



FEED ^{THE} FUTURE

The U.S. Government's Global Hunger & Food Security Initiative



QUARTERLY REPORT # 04 **ACCESS to Markets** MARCH 2016



USAID
FROM THE AMERICAN PEOPLE

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I. EXECUTIVE SUMMARY

Feed the Future ACCESS to Markets builds on the strong results and best practices that Fintrac and its partner organizations have delivered in Honduras for USAID, the government of Honduras, farmer clients, households, and private sector clients for the past 15 years. ACCESS to Markets is a direct follow-on activity to USAID-ACCESO, and will continue to deliver successful interventions in agriculture, health, and nutrition for at least 15,000 client households in three departments of the dry corridor of Honduras.

This quarterly report for ACCESS to Markets, summarizes the principal activities and results from January to March 2016. ACCESS to Markets is utilizing and expanding the whole-systems approach developed under USAID-ACCESO at farm, household, and community levels to target multiple causes of poverty, food insecurity, and health issues to improve the overall well-being of both directly-assisted households and entire communities. After client household and community selection was carried out, in-field technical assistance and training began immediately as a continuation from USAID-ACCESO. A total of **8,052 household clients transitioned from USAID-ACCESO** are being provided technical assistance in ACCESS to Markets. An additional **4,161 new household clients** have been incorporated, including 948 in the present quarter, for a total of 12,213 client households. The status of selected activities from the quarter include:

- **6,958 new individuals received agricultural sector productivity or food security training.** These consisted of 5,209 men and 1,749 women. Status to date: 19,169. Production accounted for the highest percentage (63 percent), followed by animal production (10 percent), business skills (9 percent), and postharvest (5 percent).
- A total of **4,898 training events were carried out with 39,829 participants**, including 34,022 male and 5,807 female. Status to date: 124,673 participants.
- **6,691 technical assistance visits made.** Status to date: 22,014 technical assistance visits. The majority of these were under the production component (72 percent), animal production (7 percent), and processing (5 percent).
- **651 household clients accessed new market opportunities.** Status to date: 1,887 household clients.
- **318 household clients sold to buyers requiring quality standards.** Status to date: 1,090 household clients.
- **3,100 individual investments in fixed assets totaled \$2.836 million**, including \$2.112 million by activity clients and \$0.724 million from “others” as part of joint investments. Status to date: \$5.189 million.
- **A total of \$1.264 million in 436 loans obtained by ACCESS to Markets clients.** Status to date: \$3.220 million in 1,552 loans. A total of 436 individuals were assisted in obtaining loans of which 41 were women (9 percent). Status to date: 1,296 individuals.
- Nutrition and health technicians providing support to **123 AIN-C groups in 103 communities.**
- Activity staff conducted a total of **382 training events in nutrition and health** during the quarter, with a total of 6,268 participants of which 9 percent were men. Status to date: 24,293 participants.
- For children under 5 years old the prevalence of **stunting reduced by 19 percent**, while **underweight increased by 38 percent** (both compared to baseline). The coffee harvest for the past six months is likely to have negatively impacted on the weight data. These results are based on measurements using the Z score only.
- **11 formal public-private sector partnership alliances** were signed. Status to date: 27 alliances.

2. BACKGROUND

ACCESS to Markets is a five-year Feed the Future activity focusing on three departments in western Honduras characterized by some of the highest levels of poverty and malnutrition in the country: Santa Bárbara, Copán, and Ocotepeque. These departments constitute three of the six dry corridor (*Corredor Seco*) departments that USAID has targeted for development, which are collectively referred to as the Zone of Influence (ZOI). The three ACCESS to Markets departments form the Northern ZOI (NZOI), while the three departments of Intibucá, Lempira, and La Paz are known as the Southern ZOI (SZOI). A separate activity implemented by Honduran government agency INVEST-H targets the SZOI.

The ACCESS to Markets activity was signed in late December 2014 and will run for five years, concluding in December 2019. On request from USAID, the USAID-ACCESO activities in the three departments in the NZOI continued until the end of February 2015. Field activities under ACCESS to Markets were initiated in March 2015. This report covers the period from January to March 2016.

The project is working in six key components to enable economic growth and nutrition improvements at the household level:

1. Technical assistance and training to enhance the capacity of poor and extreme poor households in production, postharvest, management, and marketing.
2. Market access through linking smallholders with input suppliers and buyers to realize new supply opportunities, with emphasis on local anchor firms.
3. Rural financial services through existing and new financial intermediaries including *cajas rurales*; cooperatives; commercial banks; buyers and input suppliers offering credit; and other service providers.
4. Policy assistance in eliminating constraints that impede rural households from accessing market opportunities.
5. Malnutrition prevention by enhancing the capacity of rural households to improve utilization and consumption of healthy food; improving living conditions; and reducing health problems.
6. Health and nutrition services to increase outreach and effectiveness of community health and volunteer services.

ACCESS to Markets is implemented by the US agribusiness firm Fintrac Inc., in association with Fundación Hondureña de Investigación Agrícola (FHIA), Escuela Agrícola Panamericana (EAP-ZAMORANO), the Global Village Project (PAG), the Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH), and Proyectos e Iniciativas Locales para el Autodesarrollo Regional de Honduras (PILARH).

The first phase of implementation included the preparation of management reports including the branding and marking plan, the environmental mitigation plan, the gender integration strategy, the sub award manual, the work plan and PMP, the M&E plan, the baseline survey, and the security plan. Meetings and presentations were held with USAID on the results, work plan, indicators, and implementation strategies. Modifications to selected indicators and targets requested in the previous quarter (based on baseline data and streamlining the indicators with other Activities) were discussed further in the current quarter.

ACCESS to Markets is working in 78 municipalities, 595 villages (*aldeas*), and 1,103 communities (*caseríos*). In order to receive routine and regular technical assistance and training, specific travel routes and group visits for each day have been developed for all agronomy technicians. A total of 205 routes have been developed to provide agronomy technical services to 859 groups of household clients. At present the majority of groups range from 10 to 15 households. Component specialists and technicians coordinate with the agronomy technicians to cover additional training needs. Technical assistance and training activities cover a wide range of topics, including:

Production:

- Training in good agricultural practices to field technicians and producers to improve productivity and reduce unit of cost of production.
- Introducing improved technologies and integrated crop management.
- Introducing new and /or improved varieties to increase yields, sales price and profitability.
- Improving animal feeding, handling and welfare to generate additional household income.
- Adding value on-farm with improved postharvest handling and selection systems.
- Organizing farmer visits to other farmers to accelerate adoption.
- Identifying water sources and establishing irrigation infrastructure and districts.

Marketing:

- Introducing new and /or improved varieties to increase yields, sales price and profitability.
- Linking farmers with buyers and markets to obtain high sales prices and volumes to minimize logistics costs.
- Identifying markets and buyers interested in working with activity clients.
- Developing a directory of buyers and products.
- Identifying buyers requiring market standards.
- Training growers in utilizing and meeting standards.
- Identifying buyers purchasing under formal conditions and terms.

Business Skills:

- BDS provider identification, support and linkages with clients.
- Training MSMEs in good business practices.
- Building rural financial services including increasing the capacity of *cajas rurales* through bulk purchase and warehouse receipt programs.
- Promoting non-traditional lenders by assisting lower tier groups to access finance for on-lending.
- Developing alliances with financial institutions and NGO loan programs.
- Developing a directory of lenders and products.

Nutrition and Health:

- Identifying communities to receive project support (based on coordination with the economic development activities).
- Direct training of mothers and caregivers in Activity communities.
- Training health volunteers, service provider and MoH technicians.
- Trainings and demonstration for incorporating ingredients with high micronutrients into children and family diets.
- Implementing healthy household program for illness prevention.
- Establishing household plots for dietary diversity.
- Focusing attention on households with underweight children through home visits.

In the implementation sections, the report follows the structure of USAID/Honduras' Country Development Cooperation Strategy (CDCS) in terms of Development Objectives (DO), Intermediate Results (IR), and Sub-Intermediate Results (Sub-IRs).

In this report, indicators and results follow the draft FY2015-2016 work plan (submitted September 2015 as per contract requirement), that included Year 2 targets that were set prior to Year 1 data being available. Modifications to the list of indicators and selected LOP targets were discussed with USAID in the previous and current quarters and are expected to be implemented in the next quarter.

3. GOALS AND OBJECTIVES

The activity has the following high-level targets¹:

- Bring 15,000 households living in poverty above the poverty threshold.
- Generate a per capita income of at least \$5,000 for 15,000 families.
- Attain at least 25 percent female participation in increased access to productive economic resources (assets, credit, income, or employment).
- Reduce the prevalence of stunted children under 5 by 20 percent.
- Reduce the prevalence of underweight children under 5 by 20 percent.

Achieving these goals will contribute directly to USAID's DO2: "Extreme poverty sustainably reduced for vulnerable populations in Western Honduras." The implementation and work plan framework draws from the results framework in the CDCS and organized down to the specific tasks to be carried out at each Sub-IR level. Under DO2, ACCESS to Markets will support the following IRs and Sub-IRs:

- **IR 2.1: Resilience of livelihoods increased**
 - Sub-IR 2.1.1 Natural resource management and biodiversity protection improved
 - Sub IR 2.1.2 Adaptation of poor households to climate risks increased
- **IR 2.2: Incomes increased**
 - Sub-IR 2.2.1 Agricultural productivity improved
 - Sub-IR 2.2.2 Market demand and access increased
- **IR 2.3: Human capital improved, with a focus on children**
 - Sub-IR 2.3.1 Basic education and nutrition service delivery improved
 - Sub-IR 2.3.2 Local service management systems improved

ACCESS to Markets has two purposes geared toward achieving these IRs. Each purpose contains outputs that collectively provide the basic framework for implementation:

- **Purpose 1: Increased inclusive agriculture sector growth**
 - Output 1.1 – Agricultural productivity improved
 - Output 1.2 – Market demand and access increased
 - Output 1.3 – Increased investment in agriculture and employment opportunities
 - Output 1.4 – Access to financial services improved
- **Purpose 2: Nutrition status improved**
 - Output 2.1 – Improved access to diverse and quality food and nutrition-related behaviors
 - Output 2.2 – Improved community and household sanitation and hygiene
 - Output 2.3 – Improve utilization of maternal and child health and nutrition services
 - Output 2.4 – Improved long-term sustainability of these systems in coordination with the Ministry of Health.

These purposes and outputs are directly supported by the specific interventions included in the ACCESS to Markets Performance Management Plan (PMP) with the list of indicators, descriptions, and selected tasks.

¹ The targets were notional and have been revised based on the baseline report; modifications are being discussed with, and subject to approval by USAID.

4. IMPLEMENTATION APPROACH

ACCESS to Markets is increasing sales and incomes in three departments of the Honduran dry corridor by introducing basic, market-driven production and postharvest practices for high-value crops, improving animal production systems, diversifying income sources, adding value on-farm, and expanding off-farm microenterprise opportunities. Health and nutrition interventions are improving household diets, feeding practices, and sanitation while strengthening community health center and volunteer services. Other technical activities, including natural resource management, policy, finance, and investment, all work to support and facilitate increased incomes and/or nutritional status.

4.1 COMPONENTS

As mentioned previously, six key components are being implemented to enable economic growth and nutrition improvements at the household level:

- Technical assistance and training to enhance the capacity of poor and extreme poor households in production, postharvest, management, marketing and natural resource management.
- Market access through linking smallholders with input suppliers, logistics providers and buyers to realize new supply opportunities, with emphasis on local anchor firms.
- Rural financial services through existing and new financial intermediaries including *cajas rurales*; cooperatives; commercial banks; buyers and input suppliers offering credit; and other service providers.
- Policy assistance in eliminating constraints that impede rural households from accessing market opportunities.
- Malnutrition prevention by enhancing the capacity of rural households to improve utilization and consumption of healthy food; improving living conditions; and reducing health problems.
- Health and nutrition services to increase outreach and effectiveness of community health and volunteer services to implement improved nutritional practices at the household level.

4.2 POVERTY REDUCTION

Households in extreme poverty and poverty do not generate a daily income over \$1.81 and \$2.42, respectively, for each family member. To move households above the poverty threshold, client households must generate a minimum annual income of \$883 for each family member. A family of six requires an annual income of \$5,300 to classify as above the poverty line. Under ACCESS to Markets, on- and off-farm activities and employment will achieve this target income.

ACCESS to Markets implementation is based on the following elements:

- The household is the client beneficiary, rather than an individual member.
- Integrating interventions in agriculture and health (and other technical components).
- Market demand and market requirements drive the production activities and the introduction of basic practices and technology.
- Agriculture as a business – with diversified markets, crops, products, and services to reduce climate and market risks.
- Diversifying and expanding income generating opportunities.
- The client household beneficiaries require consistent technical assistance and training to ensure they adopt and maintain the required production technologies and household practices.
- Local capacity development to increase outreach and contribute to sustainability.
- Collaboration among key public and private actors to maximize resources.

- Technical assistance and training follows the needs and requirements of the client household while also considering gender and youth.

ACCESS to Markets works in the following value chains:

- **Horticulture:** vegetables, root crops, non-tree fruits, and smallholder flowers/plants.
- **Coffee:** increasing productivity and reducing unit costs, adding value on-farm, and emphasis on all differentiated coffees that earn price premiums with improved quality and productivity.
- **Small-scale animal production:** particularly dairy cows.
- **Tree fruits:** high- and low-altitude varieties.
- **Basic grains:** maize and beans.
- **Processing:** processed fruits and vegetables, and dairy products.
- **Off-farm microenterprises:** bakery products, tortillas, crafts, farm services, and others.

ACCESS to Markets is continuing USAID-ACCESO supported commercial production programs linking smallholder producers with local, regional, and international buyers. This program will expand as new clients join over the course of implementation. As part of a whole-farm system, ACCESS to Markets works to increase productivity and add value to traditional crops (corn, beans, and coffee) on beneficiary farms. Additionally, ACCESS to Markets focuses on high-value horticulture crops, roots and tubers, fruit, and coffee (with basic production practices), while promoting animal production, added-value services and products, and off-farm income and employment opportunities to increase overall household incomes. The whole-farm systems approach emphasizes maximizing income opportunities, developing new and diversifying income sources for all productive family members; reducing risks through crop and income diversification; reaching a balance in the use of natural resources; improving nutrition and increasing access to health services; and, promoting renewable energy technologies.

4.3 CLIENT SELECTION

ACCESS to Markets client households and communities are being identified for support based primarily on: willingness to work as demonstration clients in their communities, including moving from traditional subsistence practices to commercial production; possession or access to adequate land and water for producing high-value and nutrient-rich crops; the ability and potential to generate sufficient income to move out of poverty; and the presence of malnourished children less than 2 years of age.

Other clients include health and nutrition volunteers, larger-scale growers, financial intermediaries, and business owners and their employees (mostly micro, small, and medium enterprises (MSMEs)) operating in key agricultural value chains. Although some clients in these categories will be above the poverty line, their participation is critical for generating broad-based economic growth and employment opportunities for client households below the poverty line. Other beneficiaries of training activities include extensionists, technicians, and volunteers working or collaborating with the Ministry of Agriculture, Ministry of Health, nongovernmental organizations (NGOs), municipalities, *mancomunidades*, community health centers, and students.

The beneficiary is the household client and not just the male (grower), female (nutrition or processing), or the children (nutrition and health). In most cases, the whole family is involved in the technical assistance activities in one or multiple components, as the family needs to be lifted above the poverty line, not the individual person. In some components, such as natural resource management and policy, selected activities are also implemented at the community level.

A total of 8,052 client households transitioned from USAID-ACCESO continue to receive technical assistance from ACCESS to Markets (reduced from 8,281 in the previous quarter). The selection of communities and household clients for ACCESS to Markets activities is based mainly on the location of

former USAID-ACCESO clients continuing under ACCESS to Markets and based on the following criteria:

- Willingness and interest to change production systems by implementing basic practices.
- The potential to generate sufficient income to move the household out of poverty.
- Client Impact and Results Information System (CIRIS) training, technical assistance (TA), investment, and planning reports.
- Presence of irrigation conduction systems (districts and individual).
- Communities/groups of growers with water availability, for new conduction or districts.
- Communities/groups of growers with a minimum of five clients close to the main logistics route for technical assistance delivery.
- Potential for crop diversification and animal production.
- Coffee clients with interest to make changes in basic practices and the ability and interest to diversify.
- The involvement of women growers and/or women in the household interested in income generating activities.
- Number of household members and the potential/interest to achieve income and poverty targets.
- Number of participant or potential household clients associated with existing grower groups.
- Organizational level of the growers.
- Road access to communities to deliver technical assistance and to transport goods and services.
- Support from local municipalities and NGOs.
- Exclude communities/routes with high crime risk potential/record.

Household client recruitment is expected to increase with new rain-fed corn plantings in May 2016, and then be completed by September 2016. Health and nutrition clients form part of the 15,000 client families below the poverty line; this component operates principally in communities with high levels of malnutrition. In order to ensure the child coverage, additional nutrition communities outside of the economic development communities have been added. All other supporting technical activities will assist the 15,000 client households and communities, including natural resource management (NRM), postharvest, on- and off-farm MSMEs, business development services, finance, and municipal development.

4.4. CRITICAL ASSUMPTIONS

The success of activity outputs, purposes, and goals rely on the following critical assumptions beyond the scope of ACCESS to Markets:

- International commodity prices hold and do not fluctuate substantially.
- No major outbreaks of pests or diseases occur.
- No significant damage caused by climatic changes (e.g. excessive rain, drought, hail, strong winds) occurs.
- Other donors address food insecurity issue in urban areas.
- Food insecurity is primarily an issue of lack of income, not availability of food.
- Foreign exchange rate is not held artificially low.
- Government of Honduras enforces environmental policies and regulations.
- Installation of irrigation districts and potable water by the INVEST-H water activity.

Coffee prices: according to IHCAFE, the 2015/2016 coffee prices are 26 percent lower than the 2014/2015 season, while volumes to date are similar between the two seasons (IHCAFE, Statistical Information, 04/11/16). In addition, the 2015 drought results in “lighter” beans, meaning that to obtain 1

quintal, around 10 to 15 percent more coffee beans had to be harvested. Given that 50 percent of ACCESS to Markets' clients are coffee growers, these factors are expected to have a negative effect on the sales and income results for September 2016.

Irrigation and potable water: Fintrac is currently installing 15 irrigation systems under ACCESS to Markets with funds from INVEST-H Optional Services. These total 244 hectares for 480 growers. No irrigation was installed in 2015 and this is likely to be the only irrigation to be installed in 2016. The INVEST-H Water Activity was postponed in late 2015 and Fintrac requested to submit a proposal for implementation. A proposal was sent to INVEST-H in mid-December 2015 and a revised version based on USAID comments in early March 2016. This is under discussion. The delays in irrigation installation will result in a delay in the uptake of technologies, diversification, and the client household ability to generate additional income by up to a year (at this moment).

5. PARTNERS

Fintrac's primary implementing partners for ACCESS to Markets are Fundación Hondureña de Investigación Agrícola (FHIA) and the Escuela Agrícola Panamericana (EAP-Zamorano). Other local partners subcontracted during the first quarter of implementation include Proyecto Aldea Global (PAG), Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH), and Proyectos e Iniciativas Locales para el Autodesarrollo Regional de Honduras (PILARH).

Subcontractor technical staff are an integral part of the ACCESS to Markets implementation team. Subcontractors are responsible for administrative management of community-based technical unit teams and selected long- and short-term specialists providing support in a number of technical areas. Subcontractor staff are trained, technically managed, and supervised under Fintrac's programmatic guiding principles, technical approach, and operational procedures to ensure full integration of the different technical components, uniform service delivery, and accountability.

In order to expand outreach, ensure commercial sustainability, and strengthen embedded technical and other services, ACCESS to Markets is developing partnerships for technical assistance and training delivery with both the private and public sectors, including selected municipalities, *mancomunidades*, small community groups, public programs, local and international NGOs, brokers, input and equipment suppliers, financial intermediaries, and commercial banks.

ACCESS to Markets is coordinating closely with the government of Honduras and USAID for the implementation of the activity, with particular emphasis on the Ministries of Agriculture (SAG), Health, Economic Development (SDE), and Social Development (SEDIS). USAID/Honduras provides activity support, coordination and guidance on a continuous basis through ongoing management meetings and field visits.

ACCESS to Markets is also working directly with the ACS-USAID activity managed by INVEST-H, specifically the technical assistance in the SZOI, the water component covering the entire ZOI, and the trilateral program (with the Honduran Social Fund and Fondo Hondureño de Inversión Social (FHIS)). Where beneficial, ACCESS to Markets will also coordinate with projects funded by USAID, other donors and the Honduran government.

6. MANAGEMENT

6.1 STAFFING PLAN

The ACCESS to Markets staffing plan is designed to provide optimal technical assistance coverage for all targeted departments. The project is managed by a chief of party (COP), two deputy chiefs of party (DCOPs), and five component managers (on-farm productivity, value added, market development, nutrition and health, and M&E), plus three department managers. Other specialists are providing services (both internally to team members and externally to clients) in business skills/finance, NRM, postharvest, and municipal development. The department managers work with nine zone managers (senior agronomists) who will in turn manage and supervise 42 junior agronomists. These include an additional six junior agronomists added in the current quarter under funding from the INVEST-H/ACS-USAID Activity (also implemented by Fintrac) Optional Services for “Local Resilience And Technical Capacity: Irrigation To Small Farmers.” The department managers are responsible for the coordination and integration of all of the technical components and the delivery of services to households and other clients.

Each junior agronomist is tasked with providing technical assistance and training to around 300 client households. Each senior agronomist manages, supervises, and provides continuous training to at least five junior agronomists. As indicated previously, the senior agronomists and field technicians are also supported at the household level (and in some cases at the community level) by specialists in marketing, processing, postharvest handling/certification, business skills and finance, livestock, and NRM.

The nutrition team comprises of the nutrition manager and six field technicians. Activities are carried out directly with household clients, and through health volunteers in the selected communities, decentralized service providers, and the Ministry of Health.

All members of this technical team are equipped with vehicles/motorbikes, laptops, smart phones, GPS equipment, agronomic kits, and training tools, enabling them to spend 90 percent of their time in the field with implementing partners and household clients. Fintrac’s program and department managers train and manage all technicians contracted by subcontractors and ensure clients receive uniform high-quality training and technical assistance.

