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**PROEXAG
NON-TRADITIONAL AGRICULTURAL EXPORT SUPPORT PROJECT**

**ASSESSMENT OF THE POTENTIAL FOR
ORNAMENTALS IN EL SALVADOR**

Assignment Number: ST/87-49

Contract Number: 596-0108-C-00-6060-00

SUBMITTED TO:

**Regional Office for Central America and Panama (ROCAP)
U.S. Agency for International Development
Guatemala City, Guatemala**

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August 10-16, 1987

August 10, 1987

Details of this visit were arranged by Sr. Pedro A. Urquilla Schonenberg of ASPENT, who also developed a corresponding work plan.

Monday, August 10, 1987

I was picked up at 7:30 a.m. by Sr. Roberto Arbizumata and proceeded to the rose farm of Sr. Carlos Palacios. I have visited and described this local production unit in a previous report. I found no indication that any interest in exporting had developed since the last visit. The only technical assistance I could offer was a review of the technical practices used in the rose industry to bud one's own rose plants to economize on original plant cost. The practice is considered economically sound in the larger commercial exporting companies. Apparently the potential rose producers in El Salvador believe the potential savings in original plant cost are large enough to warrant taking the risk inherent in this practice. It should be noted that at this point in the development of the ornamental industry, El Salvador is not an export producer, so it may be premature to discuss the subject in greater detail.

The afternoon was spent organizing the remainder of the week's work. Among other activities, I visited the FUSADES office to loan them the technical information I had with me to photocopy and distribute among interested persons and also to enhance the FUSADES library.

August 11, 1987

The morning was spent in lectures. The subject matter had been suggested by Sr. Urquilla based on discussions with interested persons. Additional discussions on the same subjects were held in the afternoon in the FUSADES office. I also had the opportunity to speak with Ing. Miguel Galdamez, an irrigation specialist, along with Sr. Ricardo Espita and Sr. Agustin Martinez Morales. These gentlemen are responsible for the formation and organization of the technical library. All were interested in what expertise we could supply and especially in experiences we could tell them about in terms of ornamental industry needs and practices. The session involved a discussion of equipment in operation in other areas of Latin America.

August 12, 1987

We began the day with a visit to the farm of Sr. Jose Octavio Duarte who had previously expressed an interest in the ornamental industry and the advice we could give him as to which ornamental export crops had potential based on climate and facilities in the area. The farm lies in an area of lower altitude and is therefore tropical in climate. It does have some distinct advantages: abundant water, level land, and fertile soil. Sr. Duarte expressed an interest in anthurium and bird of paradise as potential production crops. I discussed the management and marketing of both crops but suggested several other alternatives, including caladium bulbs, for his particular farm. I also loaned Sr. Duarte some technical papers on the production of both anthurium and bird of paradise. As I left, I promised to forward additional information about the production and marketing of these and other crops, such as caladium bulbs, something I have since done.

August 13, 1987

The day began at 7:30 a.m. with a meeting with Mr. Raul Cornejo who had contacted Sr. Urquilla after his visit to the PROEXAG office in Guatemala. I had met Sr. Cornejo on his visit to Guatemala and discussed his general interests at that time.

Sr. Cornejo has a land site within the limits of the city of San Salvador. His principal interest is in the production of gypsophila for export. Unfortunately Sr. Cornejo has not had enough opportunity in my opinion to study the crop requirements in terms of climate and economies of scale. The land site itself is not appropriate for gypsophila production. Likewise the climate, in my opinion, would be marginal for the production of gypsophila of competitive quality in the international market. Another misconception on the part of Sr. Cornejo is that he believes he could produce a year-round crop and has based his economic study on this assumption. I found it necessary to review the complete study and took on the task of evaluating which crops would be most desirable given the land site and climate. This discussion was also attended by Sr. Cornejo's mother, who expressed the desire to participate in management of the available land. Actually, the site would require extensive terracing and land movement to make it satisfactory for horticultural crops.

No final conclusions were reached, but Sr. Cornejo seemed determined to proceed with the gypsophila project, and so I offered the following: 1) technical information on gypsophila; 2) my views as to which areas at that land site would be horticulturally difficult if he wanted to be competitive in an

export market; and 3) other crops I thought would be more appropriate for his land site.

August 14, 1987

At 7:30 Dr. Antonio Giamattei picked me up at the hotel and we proceeded to his farm in the area of Monte Cristo, approximately three and one-half hours into the mountains. The farm lies between the border of El Salvador and Guatemala at an altitude of 5000 feet. The roads leading to the farm are rough and difficult and may cause a transportation problem in the rainy season. The land site does show some promise. Dr. Giamattei has some trial ornamental crops as well as other horticultural crops for domestic sale. He is in the process of repatriating the land after a previous attempt at governmental land reform.

The purpose of the visit was to evaluate the potential of the farm for ornamentals for export. The small production that now exists is a sample of what he is growing at another location at a lower altitude near San Salvador. The main problem at the site is the availability of usable level land. Some 10-12 hectares are indeed usable if he were to invest in some land movement. The duplicate crops I viewed were satisfactory judging from the general appearance of the trials. Much of the time was spent discussing additional crops that could be grown at that location, and some cultural information on each one. At the conclusion of the meeting, I promised to follow up with some photocopied information on some of the topics discussed that day, something I have since done.

August 15, 1987

I was picked up in the morning by Sr. Vincente Merjiua of Viveros Flores Xochicali of San Salvador. Sr. Merjiua has been working on a potential foliage plant export project for at least two years. I have been in contact with him on previous occasions and have watched his progress. His export project is beyond the early planning stage since he has secured a loan from LAAD and is now in the process of securing plant material or "stock" to plant up the already constructed growing structures.

The discussions centered around the proposed infrastructure of the physical plant, with respect to efficiency and long-term planning. We also discussed market trends in the foliage industry and which crops I believe would be most satisfactory. I made a critical review of the structures he had built and how to improve or modify them for economy and long-range utility. I also held discussions on this subject with the field managers he has employed who have no knowledge of the industry. Sr. Merjiua and his staff seemed appreciative. I promised to send them

additional information on the cultivation and marketing of some of the crops that have potential in the United States market.

The afternoon was spent visiting an area belonging to Lic. Rodrigo Quinonez and dedicated to a potential export planting of statice and gypsophila. We also attended a discussion by agronomists Juan Carlos Chouso and Marco Alfredo Lima, both of whom apparently assist Sr. Quinonez in the project. It was evident that the group had not had the opportunity to study the management of these field crops in detail. I found it necessary to review the horticultural techniques required for both crops in detail and to point out the limitations in basic knowledge and infrastructure I observed. The discussion required considerable attention to basic horticulture--including insect and disease control, fertility, and postharvest techniques.

Sr. Juan Carlos Chouso expressed interest in anthurium culture. I took the opportunity to discuss the subject and to loan him the technical bulletins I had to be photocopied. I promised to mail additional cultural information on several subjects we discussed.

The amount of the crop they will be exporting will undoubtedly be much below expectations, as a result of losses they have incurred, which in turn were caused by some 15 different horticultural mistakes, particularly the planting of vegetative material that had not been conditioned to withstand the rigors of the open field. The latter is a subject that was reviewed in detail in the discussions, and I have since mailed cultural information about it.

August 16, 1987

I took advantage of a cancelled departure flight to arrange a meeting with Sr. Roberto Molina of FUSADES, who is involved in a potential foliage plant export project. We discussed various aspects of the project, picking up where we left off on the last trip. The discussion lasted approximately two and one-half hours. I agreed to send additional technical information on certain crops, which I have done.