



USAID
FROM THE AMERICAN PEOPLE

**ANNUAL REPORT #04
(OCTOBER 2013 – SEPTEMBER 2014)
USAID-ACCESO**



September 2014

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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I. EXECUTIVE SUMMARY

USAID-ACCESO is a 46-month project, funded by the United States Agency for International Development (USAID) Office of Economic Growth in Honduras, to move rural Honduran households out of extreme poverty and under-nutrition by improving their incomes. USAID-ACCESO represents the core investment by USAID/Honduras in the US government's global hunger and food security initiative known as Feed the Future. The project is working through six key components to enable economic development at the household level:

1. Technical assistance and training to enhance the capacity of Honduras' poorest households in production, management, and marketing skills.
2. Market access focused on linking farmers to market opportunities.
3. Rural financial services through existing rural financial intermediaries, village banks, commercial banks, and other service and input providers.
4. Assistance in eliminating policy barriers that impede rural household access to market opportunities.
5. Malnutrition prevention activities to enhance the capacity of rural households to improve utilization and consumption of healthy food.
6. Sound environmental and natural resource management.

USAID-ACCESO is implemented by the US agribusiness firm Fintrac Inc., in association with Fundación Hondureña de Investigación Agrícola (FHIA), Escuela Agrícola Panamericana (EAP-ZAMORANO), Fundación para el Desarrollo Empresarial Rural (FUNDER), CARE International, and the Global Village Project. Seven additional local organizations are also under sub-contracts; these are Hermandad de Honduras, Save the Children, Cooperativa Regional Agroforestal Erandique Limitada (COPRAFEL), Organismo Cristiano de Desarrollo Integral de Honduras (OCDIH), Proyectos e Iniciativas Locales para el Autodesarrollo Regional de Honduras (PILARH), Comisión Acción Social Menonita (CASM), and Instituto Hondureño del Café (IHCAFE).

The project began start-up activities in April 2011, fielded senior technical staff in May 2011 and the majority of the field team by the end of 2011. This is the fourth annual report for USAID-ACCESO, summarizing the principal activities carried out from October 2013 to September 2014; selected information is also included for the quarter from July to September 2014 and from project start-up to date. The report provides results for high level targets, indicators and details of selected activities.

Significant progress has been made with almost 2,000 families showing almost 500 percent increases, from less than \$1.25 to more than \$2.42/person/day. There are **22,787 households with baseline incomes less than \$1.25, which have increased from \$0.62 to \$1.21/person/day**. This 95 percent increase in income is not a small change to the livelihoods of these families. Overall to date, **USAID-ACCESO has taken the average income from \$0.89 to \$1.38/person/day (55 percent increase)**. In total, **9,059 households have been moved up the income categories**. These results clearly show that the project is having a positive impact on increasing the incomes and that families are out of poverty, but not yet to the point where the majority are above the poverty line.

A total of 3,783 household living in poverty were moved above the poverty line, of which 2,975 came from extreme poverty. When the standard FTF indicator is used, a total of **6,626 households starting with less than \$1.25/day/person were moved above this income level**.

The global high level targets for September 2014 and the results achieved are as follows:

	Achieved	Target	Percent of Target
PIRS# 1: Number of households living in poverty moved above the poverty line			
	3,783	27,500	13.8%
PIRS# 2: Number of rural households living in extreme poverty moved above the poverty line			
	2,975	17,550	17.0%
PIRS# 3: Value of new net income of participant rural farmers and MSMEs			
FY 2014	-\$6.275 million	\$41.50 million	-
FY 2014, excluding coffee	\$11.804 million		28.4%
Accumulated to date	-\$6.557 million	\$66.55 million	-
Accumulated to date, excluding coffee	\$19.659 million		29.5%
PIRS# 4: Number of jobs attributed to FTF implementation			
FY 2014	354	4,183	8.5%
Accumulated to date	2,928	9,383	31.2%
PIRS# 5: Value of incremental sales (collected at farm/firm level) attributed to FTF implementation			
FY 2014	\$0.773 million	\$64.28 million	1.2%
FY 2014, excluding coffee	\$24.820 million		38.6%
Accumulated to date	\$8.791 million	\$120.28 million	7.3%
Accumulated to date, excluding coffee	\$37.840 million		31.5%

The **value of total FY 2014 incremental sales increased by \$772,615 over baseline**. The extreme poverty group increased their total sales by \$6.613 million and the MSMEs by \$8.272 million. These increases however, were off-set by a reduction in the total sales of the non-poor by \$11.881 million and the poor by \$2.231 million. Overall, **households below the poverty line (poor and extreme poor) increased their total sales by \$4.381 million**. In terms of value chains, the incremental **sales in horticulture, processing and animal production, increased by \$9.530 million, \$8.272 million and \$6.180 million, respectively**. Coffee, however, gave negative \$24.047 million in incremental sales. This was the only negative category, but almost cancelled out the \$24.820 million in increased sales achieved in all the other categories. When the coffee data is isolated from the analysis the FY 2014 incremental sales total \$24.820 million. The accumulated value of incremental sales to date is \$8.791 million when coffee is included and \$37.840 million when coffee is excluded.

The **value of new net income decreased in FY 2014 by \$6,725,372 over baseline**. As with the total sales results, the extreme poor and MSME categories were both positive, showing increases of \$4.000 million and \$368,007, respectively. These increases were offset by decreases in the poor and non-poor categories of \$1.760 million and \$9.333 million. Overall, **households below the poverty line (poor and extreme poor) increased their net income by \$2.240 million**. The net income from the **horticulture and animal production categories increased by \$6.359 million and \$4.382 million, respectively**. Coffee gave negative \$18.529 million in incremental sales. This was the only negative category, but cancelled out the \$11.804 million in increased sales achieved in all the other categories. When the coffee data is isolated from the analysis the FY 2014 new net income total \$11.804 million. Accumulated new net income to date is -\$6.557 million when coffee is included and \$19.659 million when coffee is excluded.

Profit margins on horticulture overall were 42 percent, 42 percent for coffee, 36 percent for animal production, 40 percent on basic grains, 43 percent for processing and 73 percent for SMMEs. Tree fruit margins were 14 percent, but these are in their first production stage and significant increases in sales are expected in subsequent years. As can be seen, all products categories are profitable operations.

Overall, **actual sales between 2013 and 2014 increased by \$24.778 million**, with the majority from animal production (\$10.199 million), SMMEs (\$8.671 million), basic grains (\$4.985 million) and horticulture (\$4.823 million). Project emphasis in the current year in improving animal production systems (mainly dairy), working with profitable MSME operations, improving corn yields and introducing horticultural products is moving the project and the households in the correct direction. Sales of coffee, on the other hand, decreased by \$3.361 million between 2013 and 2014. This demonstrates the effects the problems with the coffee sector (low prices and rust) disease and the high baseline coffee incomes where coffee performance was high (good prices and average yields) has had on the overall results. As indicated previously, this does not mean that coffee was not a profitable crop, but that the sales and income were less than baseline sales.

29.5 percent of the households moving out of poverty had multiple income sources from “coffee, basic grains and others” (others including animal production, small businesses, labor earnings, and remittances), and 19.1 percent had income sources from “basic grains, horticulture and others”. While the distribution of the income source category contribution was similar to 2013, increases of 9.1 percent and 8.4 percent were obtained with “coffee, basic grains, horticulture & others” and “basic grains, horticulture & others” respectively, indicating how significant the contribution of the animal production and horticultural components has been to this increase. Only 0.5 percent moved above the poverty line with “coffee only” and 0.3 percent with “horticulture only”. There were none with only “basic grains.” Trends also show that the increases were among those with three or more sources, again, part of the reason for the strategy to diversify income sources and reduce risks to the households.

The implementation strategy takes into account that with the USAID-ACCESO type grower, neither coffee nor basic grains on their own will achieve the incomes. Vegetables alone will achieve the income, but the majority of project growers have very small production areas, and have not reached the commercial production area necessary to generate the required income.

354 jobs were created in FY 2014, of which 306 were from the on-farm production operations, while 47 were from processing and other operations. Poor and extremely poor farmers, including those moved above the poverty line, have very small operations, minimize costs, and rarely hire. They hire labor for short periods for specific activities, including land preparation, transplanting, and harvesting. The non-poor farmers are not hiring as sales and income has been negative, due to coffee rust and market. Coffee harvesting does provide labor opportunities, but with the rust problem, yields were lower and crops were harvested over shorter periods of time. The accumulated number of jobs created to date is 2,928.

There are several reasons for not reaching the targets on families lifted above the poverty line. Four of the five high level targets are directly linked. Sales need to increase so that net income increases and household generate sufficient income to move above the poverty line. Increased sales in FY 2014 over baseline were \$772,615, while net income increases were negative \$6.725 million.

The main constraints to achieving high level targets have been with the very low baseline income levels (\$0.89/person/day) that requires a 172 percent average increase in income to move above the \$2.42 poverty line; the slow rate of change and uptake of technologies by the households; and the effects of rust disease and low international prices on coffee sales and income. That being said, even under these constraints, **USAID-ACCESO has taken the average income from \$0.89 to \$1.38/person/day (55 percent increase)**, and these families now require an additional 75 percent increase above current levels to reach the \$2.42 target.

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

Women make up 20.5 percent of the project clients (6,990 households) and 35.8 percent of the individuals receiving project agricultural sector productivity or food security training (21,807). Women accounted for 17.0 percent of the individuals receiving loans (1,448); 14 percent of the planted area (9,719 hectares); 21 percent of the individual plantings (7,084); 16 percent of the MSMEs accessing new market opportunities through a broker (1,944); 17 percent of MSMEs that have entered formal preferred supplier or contract agreements with brokers (910); 17 percent of the additional hectares under improved technologies or management practices (3,620 hectares); and, 19 percent of the companies (including farms) that have made conservation-friendly changes in their business practices (1,336).

Overall, 25 of 33 lower level indicators in the PMP have been met or exceeded. Highlights include:

- Increased rural MSMEs access to inputs, practices and technologies to improve market participation: as of September 2014, the project is working with 30,383 poor and extreme poor clients, providing them with technical assistance and training, in 2,734 communities in 130 municipalities in the six departments. 20.5 percent of the project clients are female. To date, **more than 82,620 training events have been carried out, with 60,875 individuals receiving training, including 21,817 women** (36 percent). As of September 2014, project clients have also received a total of 730,241 technical assistance visits from project technicians and specialist.
- Nutrition and health indicators in prioritized communities for nutrition and health services are reflecting very positive results. **The prevalence of underweight children under 2 years old has decreased from baseline by 56.4 percent, the prevalence of breastfeeding has decreased by 11 percent from baseline, and modern contraceptive prevalence rate increased by 150.1 percent.** Anemia in children between 6 and 23 months increased by 29.3 percent over baseline, while anemia in women decreased by 18.1 percent from baseline. Children 6 to 23 months with a minimum acceptable diet decreased by 4.3 percent while mothers diet diversity increased by 20.5 percent from baseline. The promotion of improved feeding practices for children under 2 (diversified food groups, nutrient balance, quality, quantity, food preparation, demonstrations of child feeding practices related to frequency and quantity), improved hygiene practices, and the introduction of the healthy household program, is having a positive effect on transforming mothers practices regarding child feeding and reducing the prevalence of underweight children. However, the change in child feeding practice does not address all determinant factors of anemia, as on its own it is not sufficient to effect a reduction in the prevalence of anemia among children under two years of age.
- **Private sector investment now stands at \$21.095 million**, with 17,909 farmers, small agribusinesses, off-farm MSMEs and others who have applied new technologies or management practices.
- The total area under production receiving project assistance is 71,672 hectares. Overall, coffee accounts for 25,988 hectares, basic grains for 39,542 hectares, fruits and vegetables with 5,306 hectares and tree fruits with 836 hectares.
- 51 public-private sector alliances have been developed to date and, 461 companies/organizations are providing business development and extension services to project clients. 740 producer

organizations, water users associations, trade and business associations, and community-based organizations (CBOs) have received technical assistance and training.