To reduce the number of household clients that each field agronomist and nutrition technician needs to attend, alliances were programmed with the private sector, NGOs, and *mancomunidades*. These alliances were designed as cost sharing grants to partially cover the technician costs in technical assistance and training delivery. To achieve the high level targets and provide a higher quality and more consistent technical assistance delivery, the project will aim for a maximum of 200 household clients per agronomy technician. Fintrac originally proposed municipalities as partners in this activity but subsequently learned via USAID that direct payments cannot be made to the government of Honduras. During the July to September 2015 quarter it became apparent that alliances with joint investments with *mancomunidades* would not be possible (discussed in Annual Report #01, Section 6.3, Indicator 2.2.2-7, September 2015). The development of partnerships for technical assistance delivery with NGOs and the private sector was also initiated in the July to September quarter. Two of these covering three field technicians were approved in the current quarter (see section 7.3). Another round of solicitations was made in the current quarter and 3 potential partners covering 6 field technicians were pre-selected. These are currently in the administrative phases.

6.2 MANAGEMENT REPORTS/DELIVERABLES

The management reports/deliverables prepared during the quarter included:

Table 1. Status of Management Reports/Deliverables

Report	Date Due	Date Submitted	Status
Work Plan / PMP FY 2015-2016	09/15/15	Ver. 1. 09/15/15	Will require modifications; pending USAID approval

Monthly and quarterly reports, together with success story snapshots, were also prepared:

- Quarterly reports: 3
- Monthly reports: 10
- Success story publications: 6

6.3 OTHER MANAGEMENT

Results and Activities: presentation of quarterly results and targets to department teams and USAID.

Year 2 Work plan, Indicators and Targets: based on the baseline report and year 1 activities, a request was made in the previous quarter for modification of selected indicators and targets. USAID required modifications to align ACCESS to Markets with INVEST-H/ACS and other projects. These were discussed further during the current quarter and are expected to be finalized by mid-2016. These are required in order to update the Year 2 work plan, PMP, and LOP targets.

Irrigation Activities: in order to achieve many of the ACCESS to Markets targets, irrigation infrastructure has to be installed in 8,000 to 9,000 household clients farming operations. This is being carried out as part of the INVEST-H “water” activities. USAID added additional funds to INVEST-H which were used with INVEST-H/ACS Optional services with Fintrac to install irrigation systems and provide expanded technical assistance for 400 hectares over the six departments (see Section 9.4 for status). During the previous quarter Fintrac was requested by INVEST-H to provide a technical and cost proposal under the INVEST-H/ACS Activity for a “water” activity covering both irrigation and potable water infrastructure installation. Various meetings and versions were made. This was modified and updated in the current quarter following revision from USAID. Discussions remain on-going.

Nutrition Activities: during the previous quarter Fintrac was requested by INVEST-H to provide a technical and cost proposal under the INVEST-H/ACS Activity for expanded nutrition and health activities, working principally with the decentralized service providers and household improvements in the six departments. Various meetings and versions were made. During the current quarter several updated versions were prepared based on feedback. A meeting was held with USAID, INVEST-H, Ministry of Health, service providers and others to present nutrition and health activities and the proposed Option Services. Discussions remain on-going.

Vehicle Procurement: the first set of motorbikes was delivered in August 2015 with the remainder in December 2015; the first set of pick-ups were received in November 2015 with the final set in February 2016.

ACCESS to Markets Intranet Site: an internal password protected intranet site for ACCESS to Markets and USAID access was maintained with activity materials and documents.

<https://intranet.fintrac.com/honduras-mercado/honduras-mercado-home>

Websites: following USAID guidance, no public website or social media accounts will be maintained. Information and publications are sent periodically to USAID.

Information and status of management activities as part of the Year 2 work plan are summarized in Table 2.

6.4 MONITORING AND EVALUATION

The FY2014-2015 PMP/M&E Plan was developed and submitted for USAID review in March 2015 and approved in September 2015. The activity's M&E database (CIRIS) was developed and installed in computers for all field and management staff. The ACCESS to Markets Baseline Survey was initiated in March 2015, completed in May 2015 and presented to USAID in June 2015; an updated version was provided in November 2015. After discussions and meetings with USAID in the previous quarter, the list of indicators and selected targets require modifications based on baseline data, USAID and FTF requirements. These modifications were submitted to USAID and are pending approval.

Table 2. Status March 2016: Management Activities for ACCESS to Markets Work Plan, Year 2

Activities	Achieved Year 1 (2015/09)	Year 2: Output Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Status	Units	
		Q1	Q2	Q3	Q4								
I	Management												
I.1	Start-Up/Transition Activities												
I.1.1	USAID Contract debrief	1						1		1	Completed	Meeting notes	
I.1.2	Key Personnel fielded	3						3		3	Completed	Activity files	
I.1.3	Financial system established	3						3		3	Completed	Activity files	
I.1.4	Main and regional offices established	4						4		4	Completed	Activity files	
I.1.5	Local team transitioned/hired	done						done		done	Completed	Activity files	
I.1.6	Vehicles and equipment transitioned/procured										On-going	Activity files	
I.1.7	Consortium members subcontracted	2						2		2	Completed	Signed subcontracts	
I.1.8	Clients:												
a.	ACCESO clients transitioned	8,286						8,000	8,281	-234	8,052	Completed	Clients
b.	New clients added	1,528	1,500	3,500	5,000	7,000	7,000	10,000	2,984	2,633	4,161	On-going	New Clients
I.2	Management Reports/Deliverables												
I.2.1	Branding & Marking Plan revised and submitted	done						done		done	Approved	Plan	
I.2.2	EMPR drafted and submitted										Approved	Report	
I.2.3	Annual Work Plan drafted and submitted												
	Year 1 (FY 2014/2015)	done						done		done	Approved	Report	
	Year 2 (FY 2015/2016)									Approved (pending indicator mods)		Report	
I.2.4	Gender Strategy drafted and submitted	done						done		done	Approved	Strategy	
I.2.5	Security Plan drafted and submitted	done						done		done	Approved	Plan	
I.2.6	Subawards manual drafted and submitted	done						done		done	Approved	Manual	
I.2.7	Monthly Bulletins	7	3	3	3	3	12	57	10	3	13	On-going	Bulletins
I.2.8	Quarterly/Annual/Final Progress Reports	2	1	1	1	1	4	23	3	1	4	On-going	Reports

7. PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH

ACCESS to Markets is establishing market-driven production programs that match small suppliers to local, regional, and international buyers, with a focus on higher-value and value-added crops including vegetables, root crops, fruit, coffee, animal production, and off-farm businesses. Under the whole-farm approach, ACCESS to Markets promotes increased productivity and adds value to traditional crops while also emphasizing crop and income diversification. The approach improves household nutrition, maximizes income streams for all productive family members, limits risk through diversification, balances the use of natural resources, increases access to improved health services, and promotes renewable energy.

Extremely poor clients have been using traditional production methods passed down for generations and are understandably extremely risk averse. Under USAID-ACCESO, aggressive marketing within ZOI communities was required to attract the few initial farmers willing to take the risk of making simple but unproven (to them) production changes, with most other farmers taking a wait-and-see approach. For rain-fed production, this hesitation meant a delay of a year or more before significant numbers of farmers bought into new basic practices, and even longer for the adoption of more advanced agronomic skills and technologies. ACCESS to Markets is building and expanding upon the foundation developed under USAID-ACCESO, where communities have faith in Fintrac methodologies and technicians; input suppliers are actively targeting the region (and participating in training activities); buyers are providing market access; and project-assisted financial institutions are lending to selected clients.

7.1 HIGH LEVEL TARGETS

The indicators related to CDCS IR. 2.2. INCOMES INCREASED; CDCS Sub-IR 2.2.1 Agricultural Productivity Improved are as follows:

Indicator 2.2.1-1. Number of households living in poverty moved above the poverty line

Results for this indicator will be reported from data obtained from annual client household surveys to be carried out in August and September each year starting in Year 2 (2016). The given target is notional as it was to be set based on baseline. A request has been made to USAID for modification, which is currently under review.

Indicator 2.2.1-2. Number of households with annual income of at least \$5,000

Results for this indicator will be reported from data obtained from annual client household surveys to be carried out in August and September each year starting in Year 2 (2016). The given target is notional as it was to be set based on baseline. A request has been made to USAID for modification, which is currently under review.

Indicator 2.2.1-3. Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income or employment)

2015/12	Target: 10.0%	Achieved: 14.4% (144%)	Difference: +4.4%
Current Quarter	Target: 10.0%	Achieved: 14.6% (146%)	Difference: +4.6%

As given in the M&E Plan, this indicator is calculated from the following formula:

$$(Number\ of\ female\ training\ participants) / (Total\ number\ of\ training\ participants)$$

As of December 2015, 14.4 percent of the training participants in productive economic resources were women (excluding nutrition and health). With activities carried out in the current quarter a total of 18,039 female participants have been involved in training activities with an overall status now at 14.4 percent (Table 4).

Table 3. Proportion of female participants in training (Status 2016/03)

Quarter	Male	Female	Total	% Female
Year 1 2015/09	49,228	7,985	57,213	14.0%
Oct. to Dec. 2015	23,384	4,247	27,631	15.4%
Jan. to Mar. 2016	34,022	5,807	39,829	14.6%
Total	106,634	18,039	124,673	14.5%

The status of the indicators, the indicator category, and high level targets in the Year 2 work plan related to **CDCS IR. 2.2. INCOMES INCREASED; CDCS Sub-IR 2.2.1 Agricultural Productivity Improved** are provided in Table 4. Two of the three high level indicators are to be reported on for the first time in September 2016.

Table 4. Status March 2016 - High-level targets for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/ Tasks	CDCS Indicato r #	FTF Indicato r #	Contr act	Achieve d Year 1 (2015/0 9)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.2. INCOMES INCREASED															
CDCS Sub-IR 2.2.1 Agricultural Productivity Improved															
2.2.1-1	Number of households living in poverty moved above the poverty line	NO	Custom	YES	0	0	0	0	3,500	3,500	15,000	n/a	n/a	n/a	Households
2.2.1-2	Number of households with annual income of at least \$5,000	NO	Custom	YES	0	0	0	0	3,000	3,000	15,000	n/a	n/a	n/a	Households
2.2.1-3	Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income or employment)	NO	GNDR-2	YES	14.0%	10%	10%	15%	20%	20%	25%	14.4%	14.6%	14.5%	% female

7.2 OUTPUT 1.1: IMPROVED AGRICULTURAL PRODUCTIVITY

CDCS IR. 2.2. INCOMES INCREASED

CDCS Sub-IR 2.2.1 Agricultural Productivity Improved

PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH

Improved Agricultural Productivity (Output 1.1)

Selected activities, technical assistance and training for components relating work plan activities to achieve increased inclusive agriculture sector growth are summarized below.

7.2.1 Field Activities - Income Generation through Integrated Technical Assistance

ACCESS to Markets group technical assistance methodology goes beyond technology transfer to increase agricultural productivity to increase incomes by using systems that enable implementation and management by results. Prior to initiating technical assistance, an inventory of the client household's available resources is established, growth and income potential are determined, and clear and scalable goals are set with and by the client. This provides the information to determine whether the household client has the potential to achieve the goal of a minimum income of \$2.42/family member/day to move above the poverty line.

This household profile (or *ficha*) includes information on the number of family/household members, the area occupied by each crop planted, the area with access to irrigation water and the water volume, the unused land area, and the forested area. The profile establishes the projected income from current crops while generating the cost of production budget totals. Information is included on client household off-farm income from animal production (dairy, heifers, chickens, pigs, goats), daily labor and salaries, from trading, businesses, grocery stores (*pulperias*), selling used clothing, freight services, nursery seedling production or other income sources. By including proposed new crops and other income sources into the calculations, gross and net household incomes can be projected and the expected income per family member per day can be established to determine whether the household has the potential to achieve the goal or not.

This is the household "roadmap," which first provides information of what currently exists, the installed and potential capacity, and what can be implemented to increase incomes. It assists the household to develop a business vision that will increase income and improve living conditions for the household.

Once the household profile is obtained for the clients participating in the group technical assistance, the production technicians can define who will be registered as Activity client households (who can meet the income targets) and who will be Activity participants (who cannot meet the income targets with their existing resources and can/should access NGO or GOH programs). It should be noted that all households can and do participate in the training, technical assistance, production programs, etc. This provides a clearer view of the specific technical assistance and training needs (selection of training topics, technical materials) required by the group and the integration of each ACCESS to Markets component that is required to achieve results (and maintain the interest of the households). **This profile is being completed for potential new household clients as this also provides an indication on their actual income level as they relate to poverty categories. The profile will also be completed for some USAID-ACCESO transferred clients, once all new client households have been recruited. Given the number of household clients and the need to update the profiles, it is not possible to perform for every single client household.**

This methodology facilitates the grouping of the households (and technicians) with a view to uniformity in business operations, similar goals, and the need for consolidation for market linkages, negotiations, logistics, packing, economy of scale in transport, sales volumes, and planting areas. With larger planting

areas and production volumes as a group, the growers become more attractive for input, equipment and service suppliers, financial organizations and buyers.

From ACCESS to Markets' perspective, this provides an effective mechanism to coordinate and integrate technical assistance and training from activity components, whether it is production technology, marketing, postharvest, business skills, financing, natural resource management, or value addition.

To date, 4,586 household profiles have been obtained of which 4,161 had the potential to generate the required revenues to achieve the household income target of more than \$2.42/person/day (1,185 profiles in the current quarter). Standard procedures require all potential new households complete a profile with projected income potential to achieve the target before they can be registered as a client. During the quarter, it was agreed verbally with USAID that the indicator for a minimum of \$5,000 of annual income would be removed; this would allow additional families to be included as clients who could achieve the "per person per day" target, but not the annual household income target.

In all cases, attempts are made to identify opportunities to increase household incomes with additional activities particularly with processing, value-added, or businesses operated by other family members.

With the technical assistance based on management by results, the household takes charge of their business, can view and value the resources and opportunities that they have, and raise their goals and expectations. ACCESS to Markets can integrate the technical components based on household needs and expected results, obtain commitment from buyers, finance and other service providers, and facilitate support from local governments and other organizations working in the area.

7.2.2 Field Activities - Production

Technical assistance and training was provided in a wide range of crops, practices and technologies to provide new income generating opportunities, increased productivity and reduced risks. Other activities were also carried out to support and facilitate the production component in client household income generation. Examples of activities carried out during the quarter include:

- **Production practices:** soil preparation; contoured plowing; raised beds; soil conservation practices; liming; overhead irrigation design and use; drip irrigation installation, use and maintenance; seed/planting material classification; seedling production; plantlet production; planting densities; starter solutions; fertilization programs; fertilizer application in solution; identification, prevention and control of pests and diseases; use of plastic mulch; use of floating row covers; planting of live barriers; weed prevention and control; integrated crop management; stubble elimination; pruning; harvesting frequencies; diversification of basic grain and coffee growers into higher value horticultural crops; installation of irrigation in coffee; planting calendarization; compost production from coffee pulp.
- **Coffee:** shade management; tissue pruning.
- **Irrigation districts, INVEST-H Optional Services:** began the installation of 15 systems covering 489 growers and 149 hectares.
- **Household income plans:** at the household level (*fichas*) - income calculations, potential income sources, income generation planning.
- **Crop selection:** production costs and incomes; market opportunities; buyer contacts; logistics requirements and costs; grower grouping.
- **Field training days:** *Ocotepeque*: corn production; lettuce production; coffee cupping; coffee harvesting; coffee pruning; cattle management; soil sampling and preparation; beetroot

In San Francisco de Los Valles, San Marcos, Santa Barbara, project clients are producing oriental egg-plant under contract for export. With yields of 50,000 lbs from 0.35 hectares and a fixed price of \$0.17/lb, growers have the opportunity to significantly increase their incomes.

production. *Copán*: corn production; drip irrigation system management; soil preparation and conservation; corn productivity award event.

- **Grower exchange visits:** on sweet potato production for export (Santa Bárbara); on lettuce production (Ocotepeque).
- **Warehouse receipts:** part of INVEST-H Optional Services activity “Local Resilience and Technical Capacity: Irrigation to Small Farmers”; meetings, agreements and trainings with three providers.
- **Coordination:**
 - Municipality of Santa Bárbara, Santa Bárbara: meeting with representatives of the *oficina de la mujer* and economic development to identify areas of collaboration.
 - Municipality of San Marcos, Santa Bárbara: presentation of Activity results and field activities, finance options, and planning for the installation of demonstration production plots with the basic practices.
 - Municipality of Belén Gualcho, Ocotepeque: meetings on irrigation and potable water requirements and opportunities.
 - Municipalities of Corquin and San Agustín, Copán: coordination and programming of joint activities.
 - Municipality of San Pedro Sula, Cortes. DIMA (Merendón): Field visits by agronomists to Activity growers in Ocotepeque with basic production practices, protected production systems (macro and micro-tunnels), soil conservation practices, and natural resource management.
 - Mancomunidad MAVAQUI: to coordinate field activities on demonstration plots, grower field visits, and discuss possibilities for joint technical assistance.
 - IHCAFE: training provided to ACCESS to Markets field technicians by IHCAFE specialist in coffee tissue management (Copan).
 - ICF: coordination with production and NRM components for assessment of water sources for irrigation projects; reforestation of buffer zones; problem/conflict resolution; training.
 - *Instituto Polivalente David Hercules Navarro*, Ootepeque: student training in irrigation management and maintainance.

7.2.3 Field Activities - Postharvest

Technical assistance and training was carried out with growers and irrigation districts and with buyers. Examples of activities carried out during the quarter include:

- **Fresh produce:** covering a range of products and systems including harvest, grading, handling, transport and temperature management; harvest projections for passionfruit; oriental eggplant harvest evaluations; sweet potato harvest projections and evaluations, washing, curing, grading and packing; use of recycled irrigation drip tape for the construction of low cost in-field grading and packing stations (rooves and tables) and garbage containers; training to members of irrigation districts in basic postharvest practices, personal hygiene and food handling.
- **Agrochemicals:** safe use and handling of agrochemicals; product application and coverage; agrichemical mixing methods; pH adjustments; management and collection processes of empty pesticide containers; construction of low-cost agrochemical mixing stations, residue filters, emergency showers, empty container collection structures, and stores.
- **Coffee:** grower training in coffee harvest, selection, de-pulping, drying and micro-lot preparation; preparation of coffee samples for buyer/grower cupping event; preparation of samples for cupping to determine quality scores; local coffee cupping event carried out with growers and buyers (in association with Fundación JICATUYO); calibration of de-pulping equipment.

- **Corn:** corn harvest and postharvest; training of growers and village banks in corn storage requirements and systems; finalize corn yield estimations for corn competition (Copán).
- **Warehouse receipts:** part of INVEST-H Optional Services activity “Local Resilience And Technical Capacity: Irrigation To Small Farmers”; training in the use of hermetic bags for use with grains (with SEAGRO and other Activity components).
- **Certification:** systems for certification in good agricultural practices; implementation of standards and procedures for coffee certification in “Sistema de Gestión Social y Ambiental”.
- **Pesticide containers:** meeting with CropLife to establish systems and routes for collection of empty pesticide containers.
- **Supermarket training:** training of staff of Del Corral in fresh produce handling.

Other activities included the development of product standards and production programs in conjunction with the marketing component.

7.2.4 Field Activities - Animal Production

Animal production activities are implemented to provide support in expanding and increasing income sources to supplement grain, coffee or horticultural production activities. Dairy cattle production is the main area at the household level. Women’s involvement is supported with the production of tilapia, goat, eggs, and rabbits. Poultry production, particularly with broilers, is supported at the MSME level. The animal production specialist works in association with the production, business skills, and nutrition components. Examples of activities carried out during the quarter include:

- **Cattle:** establishment and management systems stabled and semi-stabled operations; production of pasture and protein sources including *morera* (*Morus alba*, mulberry), ramié (*Boehmeria nivea*) and *madreado* (*Gliricidia*) for cattle feed, land preparation, planting material selection, planting distances, etc.; stable construction; feeding and nutrition of dairy cattle; preparation of balanced feeds; systems for deworming of dairy cattle; calf management; use of mineral salts and vitamins; parasite control; management and dehorning of calves; elaboration of silos using coffee pulp and pasture; preparation and use of “mountain micro-organisms”; preparation of financial analysis in dairy cattle production.
- **Goats:** feeding and nutrition; control of parasites; use of vitamins. Selected activities were carried out in coordination with World Vision.
- **Pigs:** pig fattening management; preparation of balanced feeds.
- **Poultry:** general management on poultry production; management of new born chicks; Newcastle vaccine use; preparation and disinfection of sheds; cleaning requirements for drinking fountains and feeders; preparation of feed concentrate.
- **Honey:** training in the general management of hives; queen management; honey production; honey harvesting; pest and disease natural control; use of good apiculture practices; management of *melipona* natural hives.
- **Grower group field visits** to stabled cattle production (Copán).
- **Coordination:**
 - Municipality of Talgua, Lempira (Ocotepeque): meeting with UTM on animal production activities and possible collaboration.
 - SAG/DICTA: participation in workshop on apiculture.

7.2.5 Field Activities - Processing and Value Added

MSMEs: rural MSMEs are supported to open markets and facilitate sales by ACCESS to Markets poor and extreme poor clients. Expanding their volumes, markets, capacities, productivity and competitiveness opens up opportunities to include outgrowers and suppliers from ACCESS to Markets household and household MSME clients. In addition to MSME new client identification and promotion of

processing and value-added activities at the household level, technical assistance and training activities carried out during the quarter include:

- **Poultry production:** production/management systems for small scale operations; requirements to access credit; disinfection of chicken barns; barn size, location and construction recommendations; weight sampling methods in broiler operations; poultry vaccination; financial analyses.
- **Poultry processing:** improvements in processes for scalding and de-feathering.
- **Bean:** systems for bean processing.
- **Vegetables:** costs and processing of pickled vegetables preparation of snacks based on carrot and beetroot.
- **Dairy** product processing; determination of acidity levels; financial analysis and accounts (in association with Business Skills component).
- **Coffee:** calculation of operation costs for coffee processing.
- **General:** work plan development; invoicing under the new DEI requirements; legal requirements to obtain sanitary licenses; assistance with labelling requirements.

Household MSMEs: most of these MSME clients are family members (wives) of ACCESS to Markets household clients receiving assistance under the production component, where the value-added activities can generate additional income for the family. The majority of household MSMEs are owned and operated by women. Value-added business opportunities were promoted among household clients. New clients were identified and assessed for incorporation into the Activity. Technical assistance and training activities include:

- **Bakery:** production of bakery products (white bread, pizza, and *pasteles*); *dulce de leche*; *dulce de plátano*; good manufacturing practices in bakery processing.
- **Chips:** business planning for small scale production of plantain chips; processing systems and efficiencies for plantain, banana, and sweet potato chips; training in taco production as a diversification option.
- **Poultry:** small scale broiler production (100 to 500 beaks); weight sampling; slaughtering; marinades; hen coup construction; cost calculations and projections; investment costs; vaccinations.
- **Sweets:** calculation of production cost and packaging options for *nance* sweets;
- **Honey:** harvesting, processing and packing;
- **Diary:** production of *quesillo*;
- **Others:** bean processing; fruit wine production; production of pineapple and strawberry marmalades.
- **General:** cost calculations; record keeping and accounts; invoicing under the new DEI requirements; links made between plantain microprocessors and production clients.
- **Coordination:**
 - SAG/SENASA: poultry production operation inspection for certification and registration (Copán).
 - *Oficina de la Mujer* (Municipality of Belen Gualcho, Ocotepeque): joint training activities for women groups in bakery products.
 - **Municipality of San Nicolas, Copán:** meeting with mayor, UMA and other son waste water treatment needs and activities for poultry processing operation.

