT Total</b>                                |               |                     | <b>\$ 37,125</b>     |  |   |                          |                        |  |
| <b>SAVE THE CHILDREN</b>                             |               |                     |                      |  |   |                          |                        |  |
| <i>Desks</i>   | 2             | \$ 300              | \$ 600               | <i>Furniture and equipment for RCVP new technical personnel C2 and C5</i>          | <i>Central offices and Quiché</i>                           | <i>Guatemala</i>         | <i>Japan</i>           |  |
| <i>Chairs</i>  | 2             | \$ 100              | \$ 200               |  |   | <i>Guatemala</i>         | <i>Japan</i>           |  |
| <i>Portable computers</i>                            | 2             | \$ 1,400            | \$ 2,800             |  |   | <i>Guatemala</i>         | <i>USA</i>             |  |
| <b>Save the Children Total</b>                       |               |                     | <b>\$ 3,600</b>      |  |   |                          |                        |  |
| <b>TOTAL RVCP PROYECT</b>                            |               |                     | <b>\$ 40,725</b>     |  |   |                          |                        |  |



## Assets purchase plan

## Amounts in US\$

| Description of goods  | Amount | Unit cost \$ | Total cost \$    | Use of goods   | Physical location   | Place of purchase | Origin of goods |
|---|--------|--------------|------------------|--|---|-------------------|-----------------|
| <b>C1, C2, and C6 Business Chains</b>   |        |              |                  |  |   |                   |                 |
| Desks   | 2      | \$ -         | \$ -             | Tikonel furniture and equipment for use by the organization  | Cunén Quiché  | Guatemala         | Japan           |
| Steel tables  | 1      | \$ 526       | \$ 526           |  |   |                   |                 |
| 4-compartment lockers   | 2      | \$ 82        | \$ 164           |  |   |                   |                 |
| 4-drawer metal filing cabinet   | 1      | \$ 130       | \$ 130           |  |   |                   |                 |
| Metal shelves   | 3      | \$ 91        | \$ 274           |  |   |                   |                 |
| HI98130 meter for PH/EC/TDS/°C<br>MULTIP. IMPER                                       | 1      | \$ 330       | \$ 330           | Supporting measuring instruments to develop agricultural fertilization plans.<br>Fundación Progresar                 | Cunén Quiché  | Guatemala         | USA             |
| HI7030L SOLUTION OF 12880 US, 500 ML  | 1      | \$ 27        | \$ 27            |  |   |                   |                 |
| HI70300L STORAGE SOLUTION, 500 ML   | 1      | \$ 27        | \$ 27            |  |   |                   |                 |
| HI7004L SOLUTION PH 4,01, 500 ML  | 1      | \$ 27        | \$ 27            |  |   |                   |                 |
| HI7007L SOLUTION PH 7,01, 500 ML  | 1      | \$ 27        | \$ 27            |  |   |                   |                 |
| HI7061L GENERAL-USE CLEANING SOLUTION (460 ML)  | 1      | \$ 27        | \$ 27            |  |   |                   |                 |
| HI9564<br>TERMOHIGR.C/SOND.C/MICROCHIP/ALM.DA<br>TOS                                  | 3      | \$ 259       | \$ 776           |  |   |                   |                 |
| Garmin GPSMAP 64 Worldwide with High-Sensitivity GPS and GLONASS Receive              | 2      | \$ 610       | \$ 1,221         |  |   |                   |                 |
| Juki brand 5-thread overlock de machine   | 2      | \$ 1,299     | \$ 2,597.40      | Equipment to generate added value to artisan production  | Chajulense Craftswomen Association (acquired through Sotzil consulting) | Guatemala         | Japan           |
| Maqi brand Zigzag machine   | 2      | \$ 519       | \$ 1,038.96      |  |   |                   |                 |
| Straight stitch flat machine Juki brand   | 2      | \$ 714       | \$ 1,428.57      |  |   |                   |                 |
| Pinguin brand Steam irons   | 4      | \$ 169       | \$ 675.32        |  |   |                   |                 |
| Singer brand treadle and electric sewing machines                                     | 18     | \$ 208       | \$ 3,740.26      | Purchase of machinery to improve production efficiency through reducing production time and minimizing thread waste. | Quiché, Quetzaltenango and Totonicapán                                  | Guatemala         | USA             |
| Pinewood mostacilla loom, the measure is 17 "wide by 25" long, double track and comb. | 39     | \$ 13        | \$ 506.49        | Development of mostacilla canvas; aiming to increase production volumes and improve mostacilla canvas quality.       | Quiché, Quetzaltenango and Totonicapán                                  | Guatemala         | Guatemala       |
| Lockers   | 80     | \$ 115       | \$ 9,200         | Beneficiary groups - Topic: Pesticide Use, through Save the Children   | El Quiché / Quetzaltenango  | Guatemala         | Guatemala       |
| <b>Organizations Total</b>  |        |              | <b>\$ 22,742</b> |  |   |                   |                 |