- Through project strategies for increasing market opportunities to rural MSMEs, 11,804 MSMEs now have access to new market opportunities through a broker, 358 brokers are providing market linkages to MSMEs, 5,388 MSMEs have entered formal preferred supplier or contract agreements with brokers, and 10,767 MSMEs have been verified to meet market standards for their products.
- As a result of project activities that eliminate barriers to rural MSME competitiveness and access to financing, 8,518 MSMEs have accessed market-based financing, \$15.886 million in agricultural and rural loans have been made to MSMEs, and 11,511 MSMEs are implementing sound business management practices. 32 value chain/sector constraints have been identified and resolved and 6 policy reforms, regulations, administrative procedures have been passed.
- Implementation strategies and activities in natural resource management resulted in 27,229 hectares under improved technologies or management practices, 6,901 companies (including farms) have now made conservation-friendly changes in their business practices, 36 municipal governments are effectively implementing natural resource management policies, 61 vulnerable communities now have adequate disaster prevention and mitigation capacity, and 3,570 rural renewable energy projects have been established.

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

2. PROJECT BACKGROUND

Honduras' social and economic indicators rank it among the least developed countries in the Western Hemisphere, with 65.5 percent of its population living in poverty, the largest portions of which are found in rural areas.

The agriculture sector in Honduras employs 35 percent of the workforce, accounts for an estimated 75 percent of exports, and remains the most important source of income for the poor and extremely poor. USAID-ACCESO targets six departments that are among the poorest in the country. The majority of farm households cultivate traditional crops on small plots, often on hillsides, for which market access is hindered by poor roads and distance. The use of traditional cultural practices has produced poor yields, depleted soil of nutrients, and led to forest encroachment. Malnutrition is also a major problem, with nearly half of all children in extremely poor households exhibiting stunted growth.

USAID-ACCESO represents an important component of USAID/Honduras's new multi-year strategy for Feed the Future. Objectives of Feed the Future include increasing agricultural productivity, preserving natural resources, improving agricultural marketing, increasing the purchasing power of vulnerable households, and maximizing food security. This strategy is in line with the economic growth (Agriculture/Micro, Small, and Medium Enterprise) and natural resource management related aspects of the "Promoting Economic Growth and Prosperity" goals of the US government's Honduras Country Assistance Strategy covering fiscal years 2009 to 2013.

USAID-ACCESO works in six departments: Intibucá, La Paz, Ocotepeque, Lempira, Copán, and Santa Bárbara, with the following high-level targets:

- Bring 30,000 rural households living below the poverty line above the poverty threshold, of which a minimum of 18,000 will be from households living in extreme poverty; plus, 1,000 commercial scale producers of horticultural crops, and 800 off-farm rural MSMEs.
- Generate \$73.95 million in net profits for client households assisted by the project.
- Create 10,425 permanent jobs in the assisted communities.

The project is increasing sales and incomes by introducing basic production practices and market-driven programs for high-value cash crops, as well as by expanding off-farm microenterprise and employment opportunities. The tailored technical assistance and training provided enables economic development and nutrition improvements at the household level.

The details on implementation methodology, strategies, and activities are provided in other documents prepared for USAID, including those on the work plan, gender, and environment.

This report contains additional technical information and results of the smaller components which are not normally covered in the reporting systems or in field visits with USAID, but which form an integral part of project activities. The main components of production and nutrition have been described in detail in previous reports and are well known to USAID. Additional information and data are provided in the September 2014 PMP Excel file presented in association with this report.

3. PROJECT IMPLEMENTATION

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

3.1. PROJECT CLIENTS

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

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

3.2. TECHNICAL ASSISTANCE DELIVERY

The USAID-ACCESO team is made up of 206 full-time positions (September 2014), which is broken down as follows:

Management:	3	Production:	122
Value added:	10	Marketing:	4
Business Skills & Finance:	10	Nutrition & Health:	22
Disaster mitigation/NRM:	4	M&E:	19
Administration/Accounts/IT:	7	Donations:	3
Renewable energy:	1	Policy:	1

The team is technical based. 147 technicians are directly related to income generating activities. All field activities are coordinated through 30 zone managers (agronomists) and six department managers. To reach the target of 30,000 families, each agronomy position is providing ongoing technical assistance to an average of 300 households. As a result, technical assistance and training activities in production and animal husbandry are given in a group format, where the technician rotates the farm visits between growers in the same group. These are not formal groups but grouping of growers around buyer and market production programs and various crops.

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

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

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

3.3. INCOME GENERATION COMPONENT

The poverty line in Honduras has been established by the government as a minimum of \$2.42/day/person, while families with incomes below \$1.81/person/day are considered to live in extreme poverty. To take individuals above the poverty line requires an annual income of \$883/year – a six-person family requires a minimum of \$5,300/year to move above the poverty line. With basic technologies, maize generates a net income of around \$319 per hectare while beans can generate around \$433 per hectare. While the yields and incomes increase with technology adoption, farmers would still require 5 hectare plots to generate the required income levels (for a six person family). High value horticulture production with the basic production technologies generates around \$4,000 per hectare. Growers would need to have access to at least 0.5 hectares of land, with year round water supply to produce two crops a year and at least \$5,000 of annual working capital to cover production costs. Most client farmers that started with USAID-ACCESO have less than 0.5 hectares of land, grow coffee, corn, and beans with zero technology, and do not have access to water, finance, or markets.

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

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

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

3.4. PRODUCTION ACTIVITIES

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

Corn and beans

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

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

Coffee (existing plantations)

Basic production practices introduced for coffee production include:

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

With the implementation of three or four of these practices, productivity can be doubled on existing plantings, but given that coffee is an annual crop, the increases occur within 1 or 2 seasons. Practices are also being implemented to dry more coffee on farm to increase incomes through increased productivity and increased value. However, it is understood that most project coffee farmers will not generate

sufficient income from coffee alone and in these cases the project is promoting improved corn production systems, crop diversification, and other income sources.

The majority of project households work with corn or coffee. Before the growers can move into higher value products, they need to improve their existing operations (yields) to develop the confidence to introduce new crops or other income generating activities. At this point, crops are selected based on market needs, logistics, cost, and water availability. Normally, the lower cost and less technically challenging crops are selected including carrot, cabbage, plantain, watermelon, and passion fruit. Growers with more experience work with potatoes, broccoli, cauliflower, peppers, tomatoes, strawberries, and others.

3.5. NUTRITION AND HEALTH COMPONENT

An initial selection was made of priority communities for nutrition and health interventions based on the nutrition statistics from the Ministry of Health and the possibility of economic development activities (principally on-farm activities). In the majority of cases, communities with the highest nutrition problems were selected under the basic premise that if these statistics can be improved the overall averages will also improve. This component is actually working in 226 communities, and while most are also involved in economic development activities, it is not the case in all of them. As with the economic development activities, USAID-ACCESO reports results on these communities rather than the ZOI at the department level.

When the project started, the Ministry of Health was implementing the AIN-C program (*Atención Integral a la Niñez en la Comunidad*) either through service providers or directly. Through a system of health volunteers, the AIN-C carried out monthly weighing of children under 2 years old, provided basic advice and messages, and tabulated the statistics for the Ministry of Health. In most cases the detailed data was not being utilized to determine the cause of problems nor was assistance provided at the household to prevent problems. Initial data analysis showed that at least half of the underweight children were due to preventable illnesses, with the remainder being due to lack of balanced diet, calories, nutrients, and vitamins. The AIN-C program ceased to be implemented by the government in January 2012. USAID-ACCESO has since worked with AIN-C volunteers in target communities and is providing additional training to the volunteers, including them in the economic development activities, and expanding the activities to the household level.

USAID-ACCESO quickly identified that solutions to the basic problems could not be achieved with messages and basic training, as changes were needed in culture, diet, and habits. While this could be considered as basic, it was not being carried out by others. The nutrition component implementation systems are similar to those used in economic development. A wide range of training activities are carried out in group format, from the preparation of fortified foods and meals to ensuring balanced diets, basic hygiene practices, and using locally available food items. Training activities are reinforced with household visits to determine problems and implement recommendations and procedures to prevent them. To be successful, repeated training and visits are needed until the improvements form part of day-to-day activities.

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

Activities also include the planting of family plots, with crops that are needed to supplement the nutritional needs. These are crops that do not require the purchase of expensive hybrids seeds or pesticide applications to ensure production and from which planting materials can be taken from the

plants themselves. They include both short and long term crops such as sweet potato, malanga (taro), banana, plantain, passion fruit, avocado, orange, mandarin, and locally available “weeds” high in iron (*amaranthus*, *chipilin*, *juniapa*). These plots range from 100 to 400 square meters and are not commercial plots. They involve land preparation, beds, plantings distances, weeding and several of the basic practices used under commercial production systems, but this is to ensure production volumes, not commercial viability. They are normally managed by the women of the household but, in some cases, men have also become involved. Some of these plots have also been planted in schools and centers where AIN-C meetings are held, for use by the volunteers and mothers and caregivers for the training activities.

During the current year, several additional activities have been carried out, including:

- Since January 2014, coverage of project nutrition and health services was extended to 26 additional communities, adding an additional 500 children under two years old.
- Strengthened collaboration with staff from community health centers served by the Ministry of Health and decentralized service providers to deliver basic service package during group meetings and primary health care services at the household level in selected communities.
- Week long training workshops to 480 health volunteers working with USAID-ACCESO to strengthen their technical knowledge, improve their recording and analytical skills and abilities in weighing, measurement, breast feeding counseling and data collection, etc.

3.6. INTEGRATION OF THE TECHNICAL COMPONENTS

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

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

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

3.7. MONITORING AND EVALUATION

3.7.1. M&E Unit

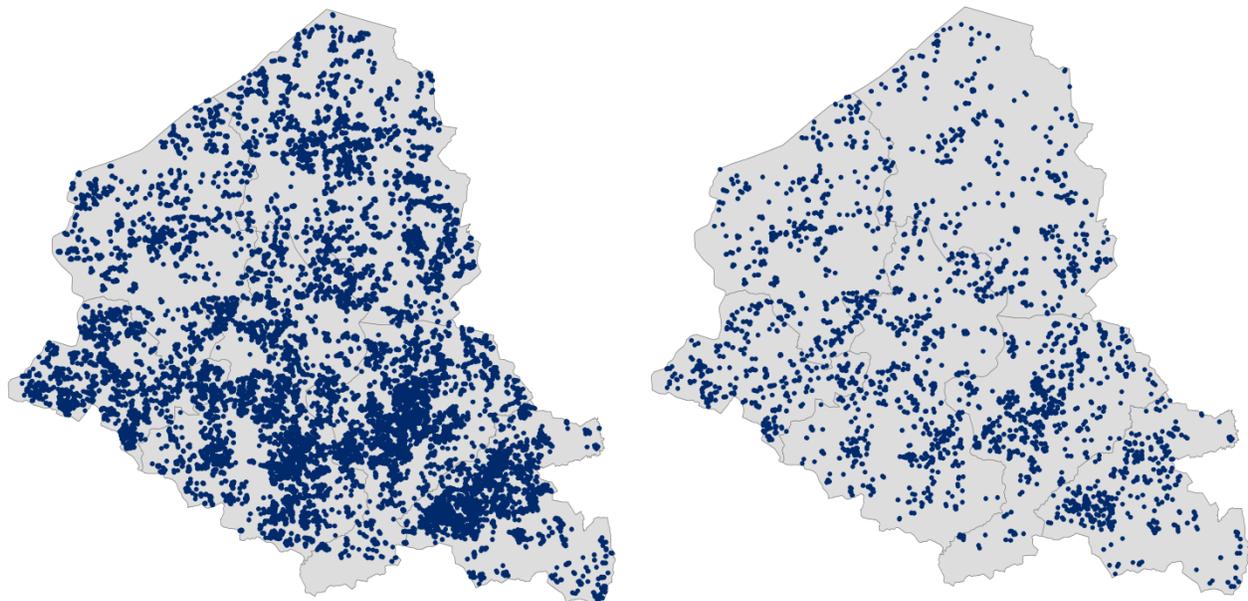
As of September 2014, the USAID-ACCESO M&E team consists of one M&E manager, three regional M&E specialists, 12 field-based M&E technicians, and three full-time data entry persons. Part-time data entry persons are also hired when necessary. In addition to the designated M&E team, each project field technician is required to report on their own activities (and results in certain cases), which accounts for around 5 percent of their time.