7.2.6 Field Activities - Marketing

Marketing activities cover both national large scale and local small scale buyers, and ranged from establishing production programs with outgrowers to simple buyer/seller contact and sourcing. Examples of activities carried out during the quarter include:

- **Production and delivery programs:** covering a range of crops including tomato, peppers, cabbage, lettuce, carrot, baby corn, passionfruit, beetroot, sweet potato, hot peppers, plantain, and others.
- **Collection Centers:** meetings and visits to organize production programs, including CAEOL (Copan); Aldea Global (Ocotepeque).
- **Large scale buyers:** support provide to D'Eleite (oriental vegetable exporter, Comayagua) with field visits, links and contract signing with growers in Santa Bárbara; links made between passionfruit growers and ACCOPAH; meeting with Comidas Rápidas to link with buyers in Ocotepeque; field visits with buyers from La Colonia Supermarkets to develop new production programs (Copan); outgrower program expansion in Ocotepeque (and Intibucá) for beetroot for processing for export (HonduChip); sweet potato for export (Inversiones Agrícolas R.F.); field visits with representatives from Hortifruti (Walmart) to grower groups with irrigation districts to identify opportunities for new and expanded production programs; meeting with loofah processor Poligono to determine possibilities in restarting production programs.
- **World Food Programme (PMA):** various meetings to development a production program, possible suppliers and logistics for the school feeding program implemented by the PMA, including coordination with MUNASBAR (in conjunction with production and business skills components).
- **BANASUPRO:** meeting with management to determine areas of collaboration (in USAID). Poultry products were discussed and contacts provided. Awaiting response from BANASUPRO.
- **Coffee:** coordination of delivery/receipt of coffee samples for cupping to identify specialty lots; coordination with buyers including OLAM, Honducafe, COCAMOL, CACAEROL, Cooperativa Montaña Verde, and Beneficio Santa Rosa.
- **FHIA:** participation in FHIA annual event with exposition of client products.
- **Grain pledge:** participation in grain pledge activities.

In San Francisco de Los Valles, San Marcos, Santa Barbara, 13 project clients signed contracts with an exporter for the production of 6 hectares of oriental egg-plant production.

Other activities included meetings and coordination with representatives of CropLife to program and then implement training events on safe pesticide use and empty container recycling; meetings with AGROS International (Santa Barbara) to provide support with market options for cattle production, and production costs for pigs, poultry and calf fattening.

7.2.7 Field Activities - Business Skills & Finance

Under the business skills and finance component, training and technical assistance was provided direct to Activity clients, rural village banks (*cajas rurales*), cooperatives and others. Women owned and operated MSMEs form a key part of the client activities. Examples of activities carried out during the quarter include:

- **Growers:** maintenance of log books and record keeping; sales data; production cost calculation and budget preparation (for various products including milk, plantain, corn); training in legal requirements including invoicing, RTNs, taxes.
- **Crop budgets:** updating of production costs with input, labor and transport prices.
- **MSMEs:** requirements for legalization of groups and companies, obtaining RTNs, use of the required “accounting/record keeping books”; collection of documents for company legalization; delivery and presentation of completed legalization documents; training in DEI requirements with the CAI and electronic receipts (including coordination with DEI móvil).
- **Legalization:** field visits with UNITEC to obtain documentation for company registration/legalization.

- **Irrigation districts:** preparation, review and/or implementation of irrigation district bylaws/regulations; calculation and implementation of monthly payments (a type of environmental services payment) for repairs, maintenance and the possible use as loan funds; use of logbooks for production operations. Activities carried out in conjunction with production and NRM specialists.
- **Village banks (cajas rurales):** training in organization; record maintenance; ethics and values; savings, profit distribution.
- **INVEST-H Grain pledge (warehouse receipts):** training to three participants in the corn warehouse receipts pilot program (carried out in association with INVEST-H/ACS); including contracts and costings.
- **Financial institutions:** activities carried out with Activity clients with loan options and programs with BanPais, BANADESA, Financiera IDH; joint training activities were carried out with Cooperativa Ocotepeque.
- **Triangulation and/or input financing:** CADELGA input financing options (Santa Barbara).
- **DEI:** organization of DEI “movil” meetings for ACCESS to Markets to clients to obtain RTNs (San Marcos de Ocotepeque).
- **Mobil Money:** meeting with representatives of Tigo Money in Tegucigalpa, where their “eco-system” options were again presented. Tigo requested a signed confidentiality agreement before continuing with the discussions. Fintrac was unable to sign this agreement and the discussions were stopped.

Other activities included a financial analysis for COPRAUL, for APROLAC (dairy processor);

7.2.8 Field Activities – Natural Resource Management

Technical assistance and training in NRM activities were provided in a variety of areas during the quarter, including:

- **Irrigation districts:** grower training in Natural Resources Management and protection of water production areas; watershed protection and conservation; development of protection plans; irrigation district organization including regulations, compliance with GAPs and the EMMP; environmental payments, included in the water rights and use fees; preparation of environmental monitoring and mitigation plans; environmental and mitigation plans developed for irrigation districts to be implemented with funds from INVEST-H Optional Services; visits to irrigation districts being installed for follow-up with EMMPs.
- **Potable water:** coordination with Nutrition and Health component to identify communities with potable water problems/needs to include in the INVEST-H ACCESS to Water activity; visits to selected communities to determine status, problems, needs, etc. 44 communities were identified.
- **Coffee:** treatment of *aguas mieles* through the use of “efficient mountain microorganisms”, with the primary objective of avoiding water source contamination.
- **Poultry processing plant:** technical assistance in the construction of oxidation ponds for residual water from the plant to ensure compliance with environmental requirements (in association with representatives from WEFTA).
- **Hardwoods:** training to coffee growers on the benefits of introducing hardwoods into coffee plantations, including certification procedures.
- **Collaboration:**
 - **SERNA:** meetings with various representatives to obtain information

In Santa Ana, Ceguaca, Santa Barbara, project coffee growers have established 75 hectares of hardwoods in association with coffee, including mahogany, cedar, and laurel.

- relating to legal and environmental requirements for the proposed irrigation systems based on the new system categories. Follow-up required.
- **Municipalities of San Marcos and San Francisco, Ocotepeque:** participation in a joint meeting with ICF on the presentation of the management plan for the Rio Hondo micro-watershed.
 - **Municipalities of Dulce Nombre, San Pedro, Corquin, and Concepción, Copán:** coordination with UMAs on micro-watershed protection and environmental permits.
 - **Mancomunidad Higuito:** meetings and community visits to discuss possibilities of collaboration on potable water systems, particularly with assistance in project design, engineering and cost sharing; joint training activities with various potable water boards.
 - **Municipality of La Labor, Ocotepeque:** meeting to resolve water source ownership conflicts; discussion on the use of community land for planting firewood for use with lime producers.
 - **Municipality of Santa Fe, Ocotepeque:** meeting to present river contamination problems in the Lempa river from coffee waste from Guatemala, negatively affecting river wildlife and onion growers in the zone.
 - **Instituto de Conservación Forestal (ICF):** development of joint activities on water source protection for ACCESS to Markets irrigation districts; field visits from ICF representatives to proposed irrigation districts with water sources inside of buffer zones, including technical reports, required protection and conservation processes ,and where appropriate, authorizations for use; presentation of growers with hardwood plantings for certification; provision of ICF hardwood certificates to Activity clients; coordination with the construction fo a forestry nursery with a 500,000 plant capacity.

7.2.9 Field Activities – Municipal Development / Policy

A wide range of activities carried out with municipalities, mancomunidades, MSMEs (including legalization of women groups) and others. Examples of activities carried out during the quarter include:

- **Company legalization:** collection of documents, presentation, and follow-up (with UNITEC) for 29 companies (including 15 water boards, 14 village banks). Completed legal registration was received for 4 newly registered operations. Involves visits and meetings with the Ministry of Human Rights, Governorship and Decentralization; Ministry of Economic Development.
- **SENASA:** collection of documents, presentation, and follow-up for requests for registration and certification for 7 poultry production operations. Completed legal registration was received for 3 newly registered operations.
- **SDE/DEI:** training event given to Activity staff on company and water board legalization to improve legalization processes.
- **Hecho en Casa:** trade mark/seal for promoting local production developed by Ficohsa.
- **SERNA:** various meetings to facilitate training to Activity staff; obtain information on irrigation/water registration, etc.
- **Mancomunidades:**
 - HIGUITO, Copán: support for preparing local economic development plan for Dulce Nombre; surveys on production levels.
 - MAVAQUI, Santa Bárbara:
- **Municipalities:**
 - Local Economic Development Plans with Dulce Nombre, Copán and Azacualpa, Santa Bárbara.
- **Policy:** multiple meetings with government representatives:

- SERNA: meeting with ACCESS to Market and INVEST-H/ACS Natural Resource Management specialists on the new environmental licensing processes.

Indicator 2.2.1-4. Gross margin per hectare, animal, or cage of selected product

09/2015	Target: 46%	Achieved: Coffee: +30%; Corn: -10%, Milk: +117%
<i>Next data survey set for September 2016</i>		

The gross margin is the difference between the total value of smallholder production of the agricultural product and the cost of producing that item, divided by the total number of units in production (hectares of crops, number of animals for milk). Gross margin per hectare or per animal is a measure of net income for that farm/livestock/fisheries-use activity. The given target is notional as it was to be set based on baseline data. A request has been made to USAID for modification, which is currently under review. Data is collected in surveys carried out in August and September each year and reported annually. The next data collection for this indicator is scheduled for September 2016.

Indicator 2.2.1-5. Number of rural households benefiting directly from USG interventions

2015/12	Target: 9,000	Achieved: 11,265 (125%)	Difference: +2,265
Current Quarter		Achieved: 948	
2016/03	Target: 10,500	Achieved: 12,213 (116%)	Difference: +1,713

During the current quarter 1,177 new clients were added and 229 transferred clients removed from the data base due to lack of activities, death, or migration. To date 12,213 household clients are registered (Table 5). The number of household clients in each poverty category for the ACCESO-transferred clients is calculated based on the percentage distribution of the sample population at baseline. All new households are included as client households based on their profile and their production and income potential. These are classified as below the poverty line based on this profile. When all new clients have been recruited, the percentage of household clients in each income category will be calculated by the M&E team either by validating the profile form on registration or by surveying the new client population. This is expected to be carried out between October and December 2016 and will be used for the relevant calculations for FY2016/2017 onwards. Breakdown by category and department is provided in Tables 6 and 7.

Table 5. Number of clients assisted (Status: 2016/03)

Department	ACCESO Transferred	New Clients 2016/03	Total
Copán	3,048	1,071	4,119
Ocotepeque	2,352	1,582	3,934
Santa Bárbara	2,652	1,508	4,160
Total	8,052	4,161	12,213

Table 6. Household client breakdown by category (Status: 2016/03)

Category	# Client Households	% of All Client Households*	New Client Households**
Extreme Poverty	5,920	74%	4,161
Poverty	644	8%	
Non-poverty	1,488	18%	
Total Households	8,052		12,213
Off-Farm MSMEs	51		
Others***	1,325		

* Calculated based on % distribution from baseline survey (2015/06)

** New households to be classified by poverty category

*** Others include: Off-farm MSMEs, BDS providers, CBOs, Municipalities, buyers, AIN-C Groups, N&S beneficiaries

Table 7. Household client breakdown by department (Status: 2016/03)

Status	Category	Copán	Ocatepeque	Santa Bárbara	Sub-Total
ACCESO Transferred	Extreme Poverty	2,241	1,729	1,950	5,920
	Poverty	244	188	212	644
	Non-poverty	563	435	490	1,488
	Sub-Total Households	3,048	2,352	2,652	8,052
New Households*		1,071	1,582	1,508	4,161
Total Households		4,119	3,934	4,160	12,213
	Off-Farm MSMEs	51			
	Others**	1,325			

* New households to be classified by poverty category

** Others include: Off-farm MSMEs, BDS providers, CBOs, Municipalities, buyers, AIN-C Groups, N&S beneficiaries

Table 8. Client breakdown by type (Status: 2016/03)

Type	# Clients	% of All Clients
Household	12,212	89.9%
Off-Farm MSMEs	51	0.4%
BDS Providers	176	1.3%
AIN-C Group	122	0.9%
Community Based Association/Organization	5	0.0%
GOH	58	0.4%
Household Health & Nutrition	472	3.5%
Buyers	421	3.1%
Irrigation District	71	0.5%

Details were provided in Section 4.3 on the client selection criteria for transfer from USAID-ACCESO to ACCESS to Markets. New clients are being selected to join existing client groupings using the same

criteria. Assessments are being carried out with each potential client household to determine production resources, production and income options and estimated income generation.

As of December 2015, ACCESS to Markets was working in 78 municipalities, 592 villages (*aldeas*) and 1,086 communities (*caseríos*). In the current quarter, the number of municipalities remains the same, the number of villages (*aldeas*) increased to 595, while the number of communities increased slightly to 1,103 (Table 9). In order to receive routine and regular technical assistance and training, specific travel routes and group visits for each day have been developed for all agronomy technicians. As of December 2015 there were a total of 195 routes developed to provide agronomy technical services to 772 groups of household clients. During the present quarter, some new routes were established with the incorporation of new household clients, with 205 routes to 859 groups. At present the majority of groups range from 10 to 15 households. Specialist technicians coordinate with the agronomy technicians to cover additional training needs.

Table 9. Number of Municipalities and Communities assisted (Status: 2016/03)

Department	# Municipalities	# Villages (<i>aldeas</i>)	# Communities (<i>caseríos</i>)
Copán	24	219	376
Ocotepeque	23	146	318
Santa Bárbara	31	230	409
Total	78	595	1,103

Indicator 2.2.1-6. Number of hectares of land under improved technologies or management practices as a result of USG assistance

2015/09	Target: 5,000	Achieved: 12,670 (253%)	Difference: 7,670
<i>Next data survey set for September 2016</i>			

The indicator measures the area of land cultivated with improved technologies or management practices. Technologies are agricultural-related, land-based technologies and innovations including those that address climate change adaptation and mitigation. Technologies include those related to crop genetics, cultural practices, pest management, disease management, soil fertility and conservation, irrigation, water management, climate mitigation or adaptation, and land preparation.

For Year 1, end of harvest forms were used to determine the results to date. Data for this indicator was presented in the Annual Report, September 2015. A total of 12,670 hectares with one or more technologies were under improved technologies of management practices, against a target of 5,000 hectares. These included 11,025 hectares with technologies related to cultural practices, 7,240 hectares to soil fertility, and 7,450 hectares to disease management. Starting in Year 2, results for this indicator will be reported from data obtained from annual client household surveys to be carried out in August and September each year. The next data collection for this indicator is scheduled for September 2016.

Indicator 2.2.1-7. Number of farmers and others who have applied improved technologies or management practices as a result of USG assistance

09/2015	Target: 5,000	Achieved: 9,166 (183%)	Difference: 4,166
<i>Next data survey set for September 2016</i>			

The indicator measures the total number of direct beneficiary farmers, other primary sector producers, MSMEs, traders, etc. that applied improved technologies anywhere within the food system. Technologies include innovations in efficiency, value-addition, postharvest management, marketing, sustainable land

management, forest and water management, managerial practices, and input supply delivery. Technologies and practices counted are agriculture-related, including those that address climate change adaptation and mitigation (including, but not limited to, carbon sequestration, clean energy, and energy efficiency as related to agriculture).

Technologies include those related to crop genetics, cultural practices, livestock management, aquaculture management, pest management, disease management, soil fertility and conservation, irrigation, water management, climate mitigation or adaptation, marketing and distribution, postharvest handling and storage, and value-added processing.

Data for this indicator was presented in the Annual Report, September 2015. A total of 9,166 farmers, processors and other actors in the agricultural supply chain were using one or more improved technology/practice, against a target of 5,000. These included 8,086 clients with technologies related to cultural practices, 6,157 related to climate mitigation or adaptation, and 5,061 soil-related. For Year 1, end of harvest forms were used to determine the results. Starting in Year 2, results for this indicator will be reported from data obtained from annual client household surveys to be carried out in August and September each year. The next data collection for this indicator is scheduled for September 2016.

Activities carried out under this indicator were directly related to those under 2.2.1-6.

Indicator 2.2.1-8. Number of individuals who have received USG supported short-term agricultural sector productivity or food security training

Total 2015/12	Target: 12,000	Achieved: 12,211 (102%)	Difference: +211
Quarter 2016/03	Target: 3,000	Achieved: 6,958 (232%)	Difference: +3,958
Total 2016/03	Target: 15,000	Achieved: 19,169 (128%)	Difference: +4,169

Data is collected from training forms recording the national identity number from each participant. The number of individuals is determined from the number of unique national identity numbers. The indicator tracks the individuals to whom significant knowledge or skills have been imparted through interactions that are intentional, structured, and purposed for imparting knowledge or skills. Reports are provided quarterly. The indicator includes farmers, ranchers, fishers, and other primary sector producers who receive training in a variety of best practices in productivity, postharvest management, and linking to markets. It also includes rural entrepreneurs, processors, managers, and traders receiving training in application of new technologies, business management, linking to markets, and training to extension specialists, researchers, policymakers and others who are engaged in the food, feed, and fiber system and natural resource and water management.

As of December 2015, 12,211 individuals received agricultural sector productivity or food security training. An additional 6,958 individuals were registered in the current quarter as receiving training, for a total of 19,169 individuals, including 14,961 men and 4,208 women (22 percent women). Note: individuals receiving nutrition and health training are not included. Breakdown by department, sex, and technical component is given in Tables 10 and 11. Production accounts for the highest percentage (63 percent), animal production (10 percent), and business skills (9 percent). Individuals may have received training in different technical areas and as a result the total number presented is higher than the 19,169 (Table 10).

Table 10. Summary of Individuals Trained by Department (Status: 2016/03)

Department	Accumulated Dec-15			Jan-16 to Mar-16			Total Mar-16		
	# Males	# Females	Total	# Males	# Females	Total	# Males	# Females	Total
Copán	2,076	396	2,472	2,044	549	2,593	4,120	945	5,065
Ocotepeque	4,242	1,222	5,464	1,581	654	2,235	5,823	1,876	7,699
Santa Bárbara	3,426	841	4,267	1,562	536	2,098	4,988	1,377	6,365
Others	8	0	8	22	10	32	30	10	40
Total	9,752	2,459	12,211	5,209	1,749	6,958	14,961	4,208	19,169

Only individuals with unique National ID numbers are included

Table 11. Summary of Individuals Trained by Technical Component (Status: 2016/03)

Technical Component	Mar-16		
	# Males	# Females	Total
Animal Production	1,984	583	2,567
Business Skills	1,707	664	2,371
Certifications/GAPs	681	67	748
Finance / Credit	38	1	39
Market Information / Marketing	370	93	463
Natural Resource Management (NRM)	815	152	967
Postharvest	1,278	172	1,450
Processing	250	675	925
Production	13,853	3,173	17,026
Project	183	46	229
Renewable Energy	50	3	53
Total	21,209	5,629	26,838

Only individuals with National ID numbers are included (19,169). Individuals can receive trainings in more than one activity area

For reference purposes, up to December 2015 a total of 11,302 training events were carried out with 84,844 participants, including 72,612 male and 12,232 female (14.4 percent). During the current quarter a total of 4,898 training events were carried out with 39,829 participants, including 34,022 male and 5,807 female (14.6 percent). Training participants total 124,673 to date, with 106,634 male and 18,039 female (14.5 percent). Production training accounts for the highest percentage of participants (82 percent) followed by animal production (6 percent) and business skills (5 percent). Accumulated totals are given in Tables 12 and 13.

Table 12. Training Events and Participants by Technical Area (Status: 2016/03)

Technical Area	Mar-16			
	Male	Female	Total	# Events
Animal Production	5,926	1,559	7,485	1,037
Business Skills	4,286	1,432	5,718	531
Certifications/GAPs	1,084	163	1,247	110
Finance / Credit	61	10	71	9
Market Information	488	109	597	62
Postharvest	2,727	374	3,101	469
Processing	564	1,576	2,140	306
Production	89,254	12,400	101,654	13,454
Project	285	93	378	36
Renewable Energy	79	10	89	14
Natural Disaster Management	42	25	67	3
Natural Resource Management (NRM)	1,838	288	2,126	169
Total	106,634	18,039	124,673	16,200

Table 13. Training Participants by Department (Status: 2016/03)

Department	Mar-16	
	Total	# Events
Copán	30,827	4,984
Ocatepeque	47,361	5,259
Santa Bárbara	46,317	5,946
Other	168	11
Total	124,673	16,200

Indicator 2.2.1-9. TA/extension visits by activity & partner technicians

Total 2015/12	Target: n/a	Achieved: 15,323
Quarter 2016/03	Target: n/a	Achieved: 6,691
Total 2016/03	Target: n/a	Achieved: 22,014 (%)

n/a. Targets in draft work plan were for TA participants as opposed to TA visits.

Data is recorded by all field technicians direct into the CIRIS M&E system. Reports are provided quarterly. This is a work plan indicator. As of December 2015 a total of 15,323 technical assistance visits were carried out. During the current quarter, 6,691 technical assistance visits were carried out for a total to date of 22,014. The majority of these were under the production component (72 percent), animal production (7 percent), and processing (4 percent). Breakdown by technical area and department is provided in Tables 14 and 15.

Table 14. Technical Assistance Visits by Technical Area (Status: 2016/03)

Area	Accumulated Dec-15	Jan-16 to Mar-16	Total Mar-6	
	# TA visits	# TA visits	# TA Visits	% TA Visits
Animal Production	938	511	1,449	6.5%
Business Skills	683	267	950	4.3%
Certifications/BPAs	129	31	160	0.7%
Finance / Credit	9		9	0.0%
Health & Nutrition	568	952	1,520	6.9%
Market Information	115	162	277	1.3%
Natural Disaster Management & Mitigation	14	1	15	0.1%
Natural Resource Management (NRM)	168	130	298	1.3%
Postharvest	496	148	644	2.9%
Processing	804	293	1,097	5.0%
Production	11,508	4,367	15,875	71.7%
Project	42	26	68	0.3%
Renewable Energy	16	1	17	0.1%
Total	15,323	6,691	22,153	100.0%

Table 15. Technical Assistance Visits by Department (Status: 2016/03)

Area	Accumulated Dec-15	Jan-16 to Mar-16	Total Mar-16
	# TA visits	# TA visits	# TA Visits
Copán	4,336	2,304	6,640
Ocotepeque	5,426	1,964	7,390
Santa Bárbara	5,512	2,546	8,058
Other	49	16	65
Total	15,323	6,691	22,153

For reference, 47,967 participants received technical assistance during the quarter, for a total of 155,051 to date. Accumulated data by technical component is provided in Table 16.

