



COMPONENTE AGRICOLA DEL PROYECTO DE APOYO TECNOLOGICO PARA LAS
INDUSTRIAS DE EXPORTACION DE CENTROAMERICA Y PANAMA

**EXPORT CERTIFICATIONS EFFORTS IN
CENTRAL AMERICA
TRIP #1 TO GUATEMALA**

Assignment Number: ST-201

PREPARED BY:

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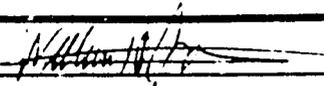
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UNDER THE AUSPICES OF:

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Export Industry Technology Support Project - Proyecto de Apoyo Técnico a las Industrias de Exportación (EXITOS)¹

March 18, 1994

TRIP REPORT

I. Destinations and Dates

Guatemala City, Guatemala - March 14-18, 1994

II. Persons Contacted

Jorge Mario Santos-PIPAA Coordinator
Ricardo Santa Cruz-PIPAA manager
Gordon Tween-APHIS Regional Representative
Eric Hoffmann-APHIS Representative in Costa Rica
Jorge Mario Bucaro-OIRSA Representative in Guatemala

III. Purpose of the Travel

Review status of Guatemalan melon certification program and plan a strategy that will lead to the institutionalization of the program. Review regional certification efforts with Gordon Tween to bring him up to date on programs and set a course of action for the future.

IV. Accomplishments

On Monday morning, March 14, I met with Jorge Mario Santos to review the status of the melon certification program. The inspection at the Zacapa plants is going well. The first harvest finished in late December and the inspection went well. The second harvest started March 8 at three plants, COAGRO, CAPCO and Altobaso. Three more plants will be starting harvest in the next two weeks-Agro Dos Valles, Fruta Norte and Cabañas. The plants have not been screened in yet. The selection of the proper screen material held up the screening of plants. Gordon Tween will help them make the decision. The six plants will be screened in for next season.

The South Coast is more of a problem. Production this year was not good. Exports were about 370,000 boxes instead of the 1.3 million projected. Many of the producers lost money. Ricardo Sieveking got in bed with Jose Bonilla Franco with cantaloupe exports and had serious problems with mold. Sieveking was blaming the problem on low use of chlorine in the wash water. He went to Gordon Tween and Fanny de Estrada at the Gremial and said he was

going to sue them. They told him to go fly a kite that he didn't know what he was talking about. This problem was an additional disuniting factor for the South Coast producers. We will put pressure on the Zacapa producers to help organize the So. Coast ones, otherwise there will be no recognition by APHIS of any program.

Later that afternoon I met with Gordon Tween. He is willing to continue to give his support for these efforts but is concerned about who will carry on the promotional and organizational efforts once I am gone. He is thinking that OIRSA may be able to provide some supervision support to these efforts. For the Costa Rica melon program, he believes that they should request preclearance for next year. The melon industry is prepared to pay for an APHIS official from the U.S. to supervise the program. Gordon reminded me that any preclearance program proposed must be published in the Federal Registry which could take one to two years. He believes they should start the process now. A team should go to Washington in the coming 2-3 months to negotiate with APHIS the approval of a modified melon preclearance program. I will prepare the initial draft of this letter which should be sent by the Minister of Agriculture to Dr. Rominger, the Deputy Director of APHIS.

On Tuesday I met with Jorge Mario Bucaro, the OIRSA Representative in Guatemala to discuss the role of Oirsa in certification processes. They are very interested in getting more involved. They just signed an agreement with MAGA for the establishment and operation of a national animal and plant health program under which specific programs and activities would be established and executed to improve phytosanitary programs and conditions in the country. Included under this is export certification. The Minister of Agriculture also signed an agreement to permit Sanidad Vegetal to charge for its services and includes a table of charges. This agreement follows the Costa Rican model. The funds would be managed by OIRSA not the GOG. Another agreement was signed between MAGA, Oirsa and the Gremial establishing the roles of each in the creation of export certification programs and efforts. Under this agreement the Gremial is responsible for maintaining the relationships with the productive and exporting sectors. The Gremial will take the lead in promoting programs and assuring that producers/exporters are willing to pay for the services. Oirsa seems to accept that the Gremial must perform this role if programs are to get established. The big remaining problem is setting strategies for the export certification programs which are timely and address the issue of where the program is going-ie, a modified preclearance program.

On Wednesday I met with Gordon Tween and Eric Hoffmann to develop a consensus on where Costa Rica should be going on melon certification. In conversations with Eric the day before I saw that we were not necessarily thinking the same thing. Given that the melon industry is prepared to pay the cost of an APHIS inspector and the long time needed to publish anything in the Federal Registry, we agreed that the MAG should formally request a melon preclearance program. The letter should emphasize where the Ministry wants to go with the program, ie a modified preclearance program, indicate how it would work with the use of national inspectors, and demonstrate the benefits to both the U.S. and Costa Rica. I will carry this message back to Costa Rica and see if I can get something moving.

Later I talked with Ricardo Santa Cruz. He is up to speed on what is going on with the melon certification program. He is going to try to enlist the assistance of Stephen Stahl to try

to pull the South Coast producers together. If they don't get organized it will be difficult to organize a program that APHIS would accept. He will be working on getting a decision about which screen to use to enclose the packing plants so that this can be done before next season. He also is interested in the concept of using national inspectors instead of APHIS personnel. The PIPAA/Gremial/OIRSA relation is strengthening. OIRSA should be a help to keep the certification program moving forward. The only problem I see is that Jorge Mario Santos keeps being pulled off of the melon program to do other things at the Gremial. This could hurt certification.

On Thursday I travelled to Zacapa with Jorge Mario Santos to meet with Stephen Stahl to discuss the certification program. On the way I accompanied Jorge Mario to a meeting at the MAGA with a working group which is preparing a proposal at the request of the Zacapa melon industry, to force all producers of melon, tobacco, tomato, chile and okra in the Zacapa region to incorporate their crop stubble back into the soil at the end of the season. The purpose is to reduce the problems with white fly. The Minister will travel to Zacapa next Thursday to meet with the melon producers about this.

We met with Stephen at the COAGRO plant and discussed future direction of the program. I stressed the need to get all of the industry including the South Coast producers into the program. I told Stephen that he, as the leader of the industry, is going to have to assist PIPAA to get the South Coast producers to understand the importance of the program and help them to get organized. Gordon Tween has told the industry that unless everyone is in that APHIS won't work with them on a preclearance program. The Zacapa producers have still not decided on which screen to use to enclose their plants. Gordon Tween is going to the meeting next Thursday with the melon producers and hopefully will resolve this once and for all. It will now be up to Jorge Mario Santos and Ricardo Santa Cruz to get the industry together. I am concerned that both Ricardo and Jorge Mario are being sucked into too many other Gremial programs and problems and are not devoting the time necessary to the PIPAA melon certification program. We also visited the Altobaso melon packing plant. They are packing about 1,000 boxes per day and will reach 5-6,000 per day within a week. Production is going well.

V. Recommendations