3.7.2. CIRIS

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

3.7.3. Sampling

Due to the high number of targeted households, USAID-ACCESO has implemented a system of random sampling to collect baseline and subsequent results information from a representative sample of project-assisted households. As the entire population of targeted households was not known from the outset of the project, USAID-ACCESO designed the sample to grow over time, incorporating new households as they entered the project. The first sample was established in December 2011 for all households entering the project until that time; a second round was established in May 2012. Sampling was conducted as simple random sampling where each household was equally eligible for selection, ensuring a 95 percent confidence level and 5 percent margin of error while also accounting for potential attrition due to a variety of factors. In September 2012, 1,515 households were selected in the sample and in FY 2012/2013, an additional 2,550 households were randomly selected and included for baseline survey. 403 households were removed from the FY 2012/2013 data set and 332 from the FY 2013/2014 (due principally to inactivity, non-participation in the project, or the project pulling out of specific



Total Client Distribution

Sampled Client Distribution

communities as a result of security problems). As of September 2014, the baseline and follow-up survey includes 3,330 households, distributed randomly across all project zones.

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

3.7.4. Data Collection Process

USAID-ACCESO employs a variety of data collection tools (examples attached in Annex III) to report on the required indicators outlined in the PMP. Upon entry into the program, a household profile form was completed to capture basic demographic information (i.e. location, household structure, gendered household type) as well as a survey on income over the year prior to technical assistance. The income survey is used to categorize the household as extreme poor, poor or non-poor. 23,715 profile forms were collected, of which 20,908 are for currently active clients (during the previous year, it was agreed with USAID that a census of all clients was not necessary given the quantity of data already available). Once the profile form has been collected, field technicians (production, postharvest, business skills, value-added, health and nutrition) provided technical assistance and training to the household that is reported directly into CIRIS and/or through training forms.

For households selected for the sample, a baseline form was completed to capture crop-specific information (i.e. area, production, sales, costs, net income), technologies and management practices, maternal and child health and nutrition (dietary diversity), and off-farm income. The data from this baseline form were recorded in CIRIS. Once a household had been selected into the sample, the M&E team began ongoing monitoring of household activities. Training forms are completed and submitted regularly to the central office for entry of trainee names and national identification numbers. Additionally, new planting information for crops is reported directly into CIRIS by field technicians as they occur. Based on estimated harvest dates, the M&E team conduct field visits to complete crop productivity/end-of-harvest forms following the close of each crop cycle. These forms are used to derive crop yields, sales, cost of production, net income, technology adoption, investments in fixed assets, labor and loan details.

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

4. HIGH LEVEL TARGETS

USAID-ACCESO high level targets for FY 2014 were 27,550 families lifted above the poverty line, of which 17,550 were to come from extreme poverty; \$66.55 million in new net income across the project; \$120.28 million of incremental sales; and 9,383 new employment positions generated. Results against these targets are presented in Table 1, together with results and targets for FY 2012 and FY 2013.

Table 1. High Level Targets and Results (September 2012, 2013 and 2014)

	Achieved			Target			Percent of Target		
	09/12	09/13	09/14	09/12	09/13	09/14	09/12	09/13	09/14
PIRS# 1: Number of households living in poverty moved above the poverty line									
	1,183	2,236	3,783	6,000	15,000	27,550	20%	15%	14%
PIRS# 2: Number of rural households living in extreme poverty moved above the poverty line									
	834	1,630	2,975	4,500	9,000	17,550	19%	18%	17%
PIRS# 3: Value of new net income of participant rural farmers and MSMEs (\$ millions)									
	7.106	(\$6.937)	(\$6.725)	14.79	\$25.0	\$66.55	48%	-	-
PIRS# 4: Number of jobs attributed to FTF implementation									
	2,332	243	354	2,085	5,200	9,383	112%	5%	4%
PIRS# 5: Value of incremental sales (collected at farm/firm level) attributed to FTF implementation (\$ millions)									
	12.406	(\$4.388)	\$0.773	26.73	\$56.0	\$120.28	46%	-	1%

4.1. NUMBER OF HOUSEHOLDS MOVED OUT OF POVERTY

This indicator was calculated for households registered as active clients with the project. There are 30,383 households registered with baseline incomes below the poverty line ((27,857 extreme poor, 2,526 poor). Of these, **3,783 have achieved household incomes to move above the poverty line, of which 2,975 moved from extreme poverty.** In September 2013, 2,236 households achieved incomes to move above the poverty line, of which 1,630 moved from extreme poverty. In September 2012, 1,183 households achieved incomes to move above the poverty line, of which 834 moved from extreme poverty

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

Calculations for the number of households moved above the poverty line were made using the USAID-ACCESO PIRS definition, where net incomes have to be above \$2.42/day/person. When the standard FTF indicator is used, a total of **6,626 households starting with less than \$1.25/day/person were moved above this income level** (compared to 4,392 in September 2013).

A more detailed breakdown on the increases in income for households moved above the poverty lines show increases of between 109 and 486 percent (Table 2). Household clients who moved from less than \$1.25/person/day to above that figure, went from an average of \$0.69 to \$2.41/person/day – a 249 percent increase. Those who went from less than \$1.25 to above the poverty line achieved an average increase in income of 486 percent, while those who went from poor to above the poverty line increased

incomes by 109 percent. It should be noted that the average baseline income across all clients is \$0.89/person/day. **In total, 9,059 households have been moved up the income categories.**

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

Baseline Income Group	Target Result	Actual Baseline	Result	Difference	% Increase	# HH
September 2014						
<\$1.25	>\$1.25	\$0.69	\$2.41	\$1.72	249	6,626
<\$1.25	>\$1.81	\$0.69	\$3.24	\$2.55	369	3,476
<\$1.25	>\$2.42	\$0.70	\$4.09	\$3.39	486	1,984
\$1.25-\$1.81	>\$1.81	\$1.48	\$3.25	\$1.78	120	1,615
\$1.25-\$1.81	>\$2.42	\$1.48	\$4.01	\$2.53	171	982
\$1.81-\$2.42	>\$2.42	\$2.10	\$4.39	\$2.29	109	818
September 2013						
<\$1.25	>\$1.25	\$0.71	\$2.39	\$1.68	237	4,392
<\$1.25	>\$1.81	\$0.69	\$3.39	\$2.70	392	1,744
<\$1.25	>\$2.42	\$0.67	\$4.27	\$3.60	534	1,057
\$1.25-\$1.81	>\$1.81	\$1.50	\$2.46	\$0.96	112	987
\$1.25-\$1.81	>\$2.42	\$1.49	\$3.98	\$2.49	168	581
\$1.81-\$2.42	>\$2.42	\$2.14	\$4.77	\$2.63	123	597

Results of average income changes across all clients with baselines below the poverty line show increases of 95, 69 and 55 percent for client households with baseline incomes of \$1.25, \$1.81 and \$2.42, respectively (Table 3).

Table 3. Changes in average daily and annual incomes in clients under the poverty line

Baseline Income Category \$/person/day	Average \$/person/day			Average \$/household/year			% Increase
	Baseline	Result 2014	Difference 2014	Baseline	Result 2014	Difference 2014	
Clients with baseline below \$1.25	0.62	1.21	0.59	1,234	2,408	1,174	95%
Clients with baseline below \$1.81	0.77	1.30	0.53	1,533	2,587	1,055	69%
Clients with baseline below \$2.42	0.89	1.38	0.49	1,771	2,747	975	55%

Average of 5.453 members/family in households with baseline under the poverty line

As given in Table 4, 75 percent of USAID-ACCESO clients have baseline incomes below \$1.25/person/day, requiring increases of 290 percent to meet the \$2.42 threshold. 91 percent are below the \$1.81 extreme poverty level, requiring a 214 percent increase in incomes to meet the \$2.42 threshold. In addition, 44 percent of the client households are made up of six or more members, which have increasingly higher targets.

Table 4. Client breakdown, baseline income level and required increases

Category	% of Actual Clients	Baseline Income	% Increase for \$2.42 Target
Clients with baseline below \$1.25	75%	0.62	290%
Clients with baseline below \$1.81	91%	0.77	214%
Clients with baseline below \$2.42	100%	0.89	172%

The number of families lifted above the poverty line is well below target. A total of 3,783 families have been lifted out of poverty with 2,975 coming from extreme poverty. The poverty targets however are threshold level targets, which in themselves do not show the changes achieved and the progress toward reducing the poverty levels. Progress has been made with many families with almost 2,000 families showing almost 500 percent increases, from less than \$1.25 to more than \$2.42/person/day. Across all clients under the poverty line, incomes have increased from \$0.89 to \$1.38/person/day. There are **22,787 households with baseline incomes less than \$1.25, which have increased from \$0.62 to 1.21/person/day**. This 95 percent increase in income is not a small change to the livelihoods of these families. The data show that the project is having a positive impact on increasing the incomes and that families are moving up, but not yet to the point where they are above the poverty line. Overall to date, **USAID-ACCESO has taken the average income from \$0.89 to \$1.38/person/day (55 percent increase)**, and these families now require an additional 75 percent increase above current levels to reach the \$2.42 target.

The increases in income levels have not been at the rate anticipated and are directly related to the value of sales and net incomes. These are presented below and provide the background and situations behind the lower than expected number of families lifted above the poverty line.

4.2. VALUE OF INCREMENTAL SALES/NEW NET INCOME

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

The **value of incremental sales increased by \$772,615**, against a target of a \$120.28 million. Baseline sales were \$97.111 million, with the 2014 result of \$97.884 million (Table 5). The results showed that the extreme poverty group increased their total sales by \$6.613 million and the MSMEs by \$8.272 million. These increases however, were off-set by a reduction in the total sales of the non-poor by \$11.881 million and the poor by \$2.231 million. Overall, **households below the poverty line (poor and extreme poor) increased their total sales by \$4.381 million**.

Table 5. Value of Incremental Sales by Household Income Category (US\$)

Income Group	Number	Baseline	Results	Increment
September 2014				
Extreme Poverty	25,602	32,275,729	38,888,809	6,613,079
Poverty	2,546	8,886,402	6,654,669	(2,231,733)
Non Poor	4,611	46,662,441	34,781,621	(11,880,820)
MSME	380	9,286,549	17,558,638	8,272,089
Total	33,140	97,111,121	97,883,736	772,615
September 2013				
Extreme Poverty	25,073	31,871,212	31,429,280	(441,932)
Poverty	2,320	7,723,635	6,291,802	(1,431,833)
Non Poor	3,401	32,238,510	26,497,658	(5,740,852)
MSME	465	5,661,048	8,887,517	3,226,469
Total	31,259	77,494,405	73,106,257	(4,388,148)

On further analysis of the incremental sales by product category, **sales in horticulture, processing, and animal production increased by \$9.530 million, \$8.272 million, and \$6.180 million, respectively**. Coffee gave negative \$24.047 million in incremental sales. This was the only negative category, but almost cancelled out the \$24.820 million in increased sales achieved in all the other categories. (Table 6).