Table 16. Technical Assistance Participants by Technical Area (Status: 2016/03)

Area	# TA Participants	% TA Participants
Animal Production	9,240	6.0%
Business Skills	7,671	4.9%
Certifications/BPAs	1,489	1.0%
Finance / Credit	68	0.0%
Health & Nutrition	6,955	4.5%

Table 16. Technical Assistance Participants by Technical Area (Status: 2016/03)

Area	# TA Participants	% TA Participants
Market Information	1,075	0.7%
Natural Disaster Management & Mitigation	184	0.1%
Natural Resource Management (NRM)	3,776	2.4%
Postharvest	4,163	2.7%
Processing	6,355	4.1%
Production	113,514	73.2%
Project	465	0.3%
Renewable Energy	96	0.1%
Total	155,051	100.0%

Indicator 2.2.1-10. Technical materials produced or updated

Total 2015/12	Target: 12	Achieved: 15 (150%)	Difference: +3
Quarter 2016/03	Target: 5	Achieved: 8 (160%)	Difference: +3
Total 2016/03	Target: 22	Achieved: 23 (105%)	Difference: +1

A wide range of technical materials will be developed to use as part of the training activities directly with household clients and with technicians in NGOs, the private sector and the government. These include manuals, bulletins, Excel tools, presentations, surveys, and others. This is carried out on an ongoing basis. Reports are provided quarterly. This is a work plan indicator. During the quarter 8 technical materials were produced against a target of 5, for an accumulated total of 23 to date. Details are provided in Table 17.

Table 17. Number of Technical Materials Produced by Component (Status: 2016/03)

Technical Area	Bulletin	Tool	Manual	Pres.	Total
Animal Production	1			1	2
Business Skills/Finance				1	1
Marketing			1	3	4
NRM				2	2
Policy				1	1
Postharvest				2	2
Production	1	1		9	11
Total	2	1	1	11	23

The status of indicators, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.2. INCOMES INCREASED; CDCS Sub-IR 2.2.1 Agricultural Productivity Improved, Purpose 01 Increased Inclusive Agricultural Sector Growth, Output 1.1 Improved Agricultural Productivity** are provided in Table 18.

Table 18. Status March 2016 - Output 1.1 Improved Agricultural Productivity for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.2. INCOMES INCREASED															
CDCS Sub-IR 2.2.1 Agricultural Productivity Improved															
PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH															
Improved Agricultural Productivity (Output 1.1)															
2.2.1-4	Gross margin per hectare, animal or cage of selected product	YES	FTF 4.5 (16,17,18)	YES	see breakdown				99%	99%	200%	n/a	n/a	n/a	US\$/Hectare
2.2.1-5	Number of rural households benefiting directly from USG interventions	NO	FTF 4.5.2 (13)	YES	9,814	9,000	10,500	12,000	15,000	15,000	18,000	11,265	948	12,213	Households (accumulated)
2.2.1-6	Number of hectares of land under improved technologies or management practices as a result of USG assistance	NO	FTF 4.5.2 (2)	YES	12,670				7,000	7,000	18,000	12,670	n/a	12,670	Hectares
2.2.1-7	Number of farmers and others who have applied improved technologies or management practices as a result of USG assistance	YES	FTF 4.5.2 (6)	YES	9,166				9,000	9,000	18,000	9,166	n/a	9,166	Farmers
2.2.1-8	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	NO	FTF 4.5.2 (7)	NO	9,817	12,000	15,000	18,000	20,000	20,000	30,600	12,211	6,958	19,169	Individuals (accumulated)
2.2.1-9	TA/extension visits by activity & partner technicians	NO	NO	NO	11,050	30,000	60,000	90,000	112,000	112,000	440,000	15,233	6,691	22,014	On-farm TA visits (accumulated)
2.2.1-10	Technical materials produced or updated	NO	NO	NO	12	5	10	20	32	32	80	15	8	23	# Materials (accumulated)

7.3 OUTPUT 1.2: MARKET DEMAND AND ACCESS INCREASED

CDCS IR. 2.2. INCOMES INCREASED

CDCS Sub-IR 2.2.1 Agricultural Productivity Improved

PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH

Market Demand and Access Increased (Output 1.2)

Activities from selected tasks outlined in the Year 2 work plan for this output are provided in Sections 7.2.1 to 7.2.10.

Indicator 2.2.2-1. Value of incremental sales (collected at farm-level) attributed to Feed the Future implementation

Results for this indicator will be reported from data obtained from annual client household surveys to be carried out in August and September each year started in Year 2. Data will be presented in September 2016 report.

Indicator 2.2.2-2. Number of MSMEs accessing new market opportunities

Total 2015/12	Target: 1,000	Achieved: 1,236 (124%)	Difference: +236
Quarter 2016/03	Target: 500	Achieved: 651 (130%)	Difference: +151
Total 2016/03	Target: 1,500	Achieved: 1,887 (126%)	Difference: +387

This indicator measures the number of MSMEs who gain access to new market opportunities as a result of ACCESS to Markets intervention. An MSME is only counted once under this indicator and is not counted for any subsequent market opportunities that it accesses during the same year with the same buyer. The establishment of new market opportunities and linkages between MSMEs and other actors in agricultural value chains is crucial to the development of sustainable income streams. New market opportunities are established when the project is able to facilitate an agreement (formal or informal) between an MSME and another agent in the value chain (buyer, processor, etc.). Results for this indicator are reported quarterly, based on End of Harvest Forms. As of December 2015, a total of 1,236 household clients accessed new market opportunities; an additional 651 were added in the current quarter, for an accumulated total of 1,887 (Tables 19 and 20).

Table 19. Number of Clients Accessing New Market Opportunities (Status 2016/03)

Period	Copán	Ocatepeque	Santa Bárbara	Total
Accumulated 2015/12	434	502	300	1,236
Jan. to Mar. 2016	179	393	79	651
Total	613	895	379	1,887

Table 20. Number of Clients Accessing New Market Opportunities by type client (Status 2016/03)

Period	Household-Production	Household-MSMEs	MSMEs	Total
Accumulated 2015/12	1,192	11	33	1,236
Jan. to Mar. 2016	634	4	13	651
Total	1,826	15	46	1,887

Indicator 2.2.2-3. Number of MSMEs that have been verified to meet market standards for their products

Total 2015/12	Target: 400	Achieved: 772 (193%)	Difference: +372
Quarter 2016/03	Target: 200	Achieved: 318 (159%)	Difference: +118
Total 2016/03	Target: 600	Achieved: 1,090 (182%)	Difference: +490

This indicator measures the number of MSMEs who have been verified to meet market standard as a result of ACCESS to Markets intervention. Market standards refer to a set of precisely defined requirements of a product for a particular buyer or industry in either the local or international markets. This includes both private and international standards. MSMEs are reported as having achieved a particular standard once it enters the market and a sale is made. The MSMEs have to implement practices that could include sorting and packing fresh, unprocessed agricultural products into the appropriate maturity, sizes, shape, and color; plus other requirements such as sanitary registrations, environmental, business licenses, Hazard Analysis and Critical Control Point (HACCP) program, good agricultural practices, pesticide handling and use, and product traceability systems. Results for this indicator are reported quarterly, based on grower/buyer linkages.

As of December 2015, a total of 772 MSMEs had been verified to meet market standards. During the quarter, and additional 318 were included for a total to date of 1,090 (Table 21). ACCESS to Markets is working with 322 buyers who require market standards, including 90 intermediaries, 148 shops, 36 wholesalers and 7 supermarkets.

Table 21. Number of MSMEs that have been verified to meet standards for their products by department (Status: 2016/03)

Department	# Clients Delivering
Copán	578
Ocatepeque	413
Santa Bárbara	99
Grand Total	1,090

Indicator 2.2.2-4. Number of MSMEs that have entered into a contract agreement

Total 2015/12	Target: 400	Achieved: 694 (174%)	Difference: +294
Quarter 2016/03	Target: 200	Achieved: 825 (413%)	Difference: +625
Total 2016/03	Target: 600	Achieved: 1,519 (253%)	Difference: +919

This indicator measures the number of MSMEs that have entered into a written contract, verbal agreement, letter of intent to purchase or formal grower registration with a buyer. Agreements help formalize business relationships based on mutual trust and can be expanded over time. MSMEs have the incentive to supply the agreed upon amount of commodities to a known buyer, and buyers have the incentive to continue to purchase commodities from a trusted supplier. Results for this indicator are collected through End of Harvest forms conducted after each major harvest.

As of December 2015, a total of 694 MSMEs has been verified to have entered into a contract agreement. During the quarter an additional 825 were included for a total to date of 1,519 (Table 22).

Table 22. Number of MSMEs that have entered into a contract agreement by department (Status: 2016/03)

Department	# Clients Delivering
Copán	613
Ocotepeque	632
Santa Bárbara	274
Grand Total	1,519

Indicator 2.2.2-5. Number of MSMEs, including farmers, providing business development services from USG assisted sources

Total 2015/12	Target: 70	Achieved: 93 (133%)	Difference: +23
Quarter 2016/03	Target: 10	Achieved: 17 (175%)	Difference: +7
Total 2016/03	Target: 80	Achieved: 110 (138%)	Difference: +30

This indicator tracks the number of MSMEs providing business development sources from activity-assisted sources: micro (1-10) small (11-50) and medium (51-100) enterprises (parenthesis = number of employees). Services may include, among other things, business planning, procurement, technical support in production techniques, production services, quality control, marketing, micro-enterprise loans, etc. Examples of enterprise-focused services include: market access, input supply, technology and product development; training and technical assistance; finance, infrastructure, and policy/advocacy. MSMEs are counted once even if multiple services are provided. Results for this indicator are reported quarterly, based on the services provided and client registration.

As of December 2015, 93 MSMEs were providing business development services to clients. During the quarter and additional 17 MSMEs were added, for a total of 110. The majority of these BDS providers are irrigation districts, and also include service providers related to land preparation, artificial insemination, plantlet production, input sales, trading, and training.

Indicator 2.2.2-6. Intermediate brokers incorporated as Activity clients

Total 2015/12	Target: 60	Achieved: 273 (455%)	Difference: +213
Quarter 2016/03	Target: 10	Achieved: 49 (490%)	Difference: +39
Total 2016/03	Target: 70	Achieved: 322 (460%)	Difference: +252

This indicator tracks the number of brokers incorporated as clients and purchasing directly from clients. It is a work plan indicator and is reported quarterly, based on client registration and purchases.

As of December 2015, a total of 273 brokers were registered as clients and purchasing from clients. During the current quarter an additional 49 brokers were registered for a total of 322. These include 149 intermediaries, 36 wholesalers, 11 exporters, 7 supermarkets and 149 retailers. The target is significantly overachieved due to the incorporation of the local retailers. This is due to the strategy of starting the Activity clients (which are all very small-scale) with local markets which require small volumes, mixed products and are closer to the production zones.

Indicator 2.2.2-7. Extension services provided by *mancomunidades*, NGOs, and private sector

This is a work plan indicator and is reported quarterly. Activities related to embedded extension services initially focused on development the ACCESS to Markets grants manual, meetings with *mancomunidades* and municipalities, selected NGOs and private sector companies to present ACCESS to Markets activities and to determine interest and needs for collaboration. This was followed by two “requests for proposal” (RFP) from *mancomunidades* and from the private sector.

As reported in September 2015, of 13 *mancomunidades* who expressed initial interest, eight submitted proposals. After providing feedback and clarifications, seven withdrew their applications. The main reason for the withdrawal was the lack of resources to invest in this activity given their current economic situation. Specifically they were unable to commit to the sustainability required through investments in technicians on their payroll. Negotiations were initiated with the remaining *mancomunidad*, but after clarifications they withdrew, again because of the lack of financial capacity. Their past interventions with similar donor projects have included additional funds for administrative costs, and more lenient legal requirements with regards to employee labor status. They subsequently withdrew the application.

For the private sector, 29 companies were provided the RFP, seven submitted and clarifications were requested. The top three were selected and negotiations were initiated in the previous quarter. These were two coffee companies and one NGO, covering cost sharing for seven production technicians and two health and nutrition technicians.

Two partner funds were submitted and approved to increase ACCESS to Markets technical presence in Ocotepeque and Copán. One of these partnerships is with Centro de Estudios y Solidaridad con América Latina (CESAL), based in Ocotepeque. CESAL is a Spanish funded NGO with longstanding presence in Western Honduras. Previous coordinated efforts with Fintrac under USAID-ACCESO with proven results make this a valuable partner for ACCESS to Markets. Under this award, CESAL will hire two Production technicians to cover Ocotepeque communities under ACCESS to Markets technical guidance and supervision. The other partnership is with Honduran Quality Coffee (HQC), a locally established coffee quality certifier in Santa Rosa de Copán. Originally funded and created by Beneficio Santa Rosa, a coffee exporter, HQC is a strategic partner for training, capacity building and commercialization efforts of project coffee growers in Copán. This partner will hire one Production technician to cover Copán communities under ACCESS to Markets technical guidance and supervision. Administrative activities and approvals for these partner funds were finalized during the current quarter and technicians will be hired, trained and field in the next quarter

During the previous quarter one the third company withdrew from the process, which included 4 production and 2 nutrition technicians. The reasons given were high cost and provision of services to households who were not supplying coffee (commercial buyer/seller activities continue with the commercial arm of this organization).

During the current quarter field visits and meeting were organized throughout the three departments to continue to promote this activity. A second expression of interest was developed during the current quarter resulting in three proposals, including one *mancomunidad* in Santa Barbara. Administrative activities and approvals for these partner funds will be carried out in the next quarter.

Indicator 2.2.2-8. Farm-gate price SMS reporting system

An agreement was made with SIMPAH to receive market price reports that were used in ACCESS to Markets activities and shared where necessary with ACCESS to Markets clients. No additional activities were carried out in this reporting period on the farm-gate reporting system.

The indicators, the indicator category, high level targets and the current status (where applicable) in the Year 2 work plan related to **CDCS IR. 2.2. INCOMES INCREASED; CDCS Sub-IR 2.2.1 Agricultural Productivity Improved, Purpose 01 Increased Inclusive Agricultural Sector Growth, Output 1.2 Market Demand and Access Increased** are provided in Table 23.

Table 23. Status March 2016 - Output 1.2 Market Demand and Access Increased for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS Indicator	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.2. INCOMES INCREASED															
PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH															
CDCS Sub-IR 2.2.2 Market Demand and Access Increased															
Improved Access to Markets (Output 1.2)															
2.2.2-1	Value of incremental sales (collected at farm-level) attributed to Feed the Future implementation	YES	FTF 4.5.2 (23)	YES	n/a				\$8.00	\$8.00	\$70.00	n/a	n/a	n/a	US\$ million
2.2.2-2	Number of MSMEs accessing new market opportunities	YES	CUSTOM	YES	537	500	1,000	1,500	2,000	2,000	10,000	1,236	651	1,887	Linkages (accumulated)
2.2.2-3	Number of MSMEs that have been verified to meet market standards for their products	NO	CUSTOM	YES	246	200	400	600	800	800	3,000	772	318	1,090	MSMEs (accumulated)
2.2.2-4	Number of MSMEs that have entered into a contract agreement	YES	CUSTOM	YES	316	200	400	600	800	800	3,000	694	825	1,519	MSMEs (accumulated)
2.2.2-5	Number of MSMEs, including farmers, providing business development services to clients of USG assisted sources	NO	FTF 4.5.2 (37)	YES	58	20	30	45	75	75	200	93	17	110	MSMEs (accumulated)
2.2.2-6	Intermediate brokers incorporated as Activity clients	NO	NO	NO	244	20	30	60	90	90	240	273	49	322	Brokers (accumulated)
2.2.2-7	Mancomunidades, NGOs and private sector companies providing extension services	NO	NO	NO	n/a	5	10	10	10	10	15	0	0	0	Technicians (accumulated)
2.2.2-8	Farm-gate price SMS reporting system	NO	NO	NO	n/a					0	1	0	0	0	System operating

7.4 OUTPUT 1.3: INCREASED INVESTMENT IN AGRICULTURE AND EMPLOYMENT OPPORTUNITIES

CDCS IR. 2.2. INCOMES INCREASED

CDCS Sub-IR 2.2.1 Agricultural Productivity Improved

PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH

Increased investment in agriculture and employment opportunities (Output 1.3)

Activities from selected tasks outlined in the Year 2 work plan for this output are provided in Sections 7.2.1 to 7.2.10.

Indicator 2.2.2-9. Value of new private and public investment facilitated by FTF assistance

Total 2015/12	Target: \$500,000	Achieved: \$2,353,041	Difference: +\$1,853,041
Quarter 2016/03	Target: \$250,000	Achieved: \$2,835,743	Difference: +\$2,585,743
Total 2016/03	Target: \$750,000	Achieved: \$5,188,784	Difference: +\$4,438,787

This indicator tracks the investment made by the private sector in fixed assets. Investment is defined as any use of private sector resources (including growers, households and MSMEs investments in fixed assets) intended to increase future production output or income, to improve the sustainable use of agriculture-related natural resources (soil, water, etc.), to improve water or land management, etc. The food chain includes both upstream and downstream investments. The indicator only includes capital investments. It does not include operating capital. Upstream investments include any type of agricultural capital used in the agricultural production process such as animals for traction, storage bins, and machinery. Downstream investments could include capital investments in equipment, etc. for postharvest transformation/processing of agricultural products as well as the transport of agricultural products to markets. The private sector includes any privately-led agricultural activity managed by a for-profit formal company. A CBO or NGO resources may be included if they engage in or invest in for-profit agricultural activity. Based on the definition of this indicator public sector investments are not included (these are reported separately to USAID on a quarterly basis). Results for this indicator are reported quarterly, based on investments made by household clients and others in fixed assets.

As of December 2015, 1,973 individual investments in fixed assets had been made totaling \$2,353,041, including \$2,083,669 by activity clients and \$269,372 from others as part of joint investments. During the current quarter 3,100 individual investments were registered, totaling \$2,835,743, including \$2,111,467 from activity clients and \$724,276 from others. Investments in fixed assets to date total \$5,188,784. To date, 8.2 percent of the value and 14.9 percent of the number of investments have been made by women. No activity funds were used. Breakdowns by department, sex, and technical component are provided in Tables 24 to 26.

Table 24. Summary of Investments by Department (Status: 2016/03)

Period	Copan		Ocatepeque		Santa Barbara		Other		Total \$	Total #
	\$	#	\$	#	\$	#	\$	#		
Accumulated 2015/12	690,289	570	680,691	646	982,061	757			2,353,041	1,973
Quarter 2016/03	1,689,506	2,011	809,336	720	303,859	366	33,041	3	2,835,742	3,100
Total	2,379,796	2,581	1,490,027	1,366	1,285,920	1,123	33,041	3	5,188,783	5,073

Table 25. Summary of Investments by Sex (Status: 2016/03)

Period	Female		Male		Total \$	Total #
	\$	#	\$	#		
Accumulated 2015/12	153,930	231	2,199,111	1,742	2,353,041	1,973
Quarter 2016/03	271,274	524	2,564,468	2,576	2,835,742	3,100
Total	425,204	755	4,763,579	4,318	5,188,783	5,073

Table 26. Summary of Investments by Activity Area (Status: 2016/03)

Area	Accumulated to Mar-16			Total	
	Client \$	Others \$	Project \$	\$	#
Animal Production	819,363	83,862		903,224	594
BPAs / BPMs	27,571	289		27,860	129
Health & Nutrition	359,667	134,903		494,570	392
Household Equipment	14,218			14,218	24
Natural Resource Mngt	2,239	4,681		6,920	34
Postharvest	136,112	1,051		137,163	43
Processing	226,101	36,727		262,829	113
Production	2,495,763	641,409		3,137,171	3,361
Public Goods and Services	96,073	24,068		120,141	28
Renewable Energy	18,029	66,659		84,688	355
Total	4,195,136	993,648		5,188,784	5,073

Indicator 2.2.2-10. Number of public-private partnerships formed as a result of Feed the Future assistance

Total 2015/12	Target: 15	Achieved: 16 (107%)	Difference: +1
Quarter 2016/03	Target: 2	Achieved: 11 (550%)	Difference: +9
Total 2016/03	Target: 17	Achieved: 27 (159%)	Difference: +10

This indicator tracks the number of public-private partnerships formed and implemented. They can include activities related to both agricultural or nutrition. Private partnerships can be long or short in duration. Partnerships with multiple partners are only counted once. A public-private alliance (partnership) is considered formed when there is a clear agreement, usually written, to work together to achieve a common objective. There must be either a cash or in-kind significant contribution to the effort by both the public and the private entity. For-profit enterprises and NGOs are considered private.

Results for this indicator are reported quarterly based on the alliance agreements signed. As of December 2015, 16 alliance agreements had been signed. During the current quarter, 11 were signed for a total to date of 27. (Table 27).

Table 27. Public-private sector partnerships formed (Jan-16 to Mar-16)

Organization/Company	Department	Service	Category
CAEOL	Copan	Buyer	Agricultural Production/marketing
Comercializadora Frutas y Verduras JAHIR	All 3	Buyer	Agricultural Production/marketing
Comercializadora Los Amigos	All 3	Buyer	Agricultural Production/marketing
Comercializadora La Bendicion	All 3	Buyer	Agricultural Production/marketing
Comercializadora de Chicho	All 3	Buyer	Agricultural Production/marketing
Comercializadora Tomas Nunez	All 3	Buyer	Agricultural Production/marketing
COPRAUL	Ocotepeque	Buyer	Agricultural Production/marketing
UNAH/CUROC	Copan	Student internships	Agricultural Production
BONCAFE	All 3	Buyer	Agricultural Production/marketing
HEIFER International	All 3	Technical assistance	Agricultural Production
AGROS	Santa Barbara	Technical assistance	Agricultural Production

Indicator 2.2.2-11. Number of agricultural and nutritional enabling environment policies completing the following processes/steps of development as a result of USG assistance

Total 2015/12	Target: 0	Achieved: 5	Difference: +5
Quarter 2016/03	Target: 1	Achieved: 0	Difference: -
Total 2016/03	Target: 1	Achieved: 5	Difference: +5

This indicator tracks the number of agriculture- and nutrition-enabling environment policies in the areas of institutional architecture, enabling environment for private sector investment, trade, inputs, land and natural resource management, and nutrition:

1. Underwent analysis (review of existing policy and/or proposal of new policy).
2. Underwent public debate and/or consultation with stakeholders on the proposed new or revised policy. This could also include proposed repeal of an existing policy.
3. Were newly drafted or revised.
4. Received official approval (legislation/decreed) of the new, revised, or repealed policy by the relevant authority (legislative or executive body).
5. Were fully and effectively implemented by the relevant authority (this includes USG support to implementing the effective repeal of a policy).