| RVCP Components | Activities   | TIMETABLE |     |     |           |     |     |       |     |     |       |     |     |
|-----------------|--|-----------|-----|-----|-----------|-----|-----|-------|-----|-----|-------|-----|-----|
|                 |  | Year 2015 |     |     | Year 2016 |     |     |       |     |     |       |     |     |
|                 |  | TRI-1     |     |     | TRI-2     |     |     | TRI-3 |     |     | TRI-4 |     |     |
|                 |  | OCT       | NOV | DEC | JAN       | FEB | MAR | APR   | MAY | JUN | JUL   | AUG | SEP |
| Component 1     | Strategic alliances  |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Business chain management  |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Productive Agricultural Technical Assistance   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Agricultural training and support to producers   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Marketing and image design   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Participation in national fairs, rural agriculture meetings  |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Participation in international fairs, Fresh Summit WFP   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Territorial chain productive, business, and commercial strengthening (cardamom and onions)                     |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Market intelligence  |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Office equipment   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | ISO Quality Management   |           |     |     |           |     |     |       |     |     |       |     |     |
| Component 2     | Identification and expansion of producers by including new chains  |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Productive, trade, and commercial identification and strengthening of territorial chains (cardamom and onions) |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Identifying market opportunities   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Business strengthening through training  |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Legalizing organizations   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Finance advice and access to agricultural credit   |           |     |     |           |     |     |       |     |     |       |     |     |
|                 | Strengthening agricultural production  |           |     |     |           |     |     |       |     |     |       |     |     |

| RVCP Components                                  | Activities   | TIMETABLE |     |     |           |     |     |       |     |     |       |     |     |
|--|--|-----------|-----|-----|-----------|-----|-----|-------|-----|-----|-------|-----|-----|
|  |  | Year 2015 |     |     | Year 2016 |     |     |       |     |     |       |     |     |
|  |  | TRI-1     |     |     | TRI-2     |     |     | TRI-3 |     |     | TRI-4 |     |     |
|  |  | OCT       | NOV | DEC | JAN       | FEB | MAR | APR   | MAY | JUN | JUL   | AUG | SEP |
| Component 3                                      | Access to technologies (micro-irrigation)                        |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Support in use of Mulch  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Demonstrative plot implementations                               |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Setting-up demonstration sites and technical assistance          |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Training AGEXPORT staff (Business School)                        |           |     |     |           |     |     |       |     |     |       |     |     |
| Component 5<br>AGEXPORT-<br>Save The<br>Children | Educational component  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | House garden implementation                                      |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Establishing corn and beans plots                                |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Provision of poultry and pen-improvement activities, vaccination |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Promoting nutritional surveillance                               |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Alliance sustainability and set up                               |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Technical teams set up   |           |     |     |           |     |     |       |     |     |       |     |     |
| Promoting pilot programs                         |  |           |     |     |           |     |     |       |     |     |       |     |     |
| Component 6<br>INCAP                             | Administrative strengthening                                     |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Trainings  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Development and commercialization of new collection              |           |     |     |           |     |     |       |     |     |       |     |     |
|  | <b>Product Commercialization Phase I and II</b>                  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Guate a Mano   |           |     |     |           |     |     |       |     |     |       |     |     |
|  | NWC Fair   |           |     |     |           |     |     |       |     |     |       |     |     |
|  | NYNow Fair   |           |     |     |           |     |     |       |     |     |       |     |     |
|  | International Taipei Fair  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Enlazarte  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | <b>Mobile Gallery</b>  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Search for artists   |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Linking artists  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Developing works of art  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Art gallery search   |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Art gallery contact  |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Gallery in Guatemala   |           |     |     |           |     |     |       |     |     |       |     |     |
|  | Galleries in the US  |           |     |     |           |     |     |       |     |     |       |     |     |
| <b>Communication</b>                             |  |           |     |     |           |     |     |       |     |     |       |     |     |
| Communication plan development                   |  |           |     |     |           |     |     |       |     |     |       |     |     |
| Consulting video                                 |  |           |     |     |           |     |     |       |     |     |       |     |     |
| Handicrafts value chains video presentation      |  |           |     |     |           |     |     |       |     |     |       |     |     |

| RVCP Components           | Activities                                       | TIMETABLE |     |     |           |     |     |       |     |     |       |     |     |  |
|---------------------------|--|-----------|-----|-----|-----------|-----|-----|-------|-----|-----|-------|-----|-----|--|
|                           |  | Year 2015 |     |     | Year 2016 |     |     |       |     |     |       |     |     |  |
|                           |  | TRI-1     |     |     | TRI-2     |     |     | TRI-3 |     |     | TRI-4 |     |     |  |
|                           |  | OCT       | NOV | DEC | JAN       | FEB | MAR | APR   | MAY | JUN | JUL   | AUG | SEP |  |
| <b>Environmental Axis</b> | Alliances and interagency coordination           |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Establishing Environmental Management Systems    |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Environmental Management Implementation          |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Establishing demonstration sites                 |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Biofactories implementation                      |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Yellow trap implementation                       |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Creating an environmental protocol               |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Implementation of environmental mitigation plans |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Meeting on climate change                        |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Soakaways  |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Pictographic posters                             |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Exchange of experiences                          |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Crafts technology transfer                       |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Solid waste management awareness campaign        |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Training events                                  |           |     |     |           |     |     |       |     |     |       |     |     |  |
| <b>Gender axis</b>        | Incentive Plan Impulse                           |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Technical teams empowerment and training         |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Strengthening women's participation in MSMEs     |           |     |     |           |     |     |       |     |     |       |     |     |  |
|                           | Group investment funds                           |           |     |     |           |     |     |       |     |     |       |     |     |  |