Table 6a. Value of Incremental Sales by Product Category (US\$)

Product Category	2013			2014		
	Baseline	Results	Change	Baseline	Results	Change
Tree fruits	965,550	729,209	(236,341)	91,840	121,778	29,938
Coffee	50,674,964	39,684,991	(10,989,973)	60,371,107	36,324,046	(24,047,061)
Basic grains	11,177,926	8,821,152	(2,356,774)	13,587,395	13,805,871	218,476
Horticulture	6,977,109	12,662,904	5,685,796	7,960,547	17,490,746	9,530,199
Animal production	1,764,743	1,667,722	(97,021)	5,687,220	11,867,145	6,179,925
Processing	273,064	652,762	379,697	126,463	715,512	589,049
MSMEs	5,661,048	8,887,517	3,226,469	9,286,549	17,558,638	8,272,089
Total	77,494,405	73,106,257	(4,388,148)	97,111,121	97,883,736	772,615

The results of the incremental sales figures were impacted negatively by coffee sales which reduced by \$24.05 million compared to baseline. This trend has been shown since the first year of implementation as a result of high market prices at baseline, followed by significant reductions in sales income due to lower prices in the 2012/2013 and 2013/2014 seasons, and compounded further by harvest volume reductions as a result of the leaf rust disease. When the coffee data is isolated from the analysis, applying *ceteris paribus* (coffee behavior remains the same or constant) the FY 2014 incremental sales total \$24.82 million. Similar project support activities are provided across the product categories and the negative effect of coffee performance were due to external factors outside of the control or influence of the project. Data for this indicator without coffee baseline and sales is given in Table 6b.

The accumulated value of incremental sales to date is \$8.791 million when coffee is included and \$37.840 million when coffee is excluded (against a target of \$120.28 million).

Table 6b. Value of Incremental Sales by Product Category (US\$)

Product Category	2012			2013			2014		
	Baseline	Results	Change	Baseline	Results	Change	Baseline	Results	Change
Tree fruits			0	965,550	729,209	-236,341	91,840	121,778	29,938
Coffee									
Basic grains	5,270,700	4,416,708	-853,992	11,177,926	8,821,152	-2,356,774	13,587,395	13,805,871	218,476
Horticulture	6,054,182	9,903,241	3,849,059	6,977,109	12,662,904	5,685,796	7,960,547	17,490,746	9,530,199
Animal production			0	1,764,743	1,667,722	-97,021	5,687,220	11,867,145	6,179,925
Processing			0	273,064	652,762	379,697	126,463	715,512	589,049
MSMEs	7,239,098	9,500,839	2,261,741	5,661,048	8,887,517	3,226,469	9,286,549	17,558,638	8,272,089
OTHERS	10,852,461	12,014,342	1,161,881						
Total	29,416,442	35,835,131	6,418,689	26,819,440	33,421,266	6,601,826	36,740,014	61,559,690	24,819,676

The value of new net income decreased by \$6,725,372 against a target increase of \$66.55 million (Table 7). As with the total sales results, the extreme poor and MSME categories were both positive, showing increases of \$4.000 million and \$368,007. These increases were offset by decreases in the poor and non-poor categories of \$1.760 million and \$9.333 million, respectively. Overall, **households below the poverty line (poor and extreme poor) increased their net income by \$2.240 million.**

Table 7. Value of New Net Income by Household Income Category (US\$)

Income Group	Number	Baseline	Results	Increment
September 2014				
Extreme Poverty	25,602	19,748,135	23,747,158	3,999,023
Poverty	2,546	5,705,241	3,945,739	(1,759,502)
Non Poor	4,611	29,301,733	19,968,833	(9,332,900)
MSME	380	4,396,179	4,764,186	368,007
Total	33,140	59,151,289	52,425,917	(6,725,372)
September 2013				
Extreme Poverty	25,073	21,516,820	18,970,537	(2,546,283)
Poverty	2,320	5,010,153	3,795,924	(1,214,229)
Non Poor	3,401	20,237,625	15,906,934	(4,330,691)
MSME	465	1,459,748	2,613,781	1,154,033
Total	31,259	48,224,345	41,287,175	(6,937,170)

On further analysis of the net income by product category, **horticulture and animal production increased by \$6.359 million and \$4.382 million, respectively.** Coffee gave negative \$18.529 million in incremental sales. This was the only negative category, but cancelled out the \$11.804 million in increased sales achieved in all the other categories (Table 8).

Table 8a. Value of New Net Income by Household Income Category (US\$)

Product Category	2013			2014		
	Baseline	Results	Change	Baseline	Results	Change
Tree fruits	739,377	543,706	(195,671)	71,749	105,323	33,574
Coffee	35,428,815	24,744,455	(10,684,360)	39,566,141	21,036,941	(18,529,200)
Basic grains	6,507,826	5,200,875	(1,306,951)	7,989,709	8,318,689	328,980
Horticulture	3,057,879	6,884,264	3,826,385	3,861,341	10,220,668	6,359,327
Animal production	855,565	1,026,392	170,827	3,188,539	7,570,596	4,382,057
Processing	175,135	273,701	98,567	77,630	409,514	331,883
MSMEs	1,459,748	2,613,781	1,154,033	4,396,179	4,764,186	368,007
Total	48,224,346	41,287,175	(6,937,170)	59,151,289	52,425,917	(6,725,372)

As with the incremental sales, the new net income figures were impacted negatively by coffee which reduced by \$18.53 million compared to baseline. This trend has been shown since the first year of implementation as a result of high market prices and incomes at baseline, followed by significant reductions in net incomes due to lower prices in the 2012/2013 and 2013/2014 seasons, and compounded further by harvest volume reductions as a result of the leaf rust disease. When the coffee data is isolated from the analysis, applying *ceteris paribus* (coffee behavior remains the same or constant) the FY 2014 new net income total \$11.80 million. Similar project support activities are provided across the product categories and the negative effect of coffee performance were due to external factors outside of the control or influence of the project. Data for this indicator without coffee baseline and sales is given in Table 8b.

Accumulated new net income to date is -\$6.557 million when coffee is included and \$19.659 million when coffee is excluded.

Table 8b. Value of New Net Income by Household Income Category (US\$)

Product Category	2012			2013			2014		
	Baseline	Results	Change	Baseline	Results	Change	Baseline	Results	Change
Tree fruits				739,377	543,706	-195,671	71,749	105,323	33,574
Coffee									
Basic grains	3,060,993	2,232,825	-828,168	6,507,826	5,200,875	-1,306,951	7,989,709	8,318,689	328,980
Horticulture	3,263,398	5,409,973	2,146,575	3,057,879	6,884,264	3,826,385	3,861,341	10,220,668	6,359,327
Animal production			0	855,565	1,026,392	170,827	3,188,539	7,570,596	4,382,057
Processing			0	175,135	273,701	98,567	77,630	409,514	331,883
MSMEs	1,031,795	2,557,539	1,525,744	1,459,748	2,613,781	1,154,033	4,396,179	4,764,186	368,007
OTHERS	10,539,683	11,803,062	1,263,379						
Total	17,895,869	22,003,399	4,107,530	12,795,530	16,542,719	3,747,190	19,585,147	31,388,976	11,803,828

Profit margins on horticulture overall were 42 percent, 42 percent for coffee, 36 percent for animal production, 40 percent on basic grains, 43 percent for processing, and 73 percent for SMMEs. Tree fruit margins were 14 percent, but these are in their first production stage and significant increases in sales are expected in subsequent years. As can be seen, all products categories are profitable operations.

Overall, **actual sales between 2013 and 2014 increased by \$24.778 million**, with the majority from animal production (\$10.199 million), MSMEs (\$8.671 million), basic grains (\$4.985 million) and horticulture (\$4.823 million). Project emphasis in the current year in improving animal production systems (mainly dairy), working with profitable MSME operations, improving corn yields, and introducing horticultural products is moving the project and the households in the correct direction. Sales of coffee, on the other hand, decreased by \$3.361 million between 2013 and 2014. This again confirms the coffee sector's effect on the overall results and the high baseline coffee sales and net incomes during seasons where coffee performance was high. As indicated previously, this does not mean that coffee was not a profitable crop, but that the sales and income were less than baseline sales.

A further breakdown on the income sources for the households moved out of poverty is provided in Table 9, showing the percentage of clients in each income source category. In 2014, 29.5 percent of the households moving out of poverty had multiple income sources from "coffee, basic grains and others" (others including animal production, small businesses, labor earnings, and remittances), and 19.1 percent had income sources from "basic grains, horticulture and others". While the distribution of the income source category contribution was similar to 2013, increases of 9.1 percent and 8.4 percent were obtained with "coffee, basic grains, horticulture & others" and "basic grains, horticulture & others", indicating how significant the contribution of the animal production and horticultural components has been to this increase. Only 0.5 percent moved above the poverty line with "coffee only" (down from 1.2 percent in 2013) and 0.3 percent with "horticulture only" (down from 3.1 percent in 2013). There were none with only "basic grains." Trends also show that the increases were found among those with three or more sources, again, part of the reason for the strategy to diversify income sources and reduce risks to the households.

The implementation strategy takes into account that with the USAID-ACCESO type grower, neither coffee nor basic grains on their own will allow the grower to achieve the required incomes. Vegetables alone will generate the required income, but the majority of project growers have very small production areas, and have not reached the commercial production area necessary to do so. The importance of coffee and basic grains to the client base is also demonstrated in this analysis as 56 percent of those

meeting targets have coffee in their income source mix, while 79 percent have basic grains. Only 10 percent do not have income sources from coffee or corn.

Table 9. Net Income Source Category Contribution (%)

Income Source	2013 %	2014 %
Coffee only	1.2	0.5
Coffee & basic grains	7.0	0.5
Coffee, basic grains & horticulture	1.6	0.8
Coffee, basic grains & others	23.4	29.5
Coffee, basic grains, horticulture & others	4.7	13.8
Coffee & horticulture	0.8	0.3
Coffee, horticulture & others	2.7	1.6
Coffee & others	12.9	8.6
Basic grains & horticulture	2.3	1.9
Basic grains, horticulture & others	11.3	19.7
Basic grains & others	14.1	12.4
Horticulture only	3.1	0.3
Horticulture & others	6.3	4.9
Others	7.4	4.6
Animal production & Others	0.4	0.3
Processing & others	0.4	0.3
Tree fruits & others	0.4	0.0
Total	100%	100.0%

4.3. NUMBER OF JOBS ATTRIBUTED TO FTF IMPLEMENTATION

Of the 354 jobs created, 306 were from the on-farm production operations, while 47 were from processing and other operations (Table 10). Poor and extremely poor farmers, including those moved above the poverty line, have very small operations, minimize costs, and rarely hire. They hire labor for short periods for specific activities, including land preparation, transplanting, and harvesting. The non-poor farmers are not hiring as sales and income has been negative due to coffee rust and market. Coffee harvesting does provide labor opportunities, but with the rust problem, yields were lower and crops were harvested over shorter periods of time. The number of jobs attributed to FTF implementation is calculated by comparing the number of full-time-equivalent employment positions to a base year.

Table 10. Number of Jobs (FTE)

Category	Baseline	Results	Increment
Households	8,954	9,261	306
MSME	619	666	47
Total	9,573	9,927	354

All registered day jobs divided by 260 to complete a FTE

4.4. FACTORS AFFECTING ACHIEVEMENT OF HIGH-LEVEL RESULTS

Four of the five high level targets are directly linked. Sales need to increase so that net income increases and households generate sufficient income to move above the poverty line. Increased sales over baseline were \$772,615, while net income increases were negative \$6.725 million. Negative coffee numbers negated most or all of the gains obtained from the other product categories.