Policies can include laws, legal frameworks, regulations, administrative procedures, or institutional arrangements. "Total policies passing through one or more processes/steps of policy change" will count the total number of policies that completed any process/step, regardless of the number of processes/steps each policy completed during the reporting year. Results for this indicator are reported quarterly based on the policy support provided.

As of December 2015, four policy activities (out of five) had passed through one or more processes. In the current quarter no activities were moved an additional stage. The total to date remains at 5 (Table 28).

Table 28. Enabling environment policies supported

Partner/Beneficiary	Policy	Status (1-5) 2015/06	Status (1-5) 2015/12	Status (1-5) 2016/03
Consejo Higuito	Manual for the performance evaluation of member municipalities	1	3	3
SERNA / Mancomunidades / Clients	Analysis of payment schedules to standardize the payment tariffs for permissions and environmental status	1	2	2
USAP / SDE	Inter-institutional agreement for legal assistance to activity MSMEs	4	4	4
SERNA / Mancomunidades / Clients	Development of regulations for issuing environmental records by the UMA's	1	2	2
MUNASBAR / ACCESS to Markets	Support for the development of the <i>mancomunidad</i> Environmental Operational Plan	1	1	1
MAVAQUI / ACCESS to Markets	Reviewing Tax Plan specifically relating to municipal tax collection (<i>caststral</i>)		3	3

1. Analysis 2. Stakeholder consultation/public debate 3. Drafting or revision
4. Approval (legislative or regulatory) 5. Full and effective implementation

Activities carried out under this component rely on the buy-in and performance of others. For the Local Economic Development plans the speed of implementation has been slow on the part of the municipalities due to delays, lack of funds, lack of personal, lack of trained staff, and priorities for other activities (which usually have budget support). Significant amounts of time are used in company registration (SDE) and poultry operation registration (SAG/SERNA).

Indicator 2.2.2-12. Number of jobs attributed to Feed the Future implementation

09/2015	Target: 300	Achieved: n/a	Difference:
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Jobs are all types of employment opportunities created during the reporting year in agriculture- or rural-related enterprises. This includes hired (immediately paid) on-farm employment, self-employment (grower) and family employment (with payment being received when crops are sold). This indicator measures how many laborers were used by farming households, farmer and family labor. Because of the nature of temporal farm labor, this indicator will not be restricted to jobs that last greater than one month as per FTF guidance. Results for this indicator will be reported from data obtained from annual client household surveys to be carried out in August and September each year starting in Year 2. The given target remains notional and is in the process of modification and USAID approval based on the baseline survey report data.

Indicator 2.2.2-13. Municipal economic development planning

Total 2015/12	Target: 2	Achieved: 2 (100%)	Difference: 0
Quarter 2016/03	Target: 1	Achieved: 0	Difference: -1
Total 2016/03	Target: 3	Achieved: 2 (67%)	Difference: -1

This is a work plan indicator and tracks the number of municipalities provided support in economic development planning. As of September 2015, three municipalities were receiving direct support on economic development planning: La Union and Dulce Nombre de Copán, Copán; and Azacualpa, Santa Bárbara. During the previous quarter support to La Union was stopped due to lack of interest. Discussions with other municipalities were initiated during the current quarter, including Sinuapa, Ocotepeque, but without the availability of specific funds to support any activities, interest if any, is limited.

The indicator, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.2. INCOMES INCREASED; CDCS Sub-IR 2.2.1 Agricultural Productivity Improved, Purpose 01 Increased Inclusive Agricultural Sector Growth, Output 1.3 Increased Investment in Agriculture & Employment Opportunities** are provided in Table 29.

Table 29. Status March 2016 - Output 1.3 Increased Investment in Agriculture & Employment Opportunities for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS Indicator	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.2. INCOMES INCREASED															
PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH															
CDCS Sub-IR 2.2.2 Market Demand and Access Increased															
Increased Investment in Agriculture & Employment Opportunities (Output 1.3)															
2.2.2-9	Value of new private and public investment facilitated by FTF assistance	NO	CUSTOM	YES	\$ 1.342	\$0.50	\$0.75	\$1.15	\$1.50	\$1.50	\$30.00	\$2.353	\$2.836	\$5.189	US\$ Million (accumulated)
2.2.2-10	Number of public-private partnerships formed as a result of Feed the Future assistance	YES	FTF 4.5.2 (12)	YES	6	5	7	10	15	15	30	16	11	27	PPPs (accumulated)
2.2.2-11	Number of agricultural and nutritional enabling environment policies completing the following processes/steps of development as a result of USG assistance in each case: 1. Analysis 2. Stakeholder consultation/public debate 3. Drafting or revision 4. Approval (legislative or regulatory) 5. Full and effective implementation	NO	FTF 4.5.1 (24)	YES	4	0	1	2	3	3	10	5	0	5	Policies (accumulated)
2.2.2-12	Number of jobs attributed to FTF implementation	YES	CUSTOM	YES	n/a				1,000	1,000	5,000	n/a	n/a	n/a	FTEs
2.2.2-13	Municipal economic development planning	NO	NO	NO	3		1	1	1	3	10	2	0	2	Plans

7.5 OUTPUT 1.4: ACCESS TO FINANCIAL SERVICES IMPROVED

CDCS IR. 2.2. INCOMES INCREASED

CDCS Sub-IR 2.2.1 Agricultural Productivity Improved

PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH

Access to financial services improved (Output 1.4)

Activities from selected tasks outlined in the Year 2 work plan for this output are provided in Sections 7.2.1 to 7.2.10.

Indicator 2.2.2-14. Value of Agricultural and Rural Loans

Total 2015/12	Target: \$450,000	Achieved: \$1,956,407 (435%)	Difference: +\$1,506,407
Quarter 2016/03	Target: \$400,000	Achieved: \$1,263,849 (316%)	Difference: +\$863,849
Total 2016/03	Target: \$950,000	Achieved: \$3,220,257 (339%)	Difference: +\$2,270,257

This indicator sums cash loans made (i.e. disbursed) to direct beneficiary producers, input suppliers, transporters, processors, and loans to other MSMEs in rural areas that are in a targeted agricultural value chain as a result of USG assistance. The indicator counts loans disbursed to the recipient, not loans merely made (e.g. in process, but not yet available to the recipient). The loans can be made by any size financial institution from micro-credit through national commercial bank, and includes any type of micro-finance institution, such as an NGO. The FTF indicator only counts cash loans and does not include in-kind loans. It also only counts loans made by financial institutions, and not informal groups such as village savings and loan groups that are not formally registered as a financial institutions. ACCESS to Markets also reports the loans made to activity clients by rural village banks, input suppliers, buyers and other non-formal banks providers. Results for this indicator are reported quarterly, based on reported loans obtained by activity clients.

As of December 2015 a total of \$1,956,407 in 993 loans were obtained by 860 ACCESS to Markets clients. During the current quarter a total of \$1,263,849 in 559 loans were obtained by 436 ACCESS to Markets clients, for an accumulated total to date of \$3,220,257 in 1,552 loans by 1,296 clients. Average loan size is \$2,075, ranging from \$23 to \$95,455. 41 percent of the loans are less than \$500, and 61 percent less than \$1,000. 44 percent of the loan value (\$1,422,328) and 42 percent of the loan number (644) were from formal sources. Calendarized production programs with collection centers and input suppliers made up the majority of these loans. Selected data is presented in Tables 30 to 31.

Table 30. Loans by Lender Type (Formal & Informal) (Status: 2016/03)

Period	Formal		Informal		Total		% Formal	
	US\$	# Loans	US\$	# Loans	US\$	# Loans	US\$	# Loans
Dec-15	962,364	432	994,043	561	1,956,407	993	49.2%	43.5%
Jan-16 to Mar-16	459,964	212	803,886	347	1,263,850	559	36.4%	37.9%
Total	1,422,328	644	1,797,929	908	3,220,257	1,552	44.2%	41.5%

Table 31. Loans by Lender Category (Status: 2016/03)

Provider	\$	# Providers
Associations/Foundations	133,321	4
Banks	783,447	6
Community Banks (Cajas Rurales)	246,864	31

Table 31. Loans by Lender Category (Status: 2016/03)

Provider	\$	# Providers
Domestic Buyers	474,017	9
Cooperatives	627,210	13
Exporters	111,327	4
NGOs	35,756	2
Financial NGOs	268,762	7
Money Lenders	27,864	3
Input suppliers	495,360	8
Government Projects	16,328	2
Total	3,220,257	89

Table 32. Value, Number and Clients - Agricultural and Rural Loans by Department and Sex (Status: 2016/03)

Quarter	Copán			Ocotepeque			Santa Bárbara			Total		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Value (\$)	20,318	881,885	902,203	105,064	1,235,982	1,341,046	31,084	945,923	977,007	156,467	3,063,790	3,220,257
Value (%)	2.3%	97.7%		7.8%	92.2%		3.2%	96.8%		4.9%	95.1%	
Number of Loans	21	296	317	98	658	756	31	448	479	150	1,402	1,552
Number of Loans (%)	6.6%	93.4%		13.0%	87.0%		6.5%	93.5%		9.7%	90.3%	
Number of Clients	20	271	291	84	536	620	24	361	385	128	1,168	1,296
Number of Clients (%)	6.9%	93.1%		13.5%	86.5%		6.2%	93.8%		9.9%	90.1%	

Indicator 2.2.2-15. Number of MSMEs, including farmers, receiving USG assistance to access loans

Total 2015/12	Target: 450	Achieved: 860 (191%)	Difference: +410
Quarter 2016/03	Target: 400	Achieved: 436 (109%)	Difference: +36
Total 2016/03	Target: 950	Achieved: 1,296 (136%)	Difference: +346

This indicator tracks the number of MSMEs accessing loans, where MSMEs are: micro (1-10 employees), small, (11-50), and medium (51-100). Number of employees refers to full time-equivalent workers during the previous month. MSMEs include producers (farmers). Producers are classified as micro, small or medium-enterprise based on the number of FTE workers hired (permanent and/or seasonal) during the previous 12 months. If a producer does not hire any permanent or seasonal labor, s/he should be considered a micro-enterprise. To be counted an MSME must have received ACCESS to Markets assistance which resulted in a loan from any financial institution, formal or informal, including MFIs, commercial banks, or informal lenders, as well as from in-kind lenders of equipment (e.g. tractor, plow) or other agricultural inputs (e.g., fertilizer or seeds), or transport, with repayment in cash or in kind. USG assistance may include partial loan guarantee programs or any support facilitating the receipt of a loan. MSMEs are reported only once per reporting year, even if multiple loans are accessed. Results for this indicator are reported quarterly, based on reported loans obtained by Activity clients.

As of December 2015, a total of 860 MSMEs were assisted in obtained loans. During the current quarter an additional 436 were assisted, for an accumulated total of 1,296 MSMEs of which 128 of the MSMEs were women (9.9 percent). Data by department and sex is provided in Tables 32-34.

Table 33. MSMEs with Loans by Department (Status: 2016/03)

Department	Copán		Ocotepeque		Santa Bárbara		Total	
	# MSMEs	Value (\$)	# MSMEs	Value (\$)	# MSMEs	Value (\$)	# MSMEs	Value (\$)
Dec-15	151	431,349	439	841,887	270	683,172	860	1,956,407
Jan-16 to Mar-16	140	470,855	181	499,159	115	293,836	436	1,263,849
Total	291	902,203	620	1,341,046	385	977,077	1,296	3,220,257

Table 34. MSMEs with Loans by Sex (Status: 2016/03)

Type	Male		Female		Total	
	# MSMEs	Value (\$)	# MSMEs	Value (\$)	# MSMEs	Value (\$)
Dec-15	766	1,853,666	94	102,742	860	1,956,407
Jan-16 to Mar-16	402	1,210,124	34	53,725	436	1,263,849
Total	1,168	3,063,790	128	156,467	1,296	3,220,257

Indicator 2.2.2-16. Number of beneficiaries using mobile money services

Meetings with providers of mobile money service providers to establish services, locations and costs:

Initial meetings were held with Tigo and Banco Atlántida and a list of agencies obtained together with costs. After several delays (due to their commitments with the World Food Programme and World Bank) meetings were held in the September 2015 quarter. During the previous quarter meetings were held with representatives of Tigo Money including a field visit to Santa Bárbara. The 6 percent cost is too high for commercial operations with the type of client ACCESS to Markets is working with. Discussions were held with USAID on this indicator.

The indicators, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.2. INCOMES INCREASED; CDCS Sub-IR 2.2.1 Agricultural Productivity Improved, Purpose 01 Increased Inclusive Agricultural Sector Growth, Output 1.4 Access to Financial Services Improved** are provided in Table 35.

Table 35. Status March 2016 - Output 1.4 Improved Financial Services for the Poor. ACCESS to Markets Work Plan, Year 2.

Indicators/Activities/Tasks	CDCS Indicator	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							FY15/16
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.2. INCOMES INCREASED															
PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH															
CDCS Sub-IR 2.2.2 Market Demand and Access Increased															
Improved Financial Services for the Poor (Output 1.4) (ALL ZOI)															
2.2.2-14	Value of Agricultural and Rural Loans	NO	FTF 4.5.2 (29)	YES	\$1.663	\$0.35	\$0.75	\$1.30	\$2.00	\$2.00	\$10.00	\$1.956	\$1.264	\$3.220	\$ millions (accumulated)
2.2.2-15	Number of MSMEs, including farmers, receiving USG assistance to access loans	NO	FTF 4.5.2 (30)	YES	733	200	600	800	1,000	1,000	2,500	860	436	1,296	MSMEs (accumulated)
2.2.2-16	Number of beneficiaries using mobile money services	NO	Custom	YES	n/a	50	150	275	400	400	2,500	0	0	0	Beneficiaries (accumulated)

CDCS IR. 2.1. RESILIENCE OF LIVELIHOODS INCREASED**CDCS Sub-IR 2.1.2 Adaptation of Poor Households to Climate Risk Increased****PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH**

Access to financial services improved (Output 1.4)

Indicator 2.1.2-1. Number of people with a savings account or insurance policy as a result of USG assistance

Total 2015/12	Target: 50	Achieved: 390 (780%)	Difference: +340
Quarter 2016/03	Target: 100	Achieved: 414 (414%)	Difference: +314
Total 2016/03	Target: 150	Achieved: 804 (536%)	Difference: +654

This indicator counts the number of people who first acquired a savings account or insurance policy during the reporting year as a result of USG assistance. A savings account refers to any type of an account in a financial institution that serves as a store of an individual's financial wealth as well as savings in traditional institutional structures such as community savings groups. An insurance policy refers not only to agricultural insurance in the case of crop failure but also any other type of insurance, such as property, fishing access rights, health or life insurance that cushions an individual/household against financial shocks that could otherwise potentially make the individual or household food insecure. Obtaining the value of a savings account can be difficult, and therefore will not be collected. The purpose of this indicator is to measure progress towards changed behavior of saving money as a buffer to the shock of income loss, and counting the number of savings or insurance accounts begins to measure this. No target was set for Year 1 and no result was reported.

Activities have focused on building the capacity of the *cajas rurales* and developing alliances with the traditional lending sources (both banks and other financial institutions). During the quarter, 414 persons were registered with saving account or insurance policies, including 40 women (Tables 36 and 37) for a total of 804 persons to date. This quarter increased with 391 savings accounts and 330 insurance policies. To date there are 789 saving accounts (with formal finance institutions and village banks) and 608 insurance policies (98 percent for debt insurance and 2 percent for life insurance). The insurance policies are taken out as part of accessing formal loans. In the majority of cases, most people have both a saving account and insurance policy (72 percent). Data is provided in Tables 36 and 37.

Build rural financial services including increasing capacity of *cajas rurales*:

- As given in Section 7.4.

Promote traditional bank expansion to ZOI:

- As given in Section 7.4.

Expansion of weather station network through PPP:

- Initial discussions were held with the World Wildlife Fund. ACCESS to Markets (and ACS) was included in WWF applications for project funds to expand the weather station network (in association with IHCAFE).

Agricultural insurance:

- Meetings held with PROAGRO, the main provider of agricultural insurance in Honduras. Despite their experience in the sector, they stated that the dry corridor zone was not included in their coverage due to the high risks associated with the region.

Table 36. Number of people with a savings account and/or insurance policy by department and sex

Quarter	Copan			Ocotepeque			Santa Bárbara			Total		
	# Males	# Females	Total	# Males	# Females	Total	# Males	# Females	Total	# Males	# Females	Total
Dec-15	130	14	144	144	19	163	75	8	83	349	41	390

Mar-16	87	4	91	129	16	145	158	20	178	374	40	414
Total	217	18	235	273	35	308	233	28	261	723	81	804

Table 37. Number of savings accounts and insurance policies by sex

Quarter	Savings			Insurance		
	# Males	# Females	Total	# Males	# Females	Total
Dec-15	355	43	398	268	10	278
Mar-16	369	22	391	311	19	330
Total	724	65	789	579	29	608

8. PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN

USAID-ACCESO built out and expanded on the AIN-C system of child care through a community health volunteer system, supported by decentralized health service providers and the Ministry of Health, for child weight and illness monitoring and general messaging to mothers and other caregivers. Nutrition and health technical assistance and training services at the community level were integrated with access to economic development activities, healthy household interventions, a nutrition training center concept demonstrating meal preparation and feeding practices using available ingredients, conducting routine household technical visits in cases where behavioral change has not taking hold, and placing a focus on primary child illness prevention.

ACCESS to Markets is using the USAID-ACCESO methodology as a foundation to expand outreach to a broader population by expanding training to other existing service providers and adding new products and services as necessary. The main training and technical assistance activities being carried out at all levels (household, community, service providers, municipalities, Ministry of Health) are based around five key areas:

- Child health and nutrition key messaging
- Food preparation and ingredient selection to ensure adequate intake of calories
- Feeding practices (especially for children under 2 years)
- Basic infrastructure (healthy households) to allow implementation of behavioral changes and prevention of illnesses and diseases
- Economic development to provide income for food purchases

Start-up involved the transition of selected clients and communities from USAID-ACCESO to ACCESS to Markets. The process of selecting communities for the health and nutrition interventions was carried out by the health and nutrition team in close coordination with the economic development team by identifying communities with clients of the economic development component who met the criteria for transitioning to ACCESS to Markets.

Having completed this process, health and nutrition field technicians carried out assessments in a total of 123 communities in 31 municipalities in the three departments to identify those that had at least 15 children under 2 years and with existing organized AIN-C groups or potential for organizing one. ACCESS to Markets staff also visited health centers responsible for the selected communities and met with health staff responsible for the oversight and monitoring of community workers. These meetings were also used to initiate working relationships with key staff members of the health centers.

Baseline data on all indicators was collected from the 123 communities and processed for analysis. In addition, data was also collected on conditions of the households (existence of eco-justa stoves, latrines, other infrastructure), access to water for human consumption, access to land for household plots, and needs of the community health volunteers in relation to the condition of their homes as well as their needs for training.

As of March 2016, a total of 123 communities (*caseríos*), in 103 villages (*aldeas*), in 31 municipalities throughout the 3 departments continue to be serviced with project health and nutrition activities; 123 AIN-C groups are being supported by project health and nutrition technicians.

Field activities carried out during the quarter under Purpose 2 included the following:

- **Key Interventions:** ACCESS to Markets has continued to implement strategies well tested and validated under USAID-ACCESO to impact the prevalence of underweight children less than five years of age, focusing on children 0 to 23 months of age. AIN-C groups are active in 123 communities. Hands on training of AIN-C monitors by project technicians are ongoing in all AIN-C groups. Candidates have been identified for formal training as AIN-C monitors, which have now been rescheduled for May and June to allow for coordination of activities with Ministry of Health staff. Refresher training for all other AIN-C monitors will now take place in July and August, 2016. Household plots, healthy household and CENs activities continued during the quarter.
- **Training:** topics for trainings delivered to mothers attending AIN-C monthly meetings during the quarter included: meal preparation, use of locally-available food items, incorporation of protein sources, balanced diets, feeding practices, feeding portions and frequency; basic personal and household hygiene practices; exclusive breastfeeding; spacing of pregnancies; and, child illness management. Training activities are reinforced where necessary with household visits to determine the cause of problems and implement recommendations and procedures to prevent them.
- **AIN-C:** calendarization of monthly meetings with decentralized service providers (where present) and health volunteers. Meetings continued during the quarter. Coverage of children under two years of age with AIN-C services during the quarter increased from 61 percent in December 2015 to 73 percent in March 2016. The most significant increase in attendance to growth monitoring meetings during the quarter was in Santa Barbara.
- **Exclusive breastfeeding:** to address the low prevalence of exclusive breastfeeding of children 0 to 5 months of age, ACCESS to Markets is working with pregnant women in preparation for breastfeeding at birth. Community health volunteers target pregnant and lactating women in the community and when possible form lactating women's groups for women to women counseling and experience sharing. In addition messages emphasizing the importance of breastfeeding during the first six months of the child's life are being delivered during all AIN-C group meetings.
- **Nutrition Training Centers (CENs):** 16 communities have been identified for the installation of new CENs for training and demonstration activities. Of these, 12 have completed the improvements of the structure for the location of the CENs, are partially equipped and are awaiting the delivery of remaining equipment in the upcoming weeks (procurement processes has been moving slow primarily due to delays in DEI for the approval of Purchase Orders). Inauguration of the 12 CENs (four in each department) is expected to take place during the third quarter.
- **Healthy households:** promotion of household improvement initiatives among families as preventive measures to address household conditions which contribute to child illness (floors, walls, eco-justas, etc.) continued during the quarter. 97 health and nutrition client households benefitted from home improvements during the quarter with support from Aldea Global (an ACCESS to Markets implementing partner) and *Vida Mejor*. A total of 97 floors were improved, 61 eco-fogones, 9 transparent roof sheets, 10 latrines and 4 water tanks were completed during the period. 33 household plots were developed during the period benefitting equal number of health and nutrition client households.
- **Potable water:** in coordination with NRM component, 44 communities were selected for feasibility studies and eligibility to benefit from the upcoming water project.
- **Ministry of Health:** coordination with regional and local Ministry of Health staff in all three departments for the delivery of the "basic health packages" to AIN-C participants, and participation of community health volunteers monthly meetings.
- **ANAVIH:** an alliance agreement implemented to enable the weekly supply of fresh eggs to schools and CENs in 18 communities supported by the nutrition and health component in all

three departments. This activity benefits a total of 774 children under 5 years of age (426 children under 2 years).

- **UNILEVER:** 3 of the 7 AIN-C monitors from USAID-ACCESO with income generating activities with the sale of UNILEVER supplies continue as active retailers under the initiative.
- **Coordination:**
 - Local schools: community cleaning campaigns
 - Local and Regional Ministry of Health and Decentralized Service Providers: delivery of Basic Health Package and community cleaning campaigns, food preparations demonstrations.
 - CESAL: seeds for household plots

CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN

CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved

PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN

ACCESS to Markets has continued to focus on the five main areas of interventions mentioned above which are crosscutting and directly or indirectly impact on all indicators. Other activities, including household plots, planting fruit trees, use of locally available plant materials, and small-scale production of eggs, milk, and fish, are also promoted to complement core dietary intake.

For training activities to improve awareness and change behavior, ACCESS to Markets utilizes training materials and messages already developed by the Ministry of Health, other service providers, and during USAID-ACCESO. Since AIN-C is technically designed for children 0-23 months of age, basic recommendations is being provided to mothers during monthly group meetings to ensure that children older than two years and less than five years continue to attend group meetings on a quarterly bases for growth monitoring.

While household nutrition activities are typically directed toward women and children, an integrated approach requires training events specifically for men not only to increase awareness of health problems that afflict men but also to reinforce the importance of men in improving the nutrition of the entire household. Where possible given grade schedules, fifth- and sixth-grade students are being invited to participate in trainings held during food preparation demonstrations at Nutritional Training Centers (NTCs) since older siblings frequently care for their younger siblings. The behavioral change work includes improving food preparation practices; introducing locally available ingredients high in micronutrients to supplement the current base of corn and beans and to diversify diets; and increasing awareness of developmental ramifications for underweight children.

Indicator 2.3.1-1. Prevalence of stunted children under 5 years of age

Baseline < 5 years old	28.4% (June 2015)		
Quarter 2016/03	Target: -2.0%	Achieved: 23.0%	Change: -19.1%
Baseline < 2 years old	25.8% (June 2015)		
2016/03	Target: -2.0%	Achieved: 18.8%	

NOTE: The 16% prevalence rate of stunting in children less than 2 years reported in the Annual Report of September 2015 (and repeated in December 2015 Quarterly Report) was collected during AIN-C group meetings, in some cases by community health volunteers and in other cases by project technicians. The 19% prevalence rate reported in this report is data collected exclusively by project technicians. For clarification purposes of data previously reported for this indicator, the original Annual Report included the following paragraph “A total of 4,638 children under 5 years old were surveyed of which 4,553 were measured for stunting with 1,927 falling in the categories of moderate and severe stunting (42.3

percent). A total of 2,203 children under 2 years old were surveyed of which 2137 were measured for stunting with 551 falling in the categories of moderate and severe stunting (25.8 percent)". This paragraph was corrected in a revised Annual Report submitted in November 2015 to read as follows: "A total of 4,638 children under 5 years old were surveyed of which 4,553 were measured for stunting with 1,927 falling in the categories of moderate and severe stunting (28.4 percent). A total of 2203 children under 2 years old were surveyed of which 2,137 were measured for stunting with 551 falling in the categories of moderate and severe stunting (25.8 percent)".

Stunting is a height-for-age measurement that reflects chronic undernutrition. This indicator measures the percent of children 0-59 months who are stunted as defined by a height for age Z score < -2 . Although different levels of severity can be measured, this indicator measures the prevalence of moderate and severe stunting. While stunting is difficult to measure in children 0-6 months and most stunting occurs in the 9-23 month range (1,000 days), this indicator reports on all children under 59 months to capture the impact of interventions over time and to align with DHS data. The numerator for this indicator is the total number of children 0-59 months in the sample with a height for age Z score < -2 . The denominator is the total number of children 0-59 months in the sample with height for age Z score data. This indicator will be measured as per guidance for FTF standard indicator FTF 3.1.9(11), but data will be collected only from ACCESS to Markets population, not for entire ZOI.

This indicator is being collected through direct measurement of children during monitoring sessions by project technicians and from this point on will be reported on in March and September reports. Data collected this reporting period indicates a reduction of the prevalence rates for stunting in both age groups of under 5 years old and under 2 years old from a baseline of 28.4 to 23.0 percent and from 25.8 to 18.8 percent respectively. Note that results for under 5 years old includes all children 0-59 months of age.

Indicator 2.3.1-2. Prevalence of underweight children under 5 years of age (2 DE < 2 Z Score)

Baseline < 5 years old:	9.5% (June 2015)		
Quarter 2016/03	Target: -2.0%	Achieved: 13.1%	Change: +38.1%
Baseline < 2 years old:	9.3% (June 2015)		
Quarter 2016/03	Target: -2.0%	Achieved: 9.4%	Change: +1.1%

Underweight is a weight-for-age measurement. Underweight is a reflection of acute and/or chronic undernutrition. This indicator measures the percent of children 0-59 months who are underweight, as defined by a weight for age Z score < -2 . Although different levels of severity of underweight can be measured, this indicator measures the prevalence of moderate and severe underweight. The numerator for this indicator is the total number of children 0-59 months in the sample with a weight for age Z score < -2 . The denominator is the total number of children 0-59 months in the sample with weight for age Z score data. This indicator will be measured as per guidance for FTF standard indicator FTF 3.1.9(16), but data will be collected in March and September each year using the weight for age Z score < -2 standard and only from the ACCESS to Markets population, not for the entire ZOI. Targets are notional and will be revised as per baseline results.

Data on this indicator included in September 2015 and December 2015 Annual and Quarterly reports were collected by community health volunteers and project technicians and calculated using the 3rd percentile charts on the previous system Child Card. This data is being removed from this report to avoid confusion and from this point on all data reported will be calculated using the weight for age Z score < -2 on the new Child Card. Data reported on in the months of March and September will be collected and calculated by project staff only. Child Cards for all children under two years of age enrolled in project attended AIN-C groups were updated to the new Child Card during this past quarter.

There is a slight change for this indicator from baseline for children under 2 years of age as indicated in the table below. This is assumed to be due to the reduction in mothers' participation in AIN-C and food preparation meetings during the coffee harvest season from October through March. However there is an increase from baseline for children under 5 years of age from 9.5 percent to 13 percent, which is assumed to be primarily due to a significant change in the target population measured which increased from 2,146 for the baseline, to 3,595 for the March 2016 measurements (as with the Stunting indicator, data for Underweight includes children 0-59 months), and the fact that older children usually accompany parents to coffee harvest while children under two are left behind in the care of other family members. Another important finding in the analysis of March results for underweight prevalence is that when disaggregated for the 0-23 and 24-59 months age groups there is a noticeable difference between 9 and 17 percent for 0-23 and 24-59 months respectively. We will continue to monitor the behavior of this indicator during the upcoming periods and if the trend continues further consideration will need to be given to project implementation approach for the under 5 years old age group.

Table 38. Prevalence of Underweight Children Under 2 Years Old (Status: 2016/03)

Quarter	# Children	# Underweight	%	% Change
2 DE <2 Z Score (New System)				
Baseline 2015/06	2,127	199	9.3%	
March 2016	1,903	179	9.4%	+1.1%

The indicators, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN; CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved, PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN** are provided in Table 39.

Table 39. Status March 2016 - Purpose 2. Improved Nutrition Status, Especially for Women and Children for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS Indicator #	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							FY15/16
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN															
CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved															
PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN															
2.3.1-1	Prevalence of stunted children under five years of age	NO	CUSTOM	YES	-38.0				-2%	-2%	-20%	n/a	-19.1%	-19.1%	% reduction from baseline
2.3.1-2	Prevalence of underweight children under five years of age	NO	3.1.9-16	YES	-59.6				-2%	-2%	-20%	n/a	38.1%	38.1%	% reduction from baseline

8.1 OUTPUT 2.1: IMPROVED ACCESS TO DIVERSE AND QUALITY FOOD AND NUTRITION-RELATED BEHAVIORS

CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN

CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved

PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN

Improved access to diverse and quality food and nutrition-related behaviors (Output 2.1)

Indicator 2.3.1-3. Prevalence of exclusive breastfeeding of children under 6 months

Baseline 2015/06:		52%	
Quarter 2015/09	Target: +2%	Achieved: 80.1%	Change: +53.9%
Quarter 2015/12	Target: -	Achieved: 77.2%	Change: +48.4%
Quarter 2016/03	Target: -	Achieved: 75.8%	Change: +45.7%

This indicator measures the percent of children 0-5 months of age who were exclusively breastfed during the day preceding the survey. Exclusive breastfeeding means that the infant received breast milk (including milk expressed or from a wet nurse) and may have received ORS, vitamins, minerals and/or medicines, but did not receive any other food or liquid, including water. This indicator is collected through surveys conducted with a sample of mothers who attended growth monitoring sessions and reported quarterly.

Of the 4,638 children surveyed for the baseline in June 2015, only 475 with data were in the age group of 0 to 5 months of age. The prevalence of exclusive breast feeding was 52.0 percent. It was measured using the standard question developed and tested internationally and nationally with a recall of the day prior to the survey. This result was then verified with the response to the questions for diet diversity.

For continuous monitoring of progress towards the accomplishment of targets for this indicator, community health and nutrition volunteers collect data on exclusive breastfeeding during monthly group meetings through interviews of mothers with children 0-5 months of age. Since December 2015, the results for this indicator have been reflecting significant increase which indicates a need to standardize interview questions. Project staff has been providing hands on training to community health volunteers on how to conduct these interviews among mothers of children less than 6 months of age over the past over the past quarters.

Indicator 2.3.1-4. Prevalence of children 6-23 months receiving a minimum acceptable diet

Baseline 2015/xx06:	13.6%
To be reported in September 2016	

This indicator measures the proportion of children 6-23 months of age who receive a minimum acceptable diet (MAD), apart from breast milk. The MAD indicator measures both the minimum feeding frequency and minimum dietary diversity, as appropriate for various age groups. If a child meets the minimum feeding frequency and minimum dietary diversity for their age group and breastfeeding status, then they are considered to receive a minimum acceptable diet. This indicator is collected through surveys conducted with a sample of mothers who attend growth monitoring sessions and reported in annual in September each year.

Minimum meal frequency for breastfed children is defined as two or more feedings of solid, semi-solid, or soft food for children 6-8 months and three or more feedings of solid, semi-solid or soft food for children 9-23 months. Minimum dietary diversity for breastfed children 6-23 months is defined as four

or more food groups out of seven food groups. Minimum dietary diversity for non-breastfed children is defined as four or more food groups out of six defined food groups.

Tabulation of this indicator requires that data on breastfeeding, dietary diversity, number of semi-solid/solid feeds and number of milk feeds be collected for children 6-23 months the day preceding the survey.

The baseline for prevalence of children 6-23 months of age receiving a Minimum Acceptable Diet in the targeted communities is 13.6 percent. A total of 1,723 children 6-23 months were surveyed of which 1,529 had adequate data; 14.5 percent of the males and 12.7 percent of the female were receiving a minimum acceptable diet.

Due to the effect of seasonal activities on the impact of this indicator, control data for tracking progress on this indicator as well as the indicator of anemia in children 6 to 23 months of age and women's diet diversity, will be collected and reported in September through surveys conducted to a sample of mothers and their children attending growth monitoring meetings. The next data collection for this indicator is scheduled for September 2016.

To increase the prevalence rate of Minimum Acceptable Diet, the project will work closely with the economic development components to ensure that families with children less than 5 years of age are participating from the different activities that will contribute to increase the availability of foods so that their knowledge can actually translate into best practices.

Indicator 2.3.1-5. Percent of children less than 2 years old with two consecutive low monthly measurements

Baseline 2015/09		12.3%	
Quarter 2015/12	Target: -	Achieved: 12.5%	Change: +1.92%
Quarter 2016/03	Target: -	Achieved: 10.6%	Change: -13.2%

This indicator measures the proportion of children 0-23 months of age who register two consecutive low monthly measurements. Data for measuring this indicator is based on children who did not reach the expected weight for age during the last two measurement meetings. Data is collected through direct measurement of children 0-23 months of age at monthly monitoring sessions and is reported quarterly. Data collection for this indicator was initiated in July 2015. Data from September 2015 is used as baseline: 12.3 percent. It must be noted that the importance of this indicator is to allow technicians to program home visits to provide timely technical assistance and training to mothers and caregivers that will allow them to implement proper feeding practices and child care.

Table 40. Percent of Children Under 2 Years Old with Two Consecutive Low Monthly Measurements

Month	# Children	# Children Two Low Measurements	%
Jul-15	2,050	201	9.8%
Aug-15	1,973	213	10.8%
Sep-15	2,078	256	12.3%
Oct-15	1,985	193	9.7%
Nov-15	1,889	241	12.7%
Dec-15	1,530	192	12.5%
Jan-16	1,743	197	11.4%
Feb-16	1,978	214	10.8%
Mar-16	1,903	202	10.6%

Indicator 2.3.1-6. Number of underweight children less than 2 years old

Underweight is a weight-for-age measurement. Underweight is a reflection of acute and/or chronic undernutrition. This indicator measures the number of children 0-23 months who are underweight, as defined by a weight for age Z score < -2. Although different levels of severity of underweight can be measured, this indicator measures the prevalence of moderate and severe underweight. This indicator will be collected through direct measurement of children 0-23 months of age at monthly monitoring sessions. Data is collected by health and nutrition community volunteers and provided monthly to ACCESS to Markets staff for entry into a customized database and is reported in March and September each year.

Fintrac's CIRIS-Health and Nutrition Software package is now fully operational and data entry is ongoing in order to populate the system with data collected at baseline as well as regular monthly data collected through growth monitoring meetings. Data for measuring indicators will be compiled in Excel format for processing in ANTHRO, software developed by World Health Organizations (WHO), for the standardized measurement of the child growth and development progress. Follow-up data collected for this indicator in September 2015 was manually tabulated using the corresponding child cards which can differ significantly from what results from the electronic calculation using ANTHRO. See table below where Baseline data was calculated using ANTHRO and control data three months later indicates a reduction of more than 40 percent according to the Z score method and more than 60 percent in the percentile method.

Data show that there were 330 underweight children (3rd percentile) in September 2015 and 173 in December 2015 (Table 41), with the latter from a lower participating population due to the coffee harvest. No data is available for this quarter as all measurements were made using the Z score.

Table 41. Number of Underweight Children under 2 years old (3rd Percentile - Previous System)

Quarter	Total #	Underweight	%
Jun-15	2,549	586	23.0%
Sep-15	2,078	330	15.9%
Dec-15	1,530	173	11.3%

No data is available for this quarter as all measurements were made using the Z score.

Indicator 2.3.1-7. Women's dietary diversity: mean number of food groups consumed by women of reproductive age

Baseline 2015/06:	4.4
To be reported in September 2016 annual report	

This indicator aims to measure the micronutrient adequacy of the diet and reports the mean number of food groups consumed in the previous day of the survey by women of reproductive age (15-49 years). Nine food groups are used in the calculation. The mean number of food groups consumed by women of reproductive age indicator is tabulated by averaging the number of food groups consumed (out of the nine food groups) across all women of reproductive age in the sample with data on dietary diversity. Data is collected through annual surveys in August and September of each year, beginning in year 2. No target was set for year 1, therefore no result is presented.

In the baseline survey carried out in June 2015, the mean number of food groups consumed by women in reproductive age the day prior to the survey is 4.4 food groups with a minimum of one and a maximum of seven. 36.2 percent of women interviewed indicated having consumed food from four or more food groups. Data will be reported in March and September each year.

Within the activities and tasks under this component, several core cross-cutting strategies being implemented will improve access to diverse and quality food and nutrition-related behaviors among women:

- Training of health volunteers, service providers, and Ministry of Health technicians.
- Direct training of mothers and caregivers in Activity communities.
- Increase the availability of food groups through home production, increased awareness of ingredients, etc.
- Increase the use of recipes for food preparation in the household.

The indicators, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN; CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved, PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN, Output 2.1 Improved access to diverse and quality food and nutrition-related behaviors** are provided in Table 42.

Table 42. Status March 2016 - Output 2.1 Improved access to diverse and quality food and nutrition-related behaviors for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS Indicator #	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							FY15/16
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN															
CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved															
PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN															
Improved Access to Diverse & Quality Food & Nutrition-Related Behaviors (Output 2.1)															
2.3.1-3	Prevalence of exclusive breastfeeding of children under six months of age	YES	FTF 3.1.9.1 (4)	YES	53.9				2%	2%	20%	48.4%	45.7%	45.7%	% increase from baseline
2.3.1-4	Prevalence of children 6-23 months receiving a minimum acceptable diet	YES	FTF 3.1.9.1 (1)	YES	BL 13.6				2%	2%	20%	BL 13.6	n/a	n/a	% increase from baseline
2.3.1-5	Percent of children less than two years old with two consecutive low monthly measurements	NO	CUSTOM	YES	BL 12.1				-4%	-4%	-30%	1.6%	-13.8%	-13.8%	% reduction from baseline
2.3.1-6	Number of underweight children less than two years old	NO	CUSTOM	YES	-121				0	0	-2,000	-121	n/a	n/a	# children < 2 yo
2.3.1-7	Women's Dietary Diversity: Percentage of women of reproductive age consuming >4 food groups	NO	FTF 3.1.9.1 (2)	NO	BL 4.4					TBD	TBD	BL 4.4	n/a	n/a	Food groups

8.2 OUTPUT 2.2: IMPROVED COMMUNITY AND HOUSEHOLD SANITATION AND HYGIENE

CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN

CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved

PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN

Improved community and household sanitation and hygiene (Output 2.2)

As in USAID-ACCESO, ACCESS to Markets is working to address aspects that contribute to child illness using a systematic approach in addition to the counseling for illness management. Some activities being promoted among target population are:

- Expansion of the healthy household program: covering floors and walls to facilitate cleaning; removing dust and dirt; preventing pests; extending water supply from the garden to the kitchen to improve human and food hygiene; increasing use of filters for drinking water; constructing small gates to prevent animal entry into houses; and recommending transparent roof sheeting to allow light inside the house to facilitate cleaning and food preparation. This initiative also encourages increased investments in low-cost *eco-justa* stoves to reduce smoke in the house.
- Expansion of private sector alliances to companies producing and distributing hygiene products so their sales teams can make available and promote low-cost options in rural communities. A pilot activity carried out under USAID-ACCESO with Unilever is being analyzed for replication through other socially responsible companies.
- USAID-ACCESO worked on the installation, repair, or improvement of potable water systems throughout the ZOI. This outreach will be expanded under ACCESS to Markets to improve and increase the coverage of households with potable water. It will also involve basic improvements such as re-establishing chlorination systems, developing systems that enable small charges to cover operational and maintenance costs, repairing water lines, and where appropriate installing ram hydraulic pumps to replace old diesel pumps. ACCESS to Markets will provide technical assistance, including design and budgeting, while target municipalities and individual communities will cover the costs, though potentially supplemented by the INVEST-H/ACS water component and NGO funds, and with limited ACCESS to Markets cost-share. The NRM specialist has worked with the Health and Nutrition team to assess the needs in the 123 communities of which 44 have been identified for feasibility studies for potable water projects under this potential funding.
- ACCESS to Markets will continue to work with municipalities and communities on local NRM policy implementation and enforcement, protection of water sources, effluent water treatment, recycling, and reforestation. Water boards will be strengthened to assume a greater role in the management of community water resources.

Indicator 2.3.1-8. Percent of children under 5 with diarrhea in prior two weeks

Baseline (2015/06)		12.1%	
Quarter 2015/09	Target: -3.0%	Achieved: 5.9%	Change: -51.3%
Quarter 2015/12		Achieved: 9.9%	Change: -17.6%
Quarter 2016/03		Achieved: 6.9%	Change: -42.4%

This indicator is the period prevalence of diarrhea based on the two-week recall of the child's primary caretaker (usually the mother). It is defined as the proportion of children in a given sample who have diarrhea at the time the information is collected or who have had it anytime in the two preceding weeks. Diarrhea is defined as more than three loose stools passed in a twenty-four hour period. Data is

collected during monthly monitoring sessions through direct questioning of mothers present and is reported quarterly.

Of the 4,638 children less than 5 years of age participating in the baseline survey in June 2015, 12.1 percent experienced episodes of diarrhea in the two weeks prior to the survey

When analyzing data on prevalence of diarrhea disease it is important to keep in mind that it is directly impacted by seasonal conditions. Of the 132 children 0-23 months who experienced diarrhea in March 2016, 64 percent received appropriate oral rehydration therapy during the episode. (Table 43 below corresponds to children 0 to 59 months for June 2015 baseline data and 0 to 23 months for all other reporting periods).

Table 43. Percent of children under age five years old who had diarrhea in the previous two weeks

Quarter	# Children	# Children Diarrhea	%	% Reduction
Jun-15	4,630	588	12.1%	
Sep-15	2,078	122	5.9%	-51.3%
Dec-15	1,530	152	9.9%	-17.6%
Mar-16	1,903	132	6.9%	-42.4%

Indicator 2.3.1-9. Number of households with improved sanitary conditions

This indicator requires the use of questions that determine first if there is a sanitary facility in the household, and second if that sanitary facility meets the improved sanitation standards defined below. The indicator measures access to an improved sanitary facility and does not measure use of the improved sanitary facility. Access means that the household has a private facility or shares a facility with others in the building or compound.

Improved sanitation is defined as:

- Flush or pour/flush facilities connected to a: piped sewer system; septic system; or pit latrine
- Pit latrines with a slab
- Composting toilets
- Ventilated improved pit latrines

Unimproved sanitation includes:

- Flush or pour/flush toilets without a sewer connection
- Pit latrines without slab/open pit
- Bucket latrines
- Hanging toilets/latrines
- No facilities, open defecation

This indicator will be collected through annual household health surveys in August and September each year starting in year 2. At baseline 90.3 percent of the population surveyed has access to improved sanitation. A target of 1,000 households was set for year 1. ACCESS to Markets does not have the budget to carry out these investments and activities were projected and coordinated with the GOH *Vida Mejor* and FHIS PODER. In addition to client household sanitary improvements completed in previous periods, 97 health and nutrition client households benefitted from home improvements during the quarter with support from Aldea Global (an ACCESS to Markets implementing partner) and *Vida Mejor*. A total of 97 floors were improved, 61 eco-fogones, 9 transparent roof sheets, 10 latrines and 4 water tanks were completed during the period. 33 household plots were developed during the period benefitting equal number of health and nutrition client households.

ACCESS to Markets health and nutrition staff are working with community committees, health centers, municipalities and AIN-C groups to organize and conduct periodic community cleaning campaigns.

During the current quarter a total of 46 were accomplished with high participation and motivation of community members.

Indicator 2.3.1-10. Percent of households using improved drinking water source

This indicator measures the number of households with access to improved drinking water sources and that utilize the improved source for the predominant amount of their drinking water. Access to an improved water source means that the home or compound is connected directly to a piped system or that a public fountain, well, or stand-post is located within a reasonable distance from home (often categorized as within 200 meters – see data limitations below). Using an improved drinking water source means that the improved drinking water source must be the predominant source for the household.