Coffee: There are 19,171 USAID-ACCESO clients with 20,733 hectares of coffee, 56 percent of the total clientele. These clients' baseline coffee income included sales when prices averaged \$199 for the 2010/2011 season and \$161/46 kg for the 2011/2012 (IHCAFE). Average prices in the 2012/2013 and 2013/2014 season, for which results are being reported under USAID-ACCESO, were \$110 and

\$112/46 kg. When the sales numbers are totaled for project clients, assuming the same productivity, the results would be a 40 to 50 percent reduction in total sales. This is similar to that reported by IHCAFE for the 2012/2013 season which was discussed in the previous FY report. The sector was also affected by rust disease for the 2012/2013 season which reduced harvest volumes at that time by 46 percent. While some recovery was made in the 2013/2014 season, this was not widespread as many farms had to be “stumped” for regeneration or replanted.

In the FY 2014 report, the future outlook was given as follows:

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

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

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

USAID-ACCESO provided several responses at that time which were implemented throughout the year. The project was able to partially ameliorate impact on its clients through crop diversification, on-farm value coffee added (i.e. drying), higher yields for non-diseased coffees (through adoption of GAPs), and through aggressive disease control measures to limit rust spread. Many of these growers are included in those that achieved sales and income levels to move above the poverty line, but most of them did not.

Despite these problems with coffee, the positive side is that many growers have now implemented improved production practices that take one or two years to have a positive effect on productivity. Many of which will come into effect for the 2014/2015 season. This will be compounded by the negative effects of drought in 2014, but should still be positive compared to 2013/2014, especially as the prices for this upcoming season are expected to be around the \$170 to \$180/46 kg, given the drought problems in Brazil.

Speed of Change: The coffee problems are a major part of the reason why the high level targets have not been met. There are others. The speed at which households adopt technologies and new high value crops or business opportunities is slower than required given the time frame available. USAID-ACCESO clients are principally subsistence farmers with corn and bean production for self-consumption with small areas of coffee production. Some may have vegetable production. All are characterized by no or very limited production technologies, low yields, variable quality, and inconsistent supplies. This is compounded by the lack of access to credit and poor transport infrastructure, particularly during the rainy season. Many have passed through NGO assistance programs with donations, but with little or no technical assistance. This has required that USAID-ACCESO gain the confidence of the client households to make the changes in traditional practices and in some cases, changes in culture. Most growers that enter the program “test” the updated technologies with corn and bean in small areas of land, then see the two or threefold increases in productivity, and many expand the basic technologies to the rest of the production area. Some are satisfied at this point and stop there. In many cases however, area freed up as a result of increased basic grain yields is being used to plant higher value crops. In reality, this process is taking longer than anticipated as the rate of expansion and diversification is slow as growers revert to traditional systems as they require less work, do not have access to water or

credit, are not willing to take the required risks, or simply not willing to put in the additional work. The results show that many growers are now diversifying, but the areas under production and the volumes produced are not yet sufficient to generate the income required to move above the poverty line.

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

Proportion of households in extreme poverty: Initial targets for moving households above the poverty line were set based on an estimated 40 percent poor households and 60 percent extremely poor households as a proportion of the total client household base. Of the households below the poverty line receiving USAID-ACCESO support, 92 percent are classified as extreme poor while just 8 percent are considered poor. Extremely poor households not only are further from the poverty line, but they are also more limited in resources and the capacity to invest in inputs and therefore more risk adverse. Therefore, moving extremely poor households out of poverty is a process that will take more time than originally envisioned, but still achievable in the out years of the project.

The project has focused on introduced basic practices and technologies to increase the productivity of household corn, bean and coffee production, then diversify into higher value income generating crops, and simultaneously increase the income streams from additional activities. Horticulture is the most profitable of the activities, requiring between 1 and 1.5 hectares of production per year to generate \$5,000 to \$6,000 of net income. However, the majority of project growers do not at present have sufficient land, resources, experience or suitable logistics for horticultural production alone to obtain the required total annual income to fully move above the poverty line. The diversified income strategy has proven effective and is demonstrated by the sales and income levels from the different value chains and the multiple income streams obtained by those households who have moved out of poverty to date.

The employment targets will not be met even with an improved 2014/2015 coffee season and an expansion in the area under horticultural production. The systems being implemented under this and animal production are technified and designed to reduce labor costs. Additional labor is normally generated once a grower reaches one hectare or more and needs to hire external labor. The majority of USAID-ACCESO growers will not reach this production size, especially given the emphasis on the diversified income sources.

To date, USAID-ACCESO has taken 22,787 households with baseline incomes less than \$1.25, from \$0.62 to 1.21/person/day (95 percent increase). Overall the average household income has moved from \$0.89 to \$1.38/person/day (55 percent increase). These families now require an additional 75 percent increase above current levels to reach the \$2.42 target. Continued growth and expansion of the product categories that have been positive this year, plus an improved 2014/2015 coffee harvest, will help move the average in FY 2015 up toward the \$2.00 level, with significantly more families moving above the poverty line.

5. HIGHLIGHTS OF ACTIVITIES AND RESULTS

This section highlights some of the activities and results achieved by the project across the areas of intervention during the reporting period. It details the actions taken by the project in order to meet the intermediate (IR) and sub-intermediate results (sub-IR) established in the contract, and presents the project's progress in achieving milestones and output indicators. Additional information and data has been included for the smaller components of the project. The IRs are as follows:

- Rural MSME growth increased (IR 2.1).
- Honduran biodiversity and natural resources conserved (IR 2.2).
- Capacity to mitigate and adapt to climate change strengthened (IR 2.3).
- Use of quality maternal and child health and family planning services increased (IR 4.1).

5.1. PROJECT CLIENTS

As of September 2014, a total of 34,783 household and MSME clients were registered and receiving technical assistance. Details on the number of clients recruited by financial year are provided in Table 11, with the length of time clients have received project assistance in Table 12.

Table 11. Project Client Breakdown

CLIENT TYPE	April – Sept. 2011	Oct. 2011 – Sept. 2012	Oct. 2012 – Sept. 2013	Sept. 2013	Sept. 2014
HH Extreme Poverty	3,722	11,420	13,193	28,338	27,769
HH Poor	375	1,014	1,192	2,602	2,517
HH Non Poor	762	1,163	1,868	3,769	3,637
HH-MSMEs Extreme Poverty	21	98	5	127	88
HH-MSMEs Poor	2	8	5	13	9
HH-MSMEs Non Poor	15	22	5	42	30
MSMEs Microenterprise	57	176	212	441	405
MSMEs Small Enterprise	10	48	9	70	35
MSMEs Medium Enterprise	1	3	3	7	6
MSMEs Large Enterprise	1	-	1	2	2
MSMEs Others	103	149	61	313	285
Total	5,069	14,101	16,555	35,725	34,783

As of September 2014, the total number of client households receiving project assistance who started with the project with baseline incomes below the poverty line was 30,383 (27,857 extreme poor, 2,526 poor). The poor and extreme poor families cover a total of 165,702 beneficiaries, including 21,888 children less than 5 years old. In addition the project is working with 3,667 non-poor, covering an additional 15,586 beneficiaries with 1,453 children less than 5 years old. In both cases, the beneficiaries are the total number of the household members. These total 181,288 beneficiaries, 94,416 male, 86,872 female, 23,341 less than 5 years old, and 6,631 less than 2 years old (the last two, at the time of client registration). Of the total 34,050 poor and non-poor registered clients, 6,990 are women (20.5 percent) and 27,060 are men. Additional data is provided in Annex III, Tables A1 to A9.

During implementation the project has worked with more household clients than mentioned above. A total of 6,686 additional households have received some assistance, but were “downgraded” to “non-active” when they stopped participating in project activities (for lack of interest, death, migration, etc.). There are also additional persons who participate in some activities, but not on a regular basis, or became involved with the project after client registration was closed in June 2013.

It should be noted that not all clients receive the same level of technical assistance and support, and not all participate to the same level. As mentioned previously, technical assistance and training is provided on a group basis, rotating the activities between farms. Group visits may be weekly, as in the case of vegetable production, or every two or three weeks, as in the case of coffee production. Grower participation is usually higher with vegetable production and lower with coffee or basic grain production, averaging around 50 percent grower participation in the technical assistance and training events.

Technical assistance and training is also provided to 448 business enterprises and 285 others (MSMEs, buyers, BDS providers, municipalities, counterpart organizations).

The length of time receiving assistance is based on the “recruitment” date, which is the date that the client started to receive technical assistance and was registered in the CIRIS M&E system. Field activities began 42 months ago. 53 percent of the household clients have received technical assistance for two years or more, while 47 percent have between 1 and 2 years of assistance.

Table 12. Client Time Receiving Project Assistance

CLIENT TYPE	# Households	% of Total Households	MSMEs	% of Total MSMEs
< 12 months	45	0%	31	4%
13 to 24 months	15,986	47%	234	32%
25 to 36 months	13,184	39%	317	43%
37 to 42 months	4,835	14%	151	21%
Total	34,050	100%	733	100%

The number of poor and extreme poor clients with the number of members in the household and the annual income requirements to be above the poverty line are given in Table 13. 21,707 households have 6 or less members (71 percent) while 8,676 household have 7 or more members (29 percent). It should be noted that targets related to individual households as opposed to averages require significantly more income generating activities with those households with more members. It is generally the case however, that those with more members are usually the poorest households and have the fewest resources.

Table 13. Poor and Extreme Poor Project Clients by Number of Family Members with Net Income Requirements

Household Members	# Client HH	% of Total	Minimum Annual Net Income Requirement
1	590	1.9%	\$883
2	1,420	4.7%	\$1,767
3	3,792	12.5%	\$2,650
4	5,567	18.3%	\$3,533
5	5,594	18.4%	\$4,417
6	4,744	15.6%	\$5,300
7	3,283	10.8%	\$6,183
8	2,340	7.7%	\$7,066
9	1,381	4.5%	\$7,950

Table 13. Poor and Extreme Poor Project Clients by Number of Family Members with Net Income Requirements

Household Members	# Client HH	% of Total	Minimum Annual Net Income Requirement
10	901	3.0%	\$8,833
>10	771	2.5%	
Total	30,383	100.0%	

Extrapolated from 18,655 household client profile forms

5,042 USAID-ACCESO poor and extreme poor clients are under the age of 30 (17 percent); 16,019 are between 30 and 50 years old (53 percent); and, 9,332 are over 50 years old (30 percent). At 29 percent, the majority of the clients are in the 40 to 50 year old category (Table 14).

Table 14. Poor and Extreme Poor Project Clients by Age

Age	# Client HH	% of Total
< 20 years	202	0.7%
>20 < 30 years	4,840	15.9%
>30 < 40 years	8,840	29.1%
>40 < 50 years	7,179	23.6%
>50 < 60 years	5,514	18.1%
>60 years	3,808	12.5%
Total	30,383	100.0%

Extrapolated from 18,652 household client profile forms

Almost 40 percent of USAID-ACCESO clients have at least a 6th grade education, but 48 percent have a 3rd grade education or less.

Table 15. Poor and Extreme Poor Project Clients by Years of Education

Years of Schooling	# Client HH	% of Total
0	4,739	16%
1	1,915	6%
2	3,502	12%
3	4,528	15%
4	2,518	8%
5	1,217	4%
6	9,606	32%
>6	2,359	8%
Total	30,383	100%

Extrapolated from 3,338 client surveys

The project is working in 2,734 communities in 130 municipalities in the six departments (Table 16).

Table 16. Number of Municipalities and Communities with ACCESO presence

Department	# Municipalities	# Communities
Copán	23	438
Intibucá	16	423
La Paz	19	404
Lempira	28	613
Ocotepeque	16	291
Santa Barbara	28	565
Total	130	2,734

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

USAID-ACCESO's main activities and interventions are targeted toward achieving increased household incomes through MSME growth. Not only will increased incomes and increased productivities at the household level have a positive effect on the communities' overall economic growth, it will also increase client purchasing power to reduce the food insecurity situation in western Honduras and the related health problems. In this section, USAID-ACCESO is reporting on activities that are directly contributing to three USAID sub-intermediate results (Sub IRs). These are:

- Rural MSMEs access to inputs, practices, and technology for market participation improved (Sub IR 2.1.1).
- Rural MSMEs access to new market opportunities increased (Sub IR 2.1.2).
- Barriers to competitiveness of rural MSMEs improved (Sub IR 2.1.3).

5.2.1. Rural MSMEs Access to Inputs, Practices, and Technology for Market Participation Improved (SUB-IR 2.1.1)

The greatest impact on the livelihoods of project-assisted households occurs when market-driven production programs are implemented with basic production practices to enable access to markets and buyers. Competitive, consistent, and coordinated production operations with defined markets are critical to ensuring increased incomes, the ability to continue generating incomes and resilience to climatic conditions, pest and diseases, and price fluctuations. While this applies principally to horticultural production, the project also supports other smaller-scale income generating activities on farm which complement the "larger" horticulture activities. These may include dairy, cattle, pigs, chickens, fish, and eggs, most with a more basic local rural market focus.

To achieve the goals, a wide range of integrated activities are being implemented by the project. This principally involves the provision of technical assistance and training to on- and off-farm MSMEs to implement technology and updated production practices; develop direct links with markets and buyers; work with groups of growers to introduce market-led production programs and the logistics requirements; develop private sector alliances; and increase the technology transfer capacity, knowledge and process of local NGOs, agricultural schools, and the private sector.

Agricultural production activities form the main technical component under this Sub-IR, supported by activities carried out under post-harvest and animal production. The value-added processing component works with rural MSMEs both on-farm and off-farm, in most cases complementing the production activities, generating additional income for household clients, or providing employment opportunities.

AGRICULTURAL PRODUCTION ACTIVITIES			
Dedicated technicians	1 production manager, 2 deputy production managers, 6 department managers, 30 zone agronomists, 85 junior field agronomists (they also carry out activities related to postharvest, animal production and marketing)		
Training Events	63,325		
Training Participants	415,674 men	104,164 women	Total 519,838
Training Individual	33,249 men	11,742 women	Total 44,991
Technical Assistance	553,622		
Investment	Clients \$9,789,920	Others \$1,712,757	Total \$11,502,677
Training materials	93 bulletins	32 presentations	Total 125
POSTHARVEST & CERTIFICATION ACTIVITIES			
Dedicated technicians	3		
Training Events	1,645		
Training Participants	13,717 men	3,689 women	Total 17,406
Training Individual	4,560 men	1,074 women	Total 5,634
Technical Assistance	14,743		
Investment	Clients \$272,458	Others \$413,757	Total \$686,214
Training materials	3 bulletins	17 presentations	Total 20
ANIMAL PRODUCTION ACTIVITIES			
Dedicated technicians	2		
Training Events	2,250		
Training Participants	12,809 men	6,187 women	Total 18,996
Training Individual	3,221 men	1,663 women	Total 4,884
Technical Assistance	20,821		
Investment	Clients \$1,724,734	Others \$158,204	Total \$1,882,938
Training materials	5 bulletins	11 presentations	Total 16
VALUE-ADDED PROCESSING ACTIVITIES			
Dedicated technicians	10		
Training Events	2,117		
Training Participants	2,995 men	13,319 women	Total 16,314
Training Individual	752 men	2,109 women	Total 2,861
Technical Assistance	32,515		
Investment	Clients \$1,838,041	Others \$799,771	Total \$2,637,812
Training materials		9 presentations	Total 9

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

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 17.

Table 17. Rural MSME Access to Inputs, Practices and Technology for Market Participation

Indicator	Year 1. May to Sept. 2011	Year 2. Oct. 2011 to Sept. 2012	Year 3. Oct. 2012 to Sept. 2013	Year 4. Oct. 2013 to Sept. 2013	Total to Date
WP #1: Number of individuals who have received government-supported short-term agricultural sector productivity or food security training	7,723	15,671	21,110	16,371	60,875
WP #2: Number of extension visits to program beneficiaries:	13,571	134,840	267,955	313,875	730,241
WP #12: Number of technical materials produced (bulletins, manuals, presentations and tools):	63	142	50	67	322
WP #10: Number of MSMEs (off-farm and processing) assisted by project	285	417	132	-101	733
PIRS #6: Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (\$ millions)	0.079	3.018	4.451	13.218	21.095
WP #11: Number of female individuals in training activities ¹	2,202	5,729	5,711	8,175	21,817
PIRS #7: Number of farmers and others who have applied new technologies or management practices as a result of government assistance	-	4,592	14,270	6,996	25,858

The status of activities in the Project Monitoring Plan (PMP) for years 1 to 4 against targets is provided in Table 18.

Table 18. Rural MSME Access to Inputs, Practices and Technology for Market Participation

PIRS /WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total To Date	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
WP #1: Number of individuals who have received government-supported short-term agricultural sector productivity or food security training (LOP Target 55,000):	-	7,723	15,136	15,671	20,000	21,110	10,000	16,371	54,504	60,875
WP # 2: Number of extension visits to program beneficiaries (LOP Target 378,400):	-	13,571	103,200	134,840	108,000	267,955	112,000	313,875	323,200	730,241
WP #12: Number of technical materials produced (bulletins, manuals, presentations and tools) (LOP Target 225):	-	63	75	142	50	50	8	67	225	322
WP #10: Number of MSMEs (off-farm and processing) assisted by project (LOP Target 805):	-	285	322	417	103	132	380	-101	805	733
PIRS #6: Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation (\$millions) (LOP Target \$21.60 million):	-	0.079	4.320	3.018	7.000	4.451	10.280	13.218	18.36	21.095
WP #11: Number of female individuals in training activities (LOP Target 8,300):	-	2,202	2,100	5,729	2,000	5,711	4,200	8,175	8,300	21,817
PIRS #7: Number of farmers and others who have applied new technologies or management practices as a result of government assistance (LOP Target 22,050):	-	-	4,410	4,592	7,000	14,270	10,640	6,996	22,050	25,858

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

During the year a total of 16,371 individuals have been registered under agricultural sector productivity or food security training activities, against a target of 10,000. To date, 60,875 individuals have received training, against a target of 54,504, made up of 39,058 men and 21,817 women (36 percent). Breakdown by department, sex, and technical component is provided in Tables 19 and 20. (Note: individuals may receive training in different technical areas and as a result the total number presented is higher than the 60,875). As would be expected, production accounts for the highest percentage (53 percent), followed by nutrition and health (10 percent) and business skills (9 percent). Names and identification numbers for each participant are taken from training logs and entered one by one into CIRIS; identification numbers are then used to determine the number of individuals. Individuals may have participated in one or multiple training events.

Table 19. Summary of Individuals Trained by Department

Department	# Males	# Females	Total
Copán	5,495	2,631	8,126
Intibucá	7,324	4,215	11,539
La Paz	6,230	5,065	11,295
Lempira	7,077	4,247	11,324
Ocotepeque	4,740	2,233	6,973
Santa Bárbara	7,997	3,290	11,287
Other	195	136	331
Total	39,058	21,817	60,875

Individuals registered only when National ID numbers are included

Table 20. Summary of Individuals Trained by Activity Area (Accumulated of September 2014)

Activity Area	# Males	# Females	Total
Animal Production	3,221	1,663	4,884
Business Development Services	22	5	27
Business Skills	5,204	2,497	7,701
Certifications	1,493	351	1,844
Disaster Mitigation	1,004	463	1,467
Finance / Credit	391	170	561
Forestry	518	110	628
Information Technology	479	196	675
Market Information / Marketing	883	259	1,142
Natural Resources Management	2,268	812	3,080
Nutrition & Health	1,294	6,981	8,275
Postharvest	3,067	723	3,790
Processing	752	2,109	2,861
Production	33,249	11,742	44,991
Project	902	456	1,358
Renewable Energy	1,756	594	2,350
Research	64	72	136
Total	56,567	29,203	85,770

Only individuals with National ID numbers are included (60,875). Individuals can receive trainings in more than one area.

For reference purposes, a total of 82,620 training events have been carried out up to September 2014 with 740,478 participants, including 506,044 male and 234,434 female (32 percent). Production training accounts for the highest percentage of participants (70 percent), followed by nutrition and health (12 percent), and business skills (5 percent). Data is presented in Table 21. Participant numbers and sex are recorded directly in the CIRIS M&E program.

Table 21. Training Events and Participants (by technical area)

Technical Area	# Events	Male	Female	TOTAL
Animal Production	2,250	12,809	6,187	18,996
Business Skills	3,934	23,621	12,401	36,022
Certifications	257	2,925	671	3,596
Finance / Credit	258	2,512	1,127	3,639
Food Safety	1	11	1	12
Forestry	167	1,596	338	1,934
Health & Nutrition	5,916	6,160	83,849	90,009
Information Technology	74	545	351	896
Market Information	376	3,339	958	4,297
Monitoring & Evaluation	11	234	37	271
Postharvest	1,388	10,792	3,018	13,810
Processing	2,116	2,984	13,318	16,302
Production	63,325	415,674	104,164	519,838
Project	253	2,606	1,210	3,816
Renewable Energy	1,219	7,109	1,696	8,805
Research	6	61	59	120
Specialty Coffee	53	648	48	696
Natural Resource Management (NRM)	714	8,265	3,023	11,288
Natural Disaster Management & Mitigation	302	4,153	1,978	6,131
Grand Total	82,620	506,044	234,434	740,478

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

During the year, 312,736 technical assistance visits were made, for a total of 730,241 to date (against a target of 323,200). A breakdown by technical component is provided in Table 22. The majority of these are under the production component (76 percent) and nutrition and health (7 percent).

Table 22. Technical Assistance Visits by Technical Component

Area	# Visits	% TA Visits
Certifications Systems	2,619	0.4%
Business Skills	34,591	4.7%
Health & Nutrition	47,136	6.5%
Market Information	4,045	0.6%
Natural Disasters Mgt.	4,693	0.6%
Natural Resources Mgt.	9,266	1.3%
Postharvest	12,124	1.7%
Production	573,950	78.6%
Project	280	0.0%
Processing	32,515	4.5%
Renewable Energy	8,148	1.1%
Other	874	0.1%
TOTAL	730,241	100.0%

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

The project produced 10 technical materials in Q4, including four major production manuals (integrated crop management, plantain production, tomato production, and lettuce production). During the year, a total of 67 technical materials were produced against a target of eight. To date, 322 technical materials have been produced, against a LOP target of 225. Materials include 129 bulletins, 135 technical presentations, 30 Excel tools, plus manuals, posters, surveys, and toys (jigsaws for nutrition and health training centers).

Table 23. Number of Technical Materials Produced by Component

Technical Area	Total
Animal Production	16
Business Skills/Finance	81
Disaster Mitigation	21
Forestry	8
Marketing	13
NRM	13
Nutrition & Health	12
Policy	1
Postharvest	20
Processing	9
Production	125
Renewable Energy	3
Total	322

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

A total of 733 off-farm and processing MSME are currently being provided technical assistance and training by the project against a target of 805. These include 448 small and micro scale companies, 284 rural banks, and 1 other. Over the last year the project has stopped providing technical assistance to 101 MSMEs as a result of lack of interest, inability to follow recommendations, or closure.