Improved drinking water sources are: *

- Piped water into dwelling, plot, or yard
- Public tap/standpipe
- Tube well/borehole
- Protected dug well
- Protected spring
- Rainwater collection
- Bottled water

Unimproved drinking water sources are: *

- Unprotected dug well
- Unprotected spring
- Cart with small tank/drum
- Tanker truck
- Surface water (river, dam, lake, pond, stream, canal, irrigation channel)

This indicator will be collected through annual household health surveys in August and September each year starting in year 2. No targets were set for year 1 and no data was reported.

Baseline data collected in June 2015 showed 95.8 percent of the individuals surveyed have access to an improved drinking water source. ACCESS to Markets does not have a budget for investments in household improvements and has to work with and rely on other donors or sources. These were originally expected to be *Vida Mejor* (funded by the GoH), the FHIS renewable energy project (funded by USAID), and the INVEST-H “Water Project”. Despite lists of household clients being provided to *Vida Mejor* and FHIS only 16 household improvements were done by *Vida Mejor* during the previous quarter in project targeted communities. During the current quarter 97 client households benefitted from home improvements that impact sanitation.

Project NRM specialist has worked with the Health and Nutrition team to assess the needs in the 123 communities of which 44 has been identified for feasibility studies for potable water projects to be implemented under the INVEST-H Water Project.

The indicators, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN; CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved, PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN, Output 2.2 Improved community and household sanitation and hygiene** are provided in Table 44.

Table 44. Status March 2016 - Output 2.2 Improved community and household sanitation and hygiene for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS Indicator #	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							FY15/16
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN															
CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved															
PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN															
Improved Community & Household Sanitation & Hygiene (Output 2.2)															
2.3.1-8	Percent of children under age 5 who had diarrhea in the prior two weeks	NO	F 3.1.8-33	YES	-51.3%				-3%	-3%	-25%	-17.6%	-42.4%	-42.4%	% reduction from baseline
2.3.1-9	Number of households with improved sanitary conditions	YES	CUSTOM	YES	BL >90%		500	1,000	1,000	10,000	n/a	97	97	# Households (accumulated)	
2.3.1-10	Percent increase above baseline of households using an improved drinking water source	YES	CUSTOM	YES	BL 95.8				TBD	TBD	n/a	n/a	n/a	% of population	

8.3 OUTPUT 2.3: IMPROVE UTILIZATION OF MATERNAL AND CHILD HEALTH AND NUTRITION SERVICES

CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN

CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved

PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN

Improve utilization of maternal and child health and nutrition services (Output 2.3)

To ensure long-term sustainability of community-level nutrition interventions, ACCESS to Markets is working closely with Ministry of Health staff (including decentralized service providers) at the regional and community levels. During the first quarter of implementation, ACCESS to Markets Health and Nutrition staff visited a total of 59 health centers in the ZOI (14 in Ocotepeque, 20 in Copan and 12 in Santa Barbara) to inform health staff of the project and discuss areas of collaboration. During the current quarter the delivery of services to the community has continued to be closely coordinated with health facilities' staff with high participation.

Project staff has progressively been increasing the coordination of field activities with local Ministry of Health and decentralized service providers staff with a very positive response. Health and community promoters from local health facilities are attending group meetings and food preparation demonstrations as well as participating in activities for the improvement of sanitary conditions at the community level. Through these collaborative efforts, these individuals are being trained in project implementation approach. They have been provided project training materials for use with other communities attended by their corresponding health facilities.

Indicator 2.3.1-11. Percent of children under 5 years with diarrhea treated with ORT

Baseline 2015/09	48.4%	
Quarter 2015/12	Achieved: 43.4%	Change: -10.2%
Quarter 2016/03	Achieved: 63.6%	Change: -31.6%

This indicator measures the number of children under five years of age with diarrhea who received oral rehydration therapy (ORT), defined as receiving oral rehydration solution (ORS), recommended home fluids (RHF), or increased fluids. In order to standardize responses with indicator Custom/F 3.1.8-33 *Percent of children under age 5 who had diarrhea in the prior two weeks*, this indicator measures prevalence of children under five years old with diarrhea treated with ORT within the prior two weeks based on the two-week recall of the child's primary caretaker (usually the mother). Diarrhea is defined as more than three loose stools passed in a twenty-four hour period. Age is calculated in completed months at the time the information is collected from the caretaker. Data for this indicator is collected during monthly child monitoring sessions and reported quarterly.

Data for this indicator is related to information given under Indicator 2.3.1-8: Percent of children under 5 with diarrhea in prior two weeks.

Analyzing the results of the baseline survey, responses provided by mothers to the question on ORT clearly indicates that the question was not correctly understood, which explains the significant difference when compared to results obtained in September 2015 through data collected during growth monitoring meetings where community volunteers and technical staff were able to provide clarity to the question asked. Due to this conflicting interpretation of the question on ORT during baseline data collection, the result obtained for September 2015 is used as baseline data for the measurement of progress for this indicator. This quarter the percentage of children 0-23 months of age treated with ORT during the last diarrhea episode was 63.6 percent compared to 43.4 percent in December 2015.

Data in the table below for June 2015 corresponds to children 0-59 months of age and data for all other reporting periods correspond to children 0-23 months.

Table 45. Percent of children under 5 years old with diarrhea treated with Oral Rehydration Therapy (ORT)

Quarter	# children with Diarrhea	# children with ORT	%	% increase
Jun-15	558	5	0.5%	
Sep-15 (used as baseline)	122	59	48.4%	-
Dec-15	152	66	43.4%	-10.2%
Mar-16	132	84	63.6%	+31.6%

Indicator 2.3.1-12. Percent of children with pneumonia taken to appropriate care

Baseline 2015/06		71.5%	
2015/09	Target: 3.0%	Achieved: 93.8%	Change: +31.1%
2015/12		Achieved: 100.0%	Change: +39.9%
2016/03		Achieved: 81.8%	Change: +14.4%

This indicator measures the prevalence of children under five years old with suspected pneumonia who are taken to an appropriate health-care provider in the two weeks prior to the survey. Data is based on the two-week recall of the child's primary caretaker (usually the mother). The indicator measures the behavior change in the child's primary caretaker in regards to access and use of healthcare providers for the treatment of suspected pneumonia. As with data on exclusive breastfeeding and diarrhea, data on appropriately treated children with pneumonia for this reporting period has been collected following a standardized set of questions. 82 percent of suspected pneumonia cases were taken to an appropriate health care provider during this reporting period.

Table 46. Percent of children with pneumonia taken to appropriate care

Quarter	# Children	# Reporting Pneumonia	# Adequate Treatment	%	% Change
Baseline Jun-15	4,630	200	143	71.5%	
Sept-15	2,078	16	15	93.8%	31.1%
Dec-15*	374	1	1	100.0%	39.9%
Mar-16	1,903	11	9	81.8%	14.4%

*Dec-15 data is for Ocotepaque only

Indicator 2.3.1-13. Number of people trained in child health and nutrition through USG-supported programs

Total 2015/12	Target: 450	Achieved: 18,025
Quarter 2016/03	Target: 75	Achieved: 6,268
Total 2016/03	Target:	Achieved: 24,293

This indicator tracks the number of participants (health professionals, primary health care workers, community health workers, volunteers, mothers/caregivers, policy-makers, researchers, and other non-health personnel) in child health care and child nutrition training provided by ACCESS to Markets. For this indicator, the training attendance numbers are counted without distinguishing whether the same person received multiple trainings. Counting individuals multiple times is acceptable for this indicator.

During the first quarter of project implementation, significant amount of time was invested in the identification of communities to transition to ACCESS to Markets, conduction of rapid assessments to identify status of communities and define list of communities for baseline survey and the conduction of the baseline survey. Training activities began in full in the second quarter.

As of December 2015, project staff conducted a total of 915 training events with a total of 18,025 participants. During the current quarter, 382 training events were carried out with 6,268 participants. The accumulated total is 24,293 participants. (Tables 47 and 48). 4.3 percent were men.

Table 47. Training Events and Participants in Nutrition and Health (Status: 2016/03)

Technical Area	Male	Female	Total	# Events
Accumulated Dec-15	506	17,519	18,025	915
Jan-16 to Mar-16	550	5,718	6,268	382
Total	1,056	23,237	24,293	1,297

Table 48. Training Events and Participants in Nutrition and Health by training Area (Status: 2016/03)

Training Area	# Males	# Females	Total	# Events
Basics groups of nutrition and food	3	81	84	7
Campaigns clean-up operations	56	67	123	20
Delivery of basic healthy package	0	8	8	1
Exclusive breastfeeding	8	205	213	11
Family lot management	26	143	169	18
Follow pregnant and / or lactating	3	82	85	7
Follow up healthy housing	24	15	39	3
Food preparation	105	2,229	2,334	140
Food preparation with children	0	13	13	1
Health and nutrition strategy of MERCADO	191	1,858	2,049	94
Healthy spaces and hygiene practices	176	3,204	3,380	199
Monitoring nutritional status	61	4,365	4,426	240
Other	72	0	72	3
Spacing of pregnancies	296	10,896	11,192	544
Strengthening and monitoring health committees	35	71	106	9
Total	1,056	23,237	24,293	1,297

For reference purposes, 4,161 individuals have received training in nutrition and health related topics (Table 49). Modifications are in process for this indicator as the targets (based on the PIRs definition with individuals) are too low.

Table 49. Individuals Trained in Nutrition and Health by Department and Sex (Status: 2016/03)

Department	# Males	# Females	Total
Copán	45	1,351	1,396
Ocatepeque	107	1,644	1,751
Santa Bárbara	53	961	1,014
Total	205	3,956	4,161

Only individuals with National ID numbers are included

Indicator 2.3.1-14. Percent of target population that views gender-based violence as less acceptable after participating in or being exposed to USG programming

Meetings were held during the first quarter to identify possible partners for this activity. The high cost of implementing activities to impact this indicator, in addition to the risk involved for staff, has prevented progress on the implementation of GBV specific activities. Modifications were requested to this indicator and are under review by USAID.

The indicators, the indicator category, high level targets and the current status (where applicable) in the year 2 work plan related to **CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN; CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved, PURPOSE 2: IMPROVED NUTRITION STATUS, ESPECIALLY FOR WOMEN AND CHILDREN, Output 2.3 Improve utilization of maternal and child health and nutrition services** are provided in Table 50.

Table 50. Status March 2016 - Output 2.3 Improve utilization of maternal and child health and nutrition services for ACCESS to Markets Work Plan, Year 2

Indicators/Activities/Tasks	CDCS Indicator #	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							FY15/16
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN															
CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved															
PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN															
Improved Utilization of Maternal & Child Health & Nutrition Services (Output 2.3)															
2.3.1-11	Percent of children under five years old with diarrhea treated with Oral Rehydration Therapy (ORT)	NO	CUSTOM	YES	BL 48.4				3%	3%	25%	-10.2%	31.6%	31.6%	% increase from baseline
2.3.1-12	Percent of children with pneumonia taken to appropriate care	NO	CUSTOM	YES	31.1%				3%	3%	25%	n/a	14.4%	14.4%	% increase from baseline
2.3.1-13	Number of people trained in child health and nutrition through USG-supported programs	NO	FTF 3.1.9 (1)	YES	12,501	100	175	300	350	350	1,000	18,025	6,268	24,293	# trained (accumulated)
2.3.1-14	Percent increase above baseline of target population that views gender-based violence as less acceptable after participating in or being exposed to USG programming	NO	GNDR-7	NO	n/a				5%	5%	20%	n/a	n/a	n/a	Percentage increase above baseline

9. CROSS-CUTTING AREAS

ACCESS to Markets implementation will incorporate the following cross-cutting areas.

9.1 GENDER INTEGRATION

CDCS IR. 2.2. INCOMES INCREASED

CDCS Sub-IR 2.2.1 Agricultural Productivity Improved

High level target - Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income or employment)

Gender is a cross-cutting factor that will be integrated into all ACCESS to Markets interventions. Under Purpose 1, ACCESS to Markets will work with a range of products, both on and off farm, taking into account growth opportunities for all clients. Under Purpose 2, at least 90 percent of the training and technical assistance beneficiaries are expected to be women. As mentioned previously, ACCESS to Markets clients are households rather than the individuals of the household, and as a result, increased incomes and improved nutrition are expected to have wider benefits.

A field-based gender assessment was undertaken using field surveys and focus groups in the target departments to identify gender integration constraints and perceptions of gender-based violence and determine strategies and actions for addressing these issues. The ACCESS to Markets gender strategy details the specific actions that will result in increased inclusion of women in economic growth and family health and nutrition activities. The gender strategy includes heavy targeting of off-farm MSMEs as a high percentage of these enterprises are women-owned. In addition, since men traditionally dominate crop cultivation in Honduras, ACCESS to Markets has selected a number of crops for which female producers are more competitive in their cultivation to provide them with new opportunities. Other enterprise activities with off-farm MSMEs, where owners are predominantly women (about 70 percent), include the production and marketing of baked goods, snacks, beverages, pickled vegetables, crafts, and dairy products among others. These will offer opportunities for households to diversify and supplement household incomes, and place income directly into the hands of the women.

ACCESS to Markets will also promote female involvement in community-led biodiversity conservation and NRM. Previous findings under USAID-ACCESO show that men and women typically share equal roles in community based organizations (CBOs). Women are particularly active, and tend to fill senior positions, in water boards and other CBOs dealing with community NRM and health matters.

Installation of renewable energy technologies and ecojusta stoves is aimed in part at relieving the burden of firewood collection, which usually falls to women. Renewable energy technologies should have significant positive effects on women's time and health, which will relieve strain on a family's income as health costs likely decrease. In particular, ACCESS to Markets' promotion of alternatives to, or reduction of firewood for cooking, will benefit women, men, children, the elderly, and vulnerable populations.

ACCESS to Markets support for quality maternal and child health and family planning services under Purpose 2 will contribute to women taking control of reproduction. As with all interventions, ACCESS to Markets will be mindful of long-established traditions and cultural issues, including the perception of male and female roles. To combat backlash, ACCESS to Markets will also train men to illustrate the benefits of family planning. Since improving the quality of child and maternal health is typically the role of women, ACCESS to Markets will also promote the involvement of men in child care.

ACCESS to Markets' considerations for the gender strategy include men's roles and expectations as well as those of women. To this end, ACCESS to Markets will design technical assistance, training, and other interventions in a manner that does not disrupt tradition, but that supports gradual and smart change.

Addressing masculinity is an important aspect for achieving a just treatment of women among client households and an increase in integration of women in productive activities dominated primarily by men. An expert on this topic was identified and three workshops were held in December 2015 in the department of Copán, and three workshops in each Ocotepeque and Santa Bárbara during the reporting period. Participants in workshops included project staff, client farmers, and fathers of children enrolled in an AIN-C group. The feedback obtained from all three groups in each of the three departments was consistently very positive and encouraging. A follow on strategy to these workshops is under development by the consultant which include the formation of support groups at municipal level and the development of materials (audiovisuals) for use by these support groups among other activities.

Activity management from all three departments participated in a USAID organized workshop on Gender, Poverty and Environment in January which provided basic information on USAID Gender Policy, Terminology and Concepts used in Gender, some reflections on Gender and Poverty and Gender Violence.

Data for selected indicators for women's participation is given in Table 51.

Table 51. Summary: Women's Participation

Indicator/Quarter	2015/12		2016/03		Total	
	Value	% of Total	Value	% of Total	Value	% of Total
Individuals trained as % of total (excluding N&S)	2,459	20.1%	1,749	25.1%	4,208	22.0%
Participants in trainings as % of total (excluding N&S)	12,232	14.4%	4,247	15.4%	18,039	14.5%
Access to finance as % of total loan value	\$102,742	5.3%	\$53,725	4.3%	\$156,467	4.9%
Access to finance as % of total number of loans	96	9.7%	54	9.7%	150	9.7%
Access to finance as % of total individuals with loans	87	10.1%	41	9.4%	128	9.9%
Number of people with a savings account or insurance policy	41	10.5%	40	9.7%	81	10.1%
Area with improved technologies (hectares)	2,664	21.0%	Annual data			
Number of farmers applying improved technologies	2,160	23.6%	Annual data			
Area planted as % of total area	808	7.7%	368	9.0%	1,175	8.0%
Value of investments in fixed assets (\$)	\$153,930	6.5%	\$271,274	9.6%	\$425,204	8.2%
Number of investments in fixed assets	231	11.7%	524	16.9%	755	14.9%

9.2 NATURAL RESOURCE MANAGEMENT

ACCESS to Markets will play a key role in improving NRM in the NZOI. The activity's Environmental Management Plan (EMP) describes in detail ACCESS to Markets' contributions to improved NRM and mitigation measures for potential negative impacts resulting from interventions.

These activities under Purpose 1 are aimed at introducing technologies and practices that promote sustainable agricultural production, including proper land preparation; good agricultural practices such as intercropping, rotation, no/low tillage cultivation, and others; conserving water resources using technologies such as drip irrigation; farm chemicals safety training for all household members; and minimizing dependency on and use of agrochemicals, among others. Several NRM activities relate to improving agricultural productivity:

- Environmental mitigation plans will be developed for irrigation systems, coffee plants, and processing plants.
- Development and implementation of water source protection plans and preparation of compost using coffee pulp waste.
- Working with municipalities where required to ensure approvals, implementation, and sustainability.

Purpose 2 interventions will see support to municipalities and *mancomunidades* for sustainable management of water and forest resources, including development and implementation of re-forestation plans and community-based water management plans; the establishment of protected areas; and the integration of sustainable farming practices and NRM in municipal economic development plans. NRM activities will directly improve community and household sanitation and hygiene, including:

- Evaluation of potable water sources for quality, contamination, volume, and legal status.
- Strengthening of existing and establishing new water boards, including organization (committees), administration (charges), watershed protection, treatment (chlorination), operation and maintenance, and female involvement.
- Household water management.
- Expanding and improving the potable water network systems, including distribution lines, chlorination, distribution network, and water capture and storage.
- Basic sanitation improvements, including diagnostics, preparation of integrated proposals between the community, municipality, and donors for investments in sanitation infrastructure.

In addition, ACCESS to Markets technicians will also utilize the findings and recommendations of the Pesticide Evaluation Report and Safe Use Action Plan (PERSUAP) finalized for the USAID-ACCESO project in October 2013. Examples of specific activities up carried out during the quarter were provided in Section 7.2.8.

9.3 ACTIVITY PROMOTION / FIELD VISITS

ACCESS to Markets is expected to receive regular field visits from USAID and representatives from local and international organizations, including the government of Honduras, World Bank, FAO, WFP, donors, NGOs, etc. These trips normally include observations on implementation methodology; household and farm infrastructural improvements; technology introduction and adoption; and client household interviews and field activities. The integration of the technical components and the integrated solutions is emphasized, as are the changes needed to reduce poverty levels and increase the living standards. These visits are set up and organized based on requests and logistics requirements provided by USAID. Visits during the current quarter include:

Copán and Santa Bárbara, January 2016

- USAID Washington (Assistant Administrator) and USAID Honduras. Visit to Activity clients including a client with coffee, cattle and horticulture, and a rural village bank grower group with plantain, onions and corn production.

Ocotepeque, March 2016

- USAID Honduras. Visit to an irrigation district with vegetable production; participation in meeting with buyer and growers; participation in masculinity workshop.

9.4 COLLABORATION WITH USG-FUNDED ACTIVITIES

Collaboration is expected and is being fomented with other Feed the Future and US government-funded projects and activities at local, regional, and international levels, including ACS-USAID (INVEST-H); PROPARQUE; USAID Innovation labs; USDA; FHIS (USAID/Trilateral); and gender projects

(INGENEAS, Horticulture Innovation Lab - “Women in Agriculture Networks in Honduras” project, Penn State University and Zamorano.

ACS-USAID will work directly with ACCESS to Markets as they are inter-related (in technical assistance and investment in water-related infrastructure). FHIS activities as they relate to USAID and renewable energy are likely to provide direct support in irrigation and other technologies to ACCESS to Markets household clients. If other dry corridor projects are implemented with the government of Honduras or donors, some collaboration is expected. USDA’s regional project worked with USAID-ACCESO providing tailor-made training workshops in productive technologies and specific crops, and this partnership is expected to continue under ACCESS to Markets. Collaborative activities during the quarter included:

- INVEST-H/Water Activity: preparation of a proposal for ACCESO to Water covering both the ACCESS to Markets and ACS-USAID ZOI, including the provision of potential irrigation and potable water sites.
- INVEST-H/Irrigation (Fintrac / Optional Services): initial activities carried out for the installation of equipment for the ACCESS to Markets’ 15 systems covering 149 hectares of irrigation systems and 489 growers. Details are provided below.
- INVEST-H/Increased Resilience and Local Technical Capacity (Fintrac / Optional Services): related to grain pledge systems. Details are provided below.
- INVEST-H: based on request from ACS-USAID potential grower groups without surface water but with potential for rainwater reservoirs were identified and provided.
- INGENEAS: participation in working meeting in La Esperanza, group meeting in Santa Rosa de Copan, and a management meeting in USAID. Information, strategies and data were shared.
- CIAT/EAP: visit to Santa Barbara and Ocotepeque to field test a water source identification tool.
- USAID/PI (DC): Coordination with local representatives to promote CoolBot technologies with local companies (low cost conversion of AC units to cold storage units).
- US Military, Civil Affairs: based on request from USAID for possible collaboration a list of potential infrastructure improvements was provided including health centers, schools, kinder, community potable water, box bridges, community centers, and nutritional training centers. After a meeting to discuss, focus was to be given to the nutritional training center and a field visit was arranged. This was not carried out and no further action was taken.
- Health meeting: ACCESS to Markets participated in a USAID-organized meeting with the Ministry of Health, ULAT and INVEST-H to present projects and discuss collaboration and coordination in the proposed INVEST-H Optional Services for Nutrition and Health.

INVEST-H/Irrigation:

Field activities for the installation of fifteen irrigation districts initiated during the present quarter in the three departments covered by the Project. These fifteen projects will result in the installation of a total of 244 hectares of drip irrigation for over 480 producers. By the end of the present quarter, the activities with a higher completion level were conduction line excavation, with 81 percent completion, the construction of the water source outlets (70 percent completed), and the installation of the conduction lines (66% completed).

The Department of Santa Bárbara is slightly ahead of Copán and Ocotepeque in the installation of its irrigation systems, where the water source outlets, conduction line excavation and conduction pipes activities have been completed in four of their five districts. Second in terms of progress is Copán, where the water source outlets for its four irrigation districts have been completed, and they have completed 75 percent of the conduction line excavation, and installed 54% of the conduction pipes. In Ocotepeque, twenty five percent of the water source outlets have been completed, and line excavation and conduction pipe installations are at 70 percent and 62 percent completion, respectively.