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

During the year a total of \$13.218 million of private sector investment has been made against a target of \$10.280 million (excludes USAID-ACCESO investments). Total private sector investment to date is \$21.095 million, against a target of \$21.600 million.

Investment by area is provided in Table 24, with the majority in production (55 percent), processing (13 percent), nutrition and health (10 percent), and animal production (9 percent). Additional details are provided in the PMP 09/2014 Excel file.

Table 24. Private Sector Investment in Fixed Assets (\$)

AREA	Accumulated Sept. 2013			Oct. 2013 to Sept. 2014			Total Sept. 2014		
	Client	Other	TOTAL Non-Project	Client	Other	TOTAL Non-Project	Client	Other	TOTAL Non-Project
Alliances	6,300	63,000	69,300	20,500	7,000	27,500	26,800	70,000	96,800
Animal Production	697,122	52,456	749,578	1,027,612	105,748	1,133,360	1,724,734	158,204	1,882,938
BDS	726.5	0	726.5	268,400	0	268,400	269,127	0	269,127
Business Skills	150	3,491	3,641	6,050	250	6,300	6,200	3,741	9,941
Certifications	2,960	0	2,960	13,150	0	13,150	16,110	0	16,110
Forestry	1,450	990	2,440	2,950	2,738	5,688	4,400	3,728	8,128
Health & Nutrition	611,720	89,924	701,644	893,021	414,131	1,307,151	1,504,741	504,054	2,008,795
Information/Other	250	0	250	600	2,527	3,127	850	2,527	3,377
Marketing	11	1,684	1,695	26,650	37,500	64,150	26,661	39,184	65,845
Natural Disaster Mngt	22,897	131,625	154,522	3,510	4,405	7,915	26,407	136,030	162,437
Natural Resource Mngt	97,441	95,841	193,282	101,558	146,585	248,143	198,999	242,426	441,426
Postharvest	54,808	35,537	90,344	201,540	378,220	579,760	256,348	413,757	670,104
Processing	873,043	70,517	943,560	964,998	729,255	1,694,253	1,838,041	799,771	2,637,812
Production	4,155,053	516,655	4,671,708	5,634,867	1,196,102	6,830,969	9,789,920	1,712,757	11,502,677
Project	93,672	15,415	109,087	3,315	42,832	46,147	96,987	58,247	155,233
Public Services	3,958	0	3,958	50,764	515,983	566,747	54,721	515,983	570,704
Renewable Energy	120,213	57,999	178,212	234,800	180,435	415,235	355,013	238,435	593,447
Grand Total	6,741,772	1,135,133	7,876,905	9,454,285	3,763,710	13,217,994	16,196,057	4,898,843	21,094,900

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

During the year, a total of 6,996 farmers and others have applied new technologies or management practices, against a target of 10,640. Total to date is 25,858 farmers, against a target of 22,050. Under this indicator the farmer has to implement a minimum of five of the following technologies and practices.

- Land preparation
- Raised beds
- Improved Seeds
- Transplanting systems/density
- Fertilization systems/plan
- Use of irrigation
- Biological control systems
- Integrated Pest Management Systems
- Crop rotation/diversification
- Pruning methods
- Harvesting methods
- Medicine usage (animal production)
- Improved nutritional content (feeding)
- Updated/semi-automated processing systems
- Lay out of new plants and expansions
- Market led production programs
- Following market-set product standards
- Post harvesting systems
- Packaging/transport systems
- Industrial safety systems
- Record keeping (yields and sales)
- Record keeping (inputs and labor)
- Equipment/tools improvements
- Segmentation of land for different usage

This was measured as part of the M&E sampling process carried out in August 2014 and extrapolated for all project clients. The top five technologies were transplanting density, seed selection, land preparation, crop rotation, and improved seeds.

Using the FTF technology type categories, cultural practices are being implemented by 23,159 of the 25,500 growers (91 percent), soil-related fertility and conservation practices by 14,642 growers (57 percent), and pest management practices by 9,059 growers (36 percent).

Additional information of interest includes:

- The project has promoted new crop diversification alternatives (from basic grains and coffee), based on the potential of each specific region in terms of crop development, cost of production, and availability and proximity to logistics and markets. Since most of the farmers are new to these crops, they start with small plots with the project technicians guiding them in every step of the production process.
- The main crops receiving project assistance are coffee (the majority under production with more than 2,600 hectares of new plantings this year), basic grains (to secure food supply), and higher value fruits and vegetables (for income generation) (Table 25). Basic production technologies are implemented for each crop group, with more technified systems being used for the vegetable production.

Table 25. Hectares Assisted as of September 2014

Value Chain	Year 1 (Apr. to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Year 3 (Oct. 2012 to Sept. 2013)	Year 4 (Oct. 2013 to Sept. 2014)	Total to Date (Sept. 2014)
Basic Grains	2,029	5,614	15,555	16,343	39,542
Coffee	18,477	1,707	2,572	3,233	25,988
Tree Fruits	563	56	114	103	836
Vegetables	481	1,009	1,526	2,290	5,306
Total	21,550	8,386	19,767	21,969	71,672

Note: reported areas in Years 1 and 2 have increased due to the entrance of new clients and their reporting of established coffee and fruit trees, now under project assistance.

- Crops with the highest area of new plantings by USAID-ACCESO client households during the current year include corn, beans, coffee, potato, plantain, watermelon, carrot, passion fruit, tomato, and cabbage. Details are presented in Table 26.

Table 26. Area Planted by Selected Crops (Hectares)

Product	Year 1 (Apr. to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Year 3 (Oct. 2012 to Sept. 2013)	Year 4 (Oct. 2013 to Sept. 2014)	Total to Date (Sept. 2014)
Corn/Maize	920	2,808	9,249	9,740	22,717
Coffee under production	16,874				16,874
Coffee	1,547	1,579	1,986	2,653	7,765
Corn/Maize (High Altitude)	659	1,482	2,858	3,473	8,472
Beans (Dried)	413	1,126	2,189	2,686	6,413
Yellow Corn/Maize	0	0	1,052	199	1,252
Coffee Plantlets for Sale	56	128	586	579	1,349
Potato	82	213	415	532	1,241
Allspice in Production	355	0	-	1	356
Plantain	102	92	96	195	485
Watermelon	13	97	158	125	393
Cabbage	9	52	90	163	315
Beans (Silk)	0	82	60	69	211
Proso Millet	12	71	73	87	243
Corn (On the Cob)	0	44	90	56	190
Carrot	11	34	59	71	175
Rice	17	31	47	43	138
Passion Fruit	25	13	48	59	146
Tomato (Processing)	9	33	46	94	182
Cardamom	85	6	3	3	98
Onions	3	35	42	46	125
Sugar Cane	33	44	7	10	93
Tree Fruits - Avocado Hass	10	21	57	20	109
Cocoa	49	11	13	32	105
Lettuce	5	24	29	54	112
Others	261	360	515	978	2,113
Grand Total	21,550	8,386	19,767	21,969	71,672

Given the economic limitations of client households, one of the project's greatest challenges has been to achieve competitive yields and acceptable quality with low or no additional costs. The project has taken a similar approach to working with both basic grains and higher value vegetables. The application of basic production practices, such as land preparation, seed selection, planting densities, weed control, soil pH amendments, and the use of fertilization programs, enables the first jump in productivity with minimal increases in cost. The practices recommended by USAID-ACCESO focus on the prevention of problems before they occur and the efficient and proper use of inputs, rather than encouraging farmers to use more or additional inputs.

SELECTED PRODUCTION SNAPSHOTS

- 12 project growers in Cane, La Paz, have been growing Kabocha Squash for export to the US via a local exporter and are now diversifying further with oriental vegetables (bangaña and cunde) as a strategy to reduce risk as a result of price and demand fluctuations in the export market for Kabocha. The Kabocha has also been sold to a local processor, who then exports. Contracts for financing of inputs and materials were signed between project growers and the exporter for supply of plastic mulch, and with Agro-Servicio del Rancho for supply of fertilizers and other inputs. The total area under production is 14.4 hectares. Tabasco pepper is also being produced for a local processor. Crops for local buyers are onions, beans, papaya and plantains.
- Crop competition events were carried out in Copan, Lempira, and La Paz for corn growers with the highest productivity. Growers received a variety of prizes from input suppliers, municipalities, FAO, cooperatives, and USAID-ACCESO. The highest productivity rate in Copan was achieved by a woman grower who produced 144 *quintales / manzana* (average productivity is 15 to 20 *quintales / manzana*).
- 40 growers in Pozas Verdes, Macuelizo, Santa Barbara, are now benefiting from the services of an electric corn dryer donated by SAG many years ago, which was repaired and reactivated with the help of USAID-ACCESO specialists and technicians. Benefits from this type of dryer directly impact clients' income, as they are able to plant their corn in timeframes that allow harvest during windows of opportunity for better prices. The dryer is now being utilized at 50 percent its capacity and additional growers will be invited to benefit from its use. Project staff has identified additional dryers in other communities that are in the process of restoration and repairs.
- French bean production for export during the winter season has continued through an agreement with UNISPACE of Guatemala. Total area under production has reached a total of 37.5 hectares with programmed plantings averaging 4 hectares for harvest per week. As area under production continues to grow, project technicians and specialists continue to reinforce technical assistance and training to growers on topics related to postharvest handling to minimize quality loss on arrival of the product in Guatemala.
- One of the key limitations encountered by growers to ensure sustained production year round is access to irrigation technology. To address this, USAID-ACCESO has implemented cycles of joint investments with municipalities and clients in irrigation technology. Clients involved in these processes must meet certain requirements, including demonstrated commitment to invest in technologies and commit to improved practices, have access to water source, and be willing to invest in programmed plantings in response to specific markets. As a result, more than 5,000 project growers now have close to 3,000 hectares with irrigation technology. Project growers are now accessing local and regional markets such as Supermercado la Colonia, Wal-Mart, Aldea Global, D'Elite, and Industrial de Alimentos. A wide range of crops are being produced under programmed and calendarized planting for these markets including green beans, cucumbers, carrots, lettuce, onions, passion fruit, and potatoes. The area under irrigation technology will expand as the systems are gradually expanded to capacity.
- A total of 18 *agrotiendas* are operating in Lempira (12), Santa Barbara (3), Intibucá (2) and La Paz (1). Project business skills/finance specialists continue to work with leaders of *cajas rurales* involved in this service delivery to build their capacity to manage inventory, keep proper records and principles of good business practices.
- Coffee growers receiving technical assistance have improved their productivity and quality and reach new markets. Five of the 22 coffee growers selected for prizes during the Cup of Excellence 2014 were project clients from Santa Barbara who received up to \$9.00 per pound from buyers in Norway. In addition to continued work with Bon Café, USAID-ACCESO has developed market linkages between farmers and exporters VOLCAFE and OLAM, and local supplier CATRACHA Coffee. In the last season, sales from project growers to Boncafé alone totalled \$1.13 million. Through the new market alliances the project expects to benefit close to 500 additional coffee producers from La Paz and Santa Barbara (OLAM and CATRACHA Coffee) and Lempira (VOLCAFE).
- During the past year, 50 producers from 15 communities in Santa Barbara participated in a "Diploma in Agriculture Production" consisting of a series of 12 training sessions on horticulture production. The training modules aims to teach the participants to become trainers themselves, teaching through both examples and technical assistance to other growers in their area. Three of the 50 participants are young men who are being financed by a group of elder growers from their community to attend the training with the understanding that they will then go back to train others in the community.

Processing and Value Added Activities

The processing and value added component works with rural MSMEs that have a commercial focus and generate at least \$10,000 of gross sales revenue per year. The specialists and technicians also provide technical assistance and training to household production clients able to and interested in supplementing their incomes through processing or adding value to the crops produced or bought and sold. Both areas have a strong focus on involving women in or running the business operations.