On all three departments, the greatest challenge has been the delivery of the irrigation equipment, which has been given out partially. In all cases, conduction pipes have been delivered adequately, however there have been delays with the delivery of other components / accessories such as valves, connectors, tees, filtering systems, etc. This has delayed the completion of the conduction lines.

A high level of involvement from the beneficiary groups has been observed during the implementation process, where the groups have contributed with labor and local materials to build the water source outlets, de-sanders, pressure breakers, filtering stations, and the excavation of the conduction lines. In Copán, the local authorities at the municipal level have also contributed with cash, materials or equipment.

With excavation of conduction lines and the installation of the conduction pipes almost complete, activities for the upcoming period will focus on the construction of the de-sanders, pressure breakers, and filtering stations, as well as the installation of the in-plot drip irrigation systems. According to projections, 63 percent of the irrigation districts from the optional services activity are expected to be completed by the end of June, and all irrigation districts are expected to be completed by the end of July 2016.

One of the systems in Santa Barbara has been cancelled due to security problems. Alternative producer groups that could benefit from the irrigation equipment are being identified. Once selected, the equipment will be reassigned.

INVEST-H Optional Services: Increased Resilience and Local Technical Capacity:

ACS–USAID activity on the introduction of grain pledge systems carried out in association with ACCESS to Markets. The following activities were carried out during the present quarter.

1. Develop individual business plans for each of the operations, showing the feasibility of the operation.
2. Develop and sign letters of agreement “Convenios” with each of the local partners.
3. Develop and submit for approval the eight partner fund agreements (three for ACCESS to Markets partners) for the approval of the investment funds required for the activity.
4. Conduct training about alternative storage methods using “grain pro” bags.

In total, three grain pledge pilot programs will be conducted under the ACCESS to Markets Activity – two in Santa Bárbara and one in Ocotepeque. The combined storage capacity for these three partners will be 2,132 sacks (quintals) of maize. Business plans have been prepared with each operation to ensure they are self-sustainable economically. Meetings were carried out with the selected partners and business skills specialists, postharvest specialists and production managers from ACCESO a MERCADO to discuss and agree upon the rules, regulations and responsibilities for each party were discussed and agreed upon. Agreements were then signed by the participating partners.

In addition, training on alternative storage methods using hermetic bags were provide to these partners and others by the post-harvest specialists and SEAGRO (the local distributor). All of the partners stored maize during this practical training in order to see the results first hand.

Collaboration with Other Projects:

In addition to these USG-related activities, collaboration was also provided with:

- Climate Change, Agriculture and Food Security (CCAFS)/FAO: USAID-ACCESO information and data provided for a Greenhouse Gas assessment.
- Agua de San Pedro Sula/Municipality of San Pedro Sula: two field visits in Ocotepeque were organized for technicians and producers involved in agricultural production in the Merendon to

observe practices related to horticultural production, soil conservation, plastic tunnel production, and natural resource management.

- **IHCAFE:** meeting at the management level to discuss possible collaboration in field activities related to IHCAFE coffee diversification projects and funding for cocoa production to replace low altitude coffee production. This was followed by a field visit to Santa Barbara to Activity clients and field operations. Given ACCESS to Markets' broad mandate to reduce poverty and IHCAFE's narrow focus with this activity on cacao, only limited field collaboration will be possible.
- **Students:** ACCESS to Markets is providing work experience and the opportunity for degree thesis studies to students from UNA (Olancho), UNAH-CUROC, agricultural and other colleges.

10. SUBAWARDS

Subawards will constitute an important element of both purposes during ACCESS to Markets implementation, and the project will employ the following subaward mechanisms to expand the outreach and impact of services provided:

- **Subcontracts:** cost-reimbursable subcontracts will serve as the primary sub award mechanism for engaging with the organizations named in the ACCESS to Markets proposal as implementation partners.
- **Partner fund awards** (grants under contract): grants with *mancomunidades* and private companies (i.e. input suppliers, commercial buyers, SMEs) will support initiatives contributing to ACCESS to Markets targets and goals. The *mancomunidades* have not passed the initial administrative stages due to the unavailability of unwillingness to cost share. Following guidance from USAID, partner funds directly with municipalities cannot be carried out. Partner funds with 1 private operations and 1 NGO are being finalized. Three others were initiated during the quarter.
- **Loan guarantee fund:** guarantees in the form of small-scale grants, largely with informal financial intermediaries (i.e. *cajas rurales*), input suppliers, and buyers expand micro-loans, credit, and on-lending with activity clients. On hold due to prioritization of activities and funds.
- **Technology fund:** while not a subaward in the traditional sense of a subcontract or grant, technology fund investments will be financed using subaward funds for the purpose of investing in communities. Technology investments using this fund include farm and community irrigation systems, improvements under the healthy household program, building materials for WASH facilities, small-scale clean energy pilots, and other initiatives that support community economic development and NRM plans. Documentation for two technology funds was initiated during the quarter, one for health and nutrition activities and one for agricultural technologies. Both will be completed during the next quarter.

II. PLANNED ACTIVITIES FOR NEXT QUARTER

Project Management

- Agreement with USAID on changes to selected indicators and targets; finalize the Year 2 PMP, work plan, and M&E plan.
- Finalize (Fintrac) contracts with INVEST-H for “water” and additional nutritional activities, both of which directly relate to the ACCESS to Markets ZOI.
- Coordination with INVEST-H activities and existing USAID projects.

Technical Assistance and Training

- Continue intensive technical training of production, health, processing, M&E, and business skills field technicians.
- Develop alliances to expand embedded technical assistance services and joint training activities.
- Continue recruitment of new household clients, buyers, MSMEs, and input suppliers.

Production

- Expand market-driven production programs to meet local and regional demand.
- Maximize production area of current irrigation districts based on water availability.
- Expand training and technical assistance to coffee growers on basic production practices, with emphasis on harvesting, handling, drying and micro-lots for quality coffees.
- Expand all aspects of the cattle production program.
- Provide product options to growers based on water availability.
- Installation of irrigation systems under the INVEST-H Optional Services activity.
- Continue to identify possible water sources and irrigation districts for INVEST-H/water activity.

Market Access

- Identify additional outgrower programs for local buyers, collection centers, exporters, and processors.
- Establish calendarized production programs for local market buyers.
- Promote ACCESS to Markets clients with established non-ZOI exporters and processors for investment and supplier opportunities.

Monitoring & Evaluation

- Prepare inputs for monthly and quarterly reports; provide management reports to zone managers.
- Collect end of harvest forms.
- Develop activity and status reports for subcontractors.
- Update Year 2 M&E plan, assuming contract modification.
- Meet with technical production staff to evaluate performance against results and to prepare strategies for the achievement of project goals.

Rural Financial Services

- Expand training activities to the *cajas rurales* to expand services and increase ACCESS to Markets client savings and loan options.
- Formalize and develop financial products for ACCESS to Markets clients with local buyers, and input and equipment suppliers.

- Determine the feasibility of new or expanded crop insurance programs and mobile money options.
- Develop business plans for selected MSMEs and medium-sized operations working with or alongside ACCESS to Markets clients.

Health and Nutrition

- Direct technical assistance and training to mothers and caregivers in group and household visits.
- Establish coordination mechanisms with Ministry of Health.
- Train government promoters and community health volunteers in basic practices in hygiene, disease identification and prevention, dietary diversification and water quality.
- Training activities to government *Vida Mejor* representatives.
- Continue promoting family planning and quality maternal and child health practices in the basic messages that are conveyed in the training events.
- Provide training in food preparation and diet diversity to ensure nutrient uptake.
- Continue adding activities of the healthy household program to the targeted families, until these have completed the targeted practices.
- Continue with the provision of direct technical assistance through the household visits to those families with children below the third percentile.
- Coordinate field activities with health units to improve access to the family planning methods.
- Expand the installation of family plots for increased food availability.

Natural Resource Management

- Identify additional municipalities to receive Project support with potable water supplies.
- Establish priorities with municipalities, *mancomunidades* and communities.
- Support activity clients in the implementation of micro-watershed protection.
- Expand technical assistance in soil conservation, water resource management, wildlife preservation, pest and disease identification and control, and the safe use of pesticides.
- Environmental assessments of potential irrigation districts and water sources, and technical support to irrigation districts in organization, charges, etc.
- Coordination with ICF and SERNA to establish mechanisms to evaluate and obtain environmental permits.

Gender Mainstreaming

- Assess and promote financial options for women (as both direct clients and household members).
- Promotion of off-farm business options to women (individuals and groups) to increase household incomes.

Small Grants Mechanism

- At least three additional Partner Funds to increase ACCESS to Markets presence with the following partners:
 - CO.HONDUCAFE
 - COCAFAL/ CAPUCAS
 - MUNASBAR

These partnerships will increase six technicians in the field. Four in Production and two in Health and Nutrition.
- One Technology Fund to leverage Health and Nutrition interventions
- One Technology Fund to leverage Production activities
- One Technology Fund to leverage Value Added activities

ANNEX I. PMP (MARCH 2016)

ACCESO to Markets Work Plan, Management Activities, Year 2 (October 2015 to September 2016)

Activities	Achieved Year 1 (2015/09)	Year 2: Output Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Status	Units	
		Q1	Q2	Q3	Q4								
I	Management												
I.1	Start-Up/Transition Activities												
I.1.1	USAID Contract debrief	1						1		1	Completed	Meeting notes	
I.1.2	Key Personnel fielded	3						3		3	Completed	Activity files	
I.1.3	Financial system established	3						3		3	Completed	Activity files	
I.1.4	Main and regional offices established	4						4		4	Completed	Activity files	
I.1.5	Local team transitioned/hired	done						done		done	Completed	Activity files	
I.1.6	Vehicles and equipment transitioned/procured										On-going	Activity files	
I.1.7	Consortium members subcontracted	2						2		2	Completed	Signed subcontracts	
I.1.8	Clients:												
	a. ACCESO clients transitioned	8,286					8,000	8,281	-234	8,052	Completed	Clients	
	b. New clients added	1,528	1,500	3,500	5,000	7,000	7,000	2,984	2,633	4,161	On-going	New Clients	
I.2	Management Reports/Deliverables												
I.2.1	Branding & Marking Plan revised and submitted	done						done		done	Approved	Plan	
I.2.2	EMPR drafted and submitted										Approved	Report	
I.2.3	Annual Work Plan drafted and submitted												
	Year 1 (FY 2014/2015)	done						done		done	Approved	Report	
	Year 2 (FY 2015/2016)										Approved (pending indicator mods)	Report	
I.2.4	Gender Strategy drafted and submitted	done						done		done	Approved	Strategy	
I.2.5	Security Plan drafted and submitted	done						done		done	Approved	Plan	
I.2.6	Subawards manual drafted and submitted	done						done		done	Approved	Manual	
I.2.7	Monthly Bulletins	7	3	3	3	3	12	57	10	3	13	On-going	Bulletins
I.2.8	Quarterly/Annual/Final Progress Reports	2	1	1	1	1	4	23	3	1	4	On-going	Reports

ACCESS to Markets Work Plan, M&E Activities, Year 2 (October 2015 to September 2016)

Activities	Achieved Year 1 (2015/09)	Year 2: Output Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Status	Units
		Q1	Q2	Q3	Q4							
2	Monitoring & Evaluation Activities											
2.1	M&E Plan/PMP developed and submitted	1						1		1	Approved	Plan
2.2	Fintrac M&E System (CIRIS) installed	1						1		1	Completed	System operating
2.3	Staff trained in M&E methodology and CIRIS										Completed	Report
2.4	Baseline Survey Conducted and Submitted	done						done		done	Approved	Survey
2.5	Snapshots Produced and Disseminated	5	3	3	3	3	12	54	6	6	12	Snapshots
2.6	Annual PMP/Performance Indicator Review		1				1	4				Updated PMP
2.7	Annual Household Client Survey											
2.8	Introduction of CIRIS Nutrition											

ACCESS to Markets Work Plan, I.R. 2.1 and 2.2. Year 2 (October 2015 to September 2016)															
Indicators/Activities/Tasks	CDCS Indicator	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total	LOP	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							FY15/16
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.1. RESILIENCE OF LIVELIHOODS INCREASED															
CDCS Sub-IR 2.1.2 Adaptation of poor households to climate risk															
2.1.2-1	Number of people with a savings account or insurance policy as a result of USG assistance	YES	Custom	YES	n/a	50	100	200	300	300	2,500	390	414	804	Beneficiaries (accumulated)
CDCS IR. 2.2. INCOMES INCREASED															
CDCS Sub-IR 2.2.1 Agricultural Productivity Improved															
2.2.1-1	Number of households living in poverty moved above the poverty line	NO	Custom	YES	0	0	0	0	3,500	3,500	15,000	n/a	n/a	n/a	Households
2.2.1-2	Number of households with annual income of at least \$5,000	NO	Custom	YES	0	0	0	0	3,000	3,000	15,000	n/a	n/a	n/a	Households
2.2.1-3	Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income or employment)	NO	GNDR-2	YES	14.0%	10%	10%	15%	20%	20%	25%	14.4%	14.6%	14.5%	% female
PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH															
Improved Agricultural Productivity (Output 1.1)															
2.2.1-4	Gross margin per hectare, animal or cage of selected product	YES	FTF 4.5 (16,17,18)	YES	see breakdown				99%	99%	200%	n/a	n/a	n/a	US\$/Hectare
2.2.1-5	Number of rural households benefiting directly from USG interventions	NO	FTF 4.5.2 (13)	YES	9,814	9,000	10,500	12,000	15,000	15,000	18,000	11,265	948	12,213	Households (accumulated)
2.2.1-6	Number of hectares of land under improved technologies or management practices as a result of USG assistance	NO	FTF 4.5.2 (2)	YES	12,670				7,000	7,000	18,000	12,670	n/a	12,670	Hectares
2.2.1-7	Number of farmers and others who have applied improved technologies or management practices as a result of USG assistance	YES	FTF 4.5.2 (6)	YES	9,166				9,000	9,000	18,000	9,166	n/a	9,166	Farmers
2.2.1-8	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	NO	FTF 4.5.2 (7)	NO	9,817	12,000	15,000	18,000	20,000	20,000	30,600	12,211	6,958	19,169	Individuals (accumulated)
2.2.1-9	TA/extension visits by activity & partner technicians	NO	NO	NO	11,050	30,000	60,000	90,000	112,000	112,000	440,000	15,233	6,691	22,014	On-farm TA visits (accumulated)
2.2.1-10	Technical materials produced or updated	NO	NO	NO	12	5	10	20	32	32	80	15	8	23	# Materials (accumulated)

ACCESS to Markets Work Plan, I.R. 2.1 and 2.2. Year 2 (October 2015 to September 2016)															
Indicators/Activities/Tasks	CDCS Indicator	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
PURPOSE 01: INCREASED INCLUSIVE AGRICULTURAL SECTOR GROWTH															
CDCS Sub-IR 2.2.2 Market Demand and Access Increased															
Improved Access to Markets (Output 1.2)															
2.2.2-1	Value of incremental sales (collected at farm-level) attributed to Feed the Future implementation	YES	FTF 4.5.2 (23)	YES	n/a				\$ 8.00	\$ 8.00	\$ 70.00	n/a	n/a	n/a	US\$ million
2.2.2-2	Number of MSMEs accessing new market opportunities	YES	CUSTOM	YES	537	500	1,000	1,500	2,000	2,000	10,000	1,236	651	1,887	Linkages (accumulated)
2.2.2-3	Number of MSMEs that have been verified to meet market standards for their products	NO	CUSTOM	YES	246	200	400	600	800	800	3,000	772	318	1,090	MSMEs (accumulated)
2.2.2-4	Number of MSMEs that have entered into a contract agreement	YES	CUSTOM	YES	316	200	400	600	800	800	3,000	694	825	1,519	MSMEs (accumulated)
2.2.2-5	Number of MSMEs, including farmers, providing business development services to clients of USG assisted sources	NO	FTF 4.5.2 (37)	YES	58	20	30	45	75	75	200	93	17	110	MSMEs (accumulated)
2.2.2-6	Intermediate brokers incorporated as Activity clients	NO	NO	NO	244	20	30	60	90	90	240	273	49	322	Brokers (accumulated)
2.2.2-7	Mancomunidades, NGOs and private sector companies providing extension services	NO	NO	NO	n/a	5	10	10	10	10	15	0	0	0	Technicians (accumulated)
2.2.2-8	Farm-gate price SMS reporting system	NO	NO	NO	n/a					0	1	0	0	0	System operating
Increased Investment in Agriculture & Employment Opportunities (Output 1.3)															
2.2.2-9	Value of new private and public investment facilitated by FTF assistance	NO	CUSTOM	YES	\$ 1.342	\$0.50	\$0.75	\$1.15	\$1.50	\$1.50	\$30.00	\$2.353	\$2.836	\$5.189	US\$ Million (accumulated)
2.2.2-10	Number of public-private partnerships formed as a result of Feed the Future assistance	YES	FTF 4.5.2 (12)	YES	6	5	7	10	15	15	30	16	11	27	PPPs (accumulated)
2.2.2-11	Number of agricultural and nutritional enabling environment policies completing the following processes/steps of development as a result of USG assistance in each case: 1. Analysis 2. Stakeholder consultation/public debate 3. Drafting or revision 4. Approval (legislative or regulatory) 5. Full and effective implementation	NO	FTF 4.5.1 (24)	YES	4	0	1	2	3	3	10	5	0	5	Policies (accumulated)
2.2.2-12	Number of jobs attributed to FTF implementation	YES	CUSTOM	YES	n/a				1,000	1,000	5,000	n/a	n/a	n/a	FTEs
2.2.2-13	Municipal economic development planning	NO	NO	NO	3		1	1	1	3	10	2	0	2	Plans
Improved Financial Services for the Poor (Output 1.4) (ALL ZOI)															
2.2.2-14	Value of Agricultural and Rural Loans	NO	FTF 4.5.2 (29)	YES	\$ 1.663	\$0.35	\$0.75	\$1.30	\$2.00	\$2.00	\$10.00	\$1.956	\$1.264	\$3.220	\$ millions (accumulated)
2.2.2-15	Number of MSMEs, including farmers, receiving USG assistance to access loans	NO	FTF 4.5.2 (30)	YES	733	200	600	800	1,000	1,000	2,500	860	436	1,296	MSMEs (accumulated)
2.2.2-16	Number of beneficiaries using mobile money services	NO	Custom	YES	n/a	50	150	275	400	400	2,500	0	0	0	Beneficiaries (accumulated)

ACCESO to Markets Work Plan, I.R. 2.3. Year 2 (October 2015 to September 2016)															
Indicators/Activities/Tasks	CDCS Indicator #	FTF Indicator #	Contract	Achieved Year 1 (2015/09)	Year 2: Indicator Targets (Oct. 2015 - Sept. 2016)				Year 2 Total FY15/16	LOP 2019/12	Previous Status (2015/12)	Current Quarter (2016/03)	Status (2016/03)	Units	
					Q1	Q2	Q3	Q4							
DEVELOPMENT OBJECTIVE 2: EXTREME POVERTY SUSTAINABLY REDUCED FOR VULNERABLE POPULATIONS IN WESTERN HONDURAS															
CDCS IR. 2.3. HUMAN CAPITAL IMPROVED, WITH A FOCUS ON CHILDREN															
CDCS Sub-IR 2.3.1 Basic Education and Nutrition Service Delivery Improved															
PURPOSE 2: IMPROVED NUTRITIONAL STATUS, ESPECIALLY FOR WOMEN AND CHILDREN															
2.3.1-1	Prevalence of stunted children under five years of age	NO	CUSTOM	YES	-38.0				-2%	-2%	-20%	n/a	-19.1%	-19.1%	% reduction from baseline
2.3.1-2	Prevalence of underweight children under five years of age	NO	3.1.9-16	YES	-59.6				-2%	-2%	-20%	n/a	38.1%	38.1%	% reduction from baseline
Improved Access to Diverse & Quality Food & Nutrition-Related Behaviors (Output 2.1)															
2.3.1-3	Prevalence of exclusive breastfeeding of children under six months of age	YES	FTF 3.1.9.1 (4)	YES	53.9				2%	2%	20%	48.4%	45.7%	45.7%	% increase from baseline
2.3.1-4	Prevalence of children 6-23 months receiving a minimum acceptable diet	YES	FTF 3.1.9.1 (1)	YES	BL 13.6				2%	2%	20%	BL 13.6	n/a	n/a	% increase from baseline
2.3.1-5	Percent of children less than two years old with two consecutive low monthly measurements	NO	CUSTOM	YES	BL 12.1				-4%	-4%	-30%	1.6%	-13.8%	-13.8%	% reduction from baseline
2.3.1-6	Number of underweight children less than two years old	NO	CUSTOM	YES	-121				0	0	-2,000	-121	n/a	n/a	# children < 2 yo
2.3.1-7	Women's Dietary Diversity: Percentage of women of reproductive age consuming >4 food groups	NO	FTF 3.1.9.1 (2)	NO	BL 4.4				TBD	TBD	BL 4.4	n/a	n/a	n/a	Food groups
Improved Community & Household Sanitation & Hygiene (Output 2.2)															
2.3.1-8	Percent of children under age 5 who had diarrhea in the prior two weeks	NO	F 3.1.8-33	YES	-51.3%				-3%	-3%	-25%	-17.6%	-42.4%	-42.4%	% reduction from baseline
2.3.1-9	Number of households with improved sanitary conditions	YES	CUSTOM	YES	BL >90%		500	1,000	1,000	10,000	n/a	97	97	# Households (accumulated)	
2.3.1-10	Percent increase above baseline of households using an improved drinking water source	YES	CUSTOM	YES	BL 95.8				TBD	TBD	n/a	n/a	n/a	% of population	
Improved Utilization of Maternal & Child Health & Nutrition Services (Output 2.3)															
2.3.1-11	Percent of children under five years old with diarrhea treated with Oral Rehydration Therapy (ORT)	NO	CUSTOM	YES	BL 48.4				3%	3%	25%	-10.2%	31.6%	31.6%	% increase from baseline
2.3.1-12	Percent of children with pneumonia taken to appropriate care	NO	CUSTOM	YES	31.1%				3%	3%	25%	n/a	14.4%	14.4%	% increase from baseline
2.3.1-13	Number of people trained in child health and nutrition through USG-supported programs	NO	FTF 3.1.9 (1)	YES	12,501	100	175	300	350	350	1,000	18,025	6,268	24,293	# trained (accumulated)
2.3.1-14	Percent increase above baseline of target population that views gender-based violence as less acceptable after participating in or being exposed to USG programming	NO	GNDR-7	NO	n/a				5%	5%	20%	n/a	n/a	n/a	Percentage increase above baseline



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