There are many rural MSMEs that have been supported by NGOs and others, providing seed capital and grants, but have lacked a commercial approach and technical assistance. Many were formed by donors looking to support large numbers of people who formed the MSME (mostly women) rather than profitability. The initial project strategy to assist a wide range of rural business meant investments in time to identify that many were unprofitable and that to move from artisanal to semi-industrial levels was difficult to justify. Constraints to growth included the lack of raw materials, inefficiencies, too many members or owners, highly competitive markets, and limited logistics and distribution systems. Many of the MSME were groups of 5 to 20 people, where the sales and income did not even cover a basic salary. Production and sales volumes were low and the members only worked a few hours a week, meaning that individual salaries or income were below the minimum. This approach meant that many MSMEs have abandoned projects when they do not generate sufficient income or do not receive additional funds or grants. This has occurred with MSME clients taken on by USAID-ACCESO once they become aware of their actual incomes and (lack of) profitability.

The project therefore identified MSME businesses that made commercial sense and supported businesses in the areas of dairy, broiler, diversified honey products, pig fattening, bakeries, snacks, juices, and preserves. These can be profitable, competitive, and have growth potential to create jobs, source raw materials from local growers, and expand the range of products available in rural markets. Most USAID-ACCESO MSMEs are now stand-alone operations, with one or two owners, generating profits and providing small-but-consistent levels of employment. The remainder are principally businesses that allow client households to diversify their income base to supplement income from agricultural production.

The focus of the technical assistance is comprehensive, based on the development and application of good manufacturing processes (GMPs), and introduces concepts in food safety, efficient and cost-effective sourcing of materials and inputs, and market requirements. Production costs, cash flows, cost centers, and profit margins are determined, together with the implementation of recordkeeping and basic accounts. The project initially started with standardized recordkeeping systems, but has developed systems specific to each business line.

Through coordination with other project components, support is provided to the MSMEs in company registration and legalization, sanitary licenses, product bar codes, product standardization and specifications, market linkages, and credit access.

USAID-ACCESO outreach in this area has been increased through alliances and coordination with others including:

- *INFOP*: with trainings in bakery, dairy, meat and preserves; the training provided by INFOP has been not only been important for the training of MSMEs, but also for project specialists and technicians. This training has been carried out in the communities and tailored to the requirements of MSMEs.
- *Zamorano and FHIA laboratories*: linked project clients with private laboratories, necessary for the analysis of food samples.
- *Municipalities*: support has been provided to MSMEs and MSMEs client households with seed capital, which has been useful for venture startup.

- *Suppliers of equipment, inputs, packing and labeling materials*: support has enabled MSMEs to reduce costs, enhance presentations, and offer more competitive products.

Forestry Activities

FORESTRY			
Dedicated technicians	1		
Training Events	167		
Training Participants	1,596 men	338 women	Total 1,934
Training Individual	518 men	110 women	Total 628
Investment	Clients \$4,400	Others \$3,728	Total \$8,128
Training materials	2 bulletins	6 presentations	Total 8

USAID-ACCESO's forestry component is small compared to other components but plays an integral part of the services provided to selected project household and municipal clients. Most of the geographical area in the six department of the ZOI is forest based. These are natural forest of conifers in mountainous areas and broadleaf forests in humid tropical areas. Much of the area is mountainous with slopes and infrastructure unsuitable for agriculture. Many forestry areas require protection and management for sustainability of water sources and nature reserves. The conservation and utilization of these natural resources are under state management, dependent technically on the *Instituto de Conservación Forestal* (ICF) for the national forests and municipal authorities for community forests.

USAID-ACCESS works with household clients, MSMEs, and communities where many are at the limits of the agricultural boundaries, using and depending on water sources that originate in the national or community forests. These forests are affected by migratory agriculture and livestock (that encroach on the forest boundaries), forest fires, illegal logging as a source of energy (firewood), and theft for commercial gains. To avoid this:

- The farm production component provides technical assistance and training to clients in GAPs to establish conservation practices, increase incomes, increase productivity, and develop market-driven commercial agriculture that prevents negative environmental impact and expansion of the agricultural boundaries.
- The forestry and NRM components work together to educate and train local authorities, community committees in the prevention and control of forest fires, to reduce environmental impact and resource destruction.
- The forestry and disaster mitigation components work together on the reforestation of buffer zones and reserves for the protection of water sources and prevention of natural disasters.
- The forestry component is working with the nutrition and health and renewable energy components in the development of six tree nurseries for production of *Leucaena leucocephala*. This is a legume with a high growth rate (50m³/ha/year) and energy generation (from 4,200 to 4,600 kcal/kg). The nurseries are to produce planting materials to establish 1,500 plots of 128 m² in households with *eco-justa* stoves. These will sustainably provide the household with 1.44 m³ of firewood each month, necessary for the operation of the *eco-justa* stove. At the same time it avoids the practice of cutting firewood from the forest and reduces the cost and time that the household spend on this activity (which is usually done by children and women).

In addition, forest without management plans may be affected by pests and diseases, which have proven to be more susceptible to climate change and if not be detected in time, can reduce or eliminate the commercial value and benefits as a reserve. The development and implementation of USAID-ACCESO activities in forestry have centered on the forest as a renewable, sustainable natural resource.

- Use of 1,700 hectares of community forests through agreements with 2 municipalities and organized communities living in or adjacent to these areas. These community forests are a major source of water for the communities, a protected area for wildlife, buffer area for natural disasters, energy source (firewood) and an income opportunity from the use of the forest resources (wood and resin). The development and implementation of forest management plans is the main strategy for the commercial utilization for the direct benefit of the communities.
- Establishment of GMP of wood as the main raw material for MSMEs, where technical assistance is provided on cutting and sawing logs, efficient processing of lumber dimensioning, and the proper calibration of equipment to reduce the waste and improve the finish of the timber. Training is also provided in developing business log books for costs, product costing, pricing, controls and contracts for more profitable manufacture. Support is also provided with market/buyer links, participation in business fairs, and access to credit and/or preparation of business plans with financial institutions.

USAID-ACCESO has developed alliances and partnership agreements with other organizations to expand implementation and outreach, including:

- ICF: through which forestry development and management plans (which meet all of the legal requirements) have been passed and approved in less time than is normally required.
- CATIE: providing technical support, training, and information on forestry and tropical forest management, in addition to financing options.

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

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

Table 27. Private Sector Alliances and Integration

PIRS/ WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total To Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #30: Number of organizations / companies providing business development / extension services to MSMEs (LOP Target 465):										
	23	-	70	78	175	110	254	273	442	461
PIRS #32: Number of public-private partnerships formed (LOP Target 65):										
	12	3	33	23	24	15	24	10	65	51

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

A total of 461 organizations and companies are providing business development or extension services to project MSMEs, against a PMP target of 442. 273 were added during the current year, against a target of 254. These include input and equipment suppliers, cooperatives, rural village banks, foundations, grower/buyer organizations, microenterprises, exporters, and others (details are provided in the ACCESO PMP Excel file, 09/2014).

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

During the quarter one public-private alliance was signed, for a total of 10 for the year (against an annual target of 24). A total of 51 public-private partnerships have been formed to date, against a target of 65. Sixteen letters of agreement have been signed with the public sector. Details are provided in Table 28. Copies of all alliances and letters of agreement are available on the [project's intranet site](#).

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

Table 28. Public-Private Sector Partnerships

Date	Organization/Company	Coverage
Jul. 2011	SwissContact	Santa Bárbara, La Paz, Intibucá: honey production training.
June 2011	VECO MA	Intibucá: produce consolidation
Sept. 2011	Bomhosa	All six departments: equipment supplier, discounts, training, demonstrations.
Sept. 2011	MexiChem	All six departments: equipment supplier, discounts, training, demonstrations.
Nov. 2011	ADHESA	All six departments: eco-justa stoves.
Nov. 2011	DICONSA	All six departments: equipment and input supplier, discounts, training, demonstrations.
Feb. 2012	SEREMA	All six departments: equipment supplier, discounts, training, demonstrations.
Feb. 2012	DURMAN	All six departments: equipment and input supplier, discounts, training, demonstrations.
Feb. 2012	DISAGRO	All six departments: equipment and input supplier, discounts, training, demonstrations.
Mar. 2012	Bayer	All six departments: equipment and input supplier, discounts, training, demonstrations.
Mar. 2012	SEAGRO	All six departments: equipment and input supplier, discounts, training, demonstrations.
Mar. 2012	ODECO	
Apr. 2012	Agritrade	All six departments: equipment and input supplier, discounts, training, demonstrations.
Jun. 2012	COAPIGOR	Santa Bárbara: allspice production & exports.
Jun. 2012	ILAMEX	Santa Bárbara: allspice production & exports.
Jun. 2012	PRODUCTOS PANTHEODS	Intibucá: vegetable packer.
Jul. 2012	Original Maya	Intibucá, Copán, Lempira: vegetable exporter.
Jul. 2012	Hermanidad de Honduras	Copán: technical assistance to growers.
Aug. 2012	AGROS International	Santa Bárbara: technical assistance to growers.
Sep. 2012	Frozen Foods/Grupo Madeesma	Intibucá, Santa Bárbara, Copán: baby corn processor and exporter.
Sep. 2012	Bioplanet	All six departments: moringa seed provider.
Sep. 2012	COHORSIL	All six departments: equipment and input supplier, discounts, training, demonstrations.
Sep. 2012	DUWEST	All six departments: equipment and input supplier, discounts, training, demonstrations.
Oct. 2012	D'Leite	Santa Bárbara, Copán, and Lempira: oriental vegetable exporter
Oct. 2012	CAMOSA	All six departments: equipment supplier, discounts, training, demonstrations
Jan. 2013	TECHO Honduras	La Paz: low-cost housing
Jan. 2013	Programa Educativo El Maestro en Casa	Intibucá: greenhouse operations and training
Jan. 2013	Agroindustrias del Coral	Copán: cattle production program
Jan. 2013	Croplife	All six departments: safe pesticide use training
Feb. 2013	Syngenta	All six departments: input supplier, discounts, training, demonstrations; training in safe pesticide use; support to healthy household program.
Feb. 2013	UNAH/CUROC	Copán: student internships

Table 28. Public-Private Sector Partnerships

Date	Organization/Company	Coverage
Mar. 2013	UNITEC (+SIC)	All six departments: company registrations
Mar. 2013	AHPROABA / DUWEST	All six departments: outgrower program, marketing, inputs and finance (corn)
Jul. 2013	Beneficio Santa Rosa	Copán, Lempira, Ocotepeque: coffee buyer, training
Jul. 2013	Supermercados La Antorcha	All six departments: buyer of horticultural and MSME products, promotion and training.
Jul. 2013	Municipality of Jesus de Otoro, Intibucá	Intibucá. Community and municipal co-investments in irrigation infrastructure
Aug. 2013	EYL Comercial	All six departments: equipment and input supplier, discounts, training, demonstrations.
Sep. 2013	Boncafe	Intibucá, Copán, Lempira, Ocotepeque: coffee buyer, training, specialty premiums
Sep. 2013	FENAGH	Project wide: support on policy activities
Sep. 2013	Municipality of Talgua, Lempira	Lempira. Community and municipal co-investments in irrigation infrastructure
Oct. 13	Pineapple growers/buyers/SAG	Ocotepeque. Pineapple production/value chain.
Nov. 13	Water Engineers of the Americas	Intibucá, Lempira, La Paz. Technical assistance and cost sharing with potable water system design and construction.
Dec. 13	Municipality of Candelaria, Lempira	Lempira. Community and municipal co-investments in irrigation infrastructure
Mar. 14	Centro Agronómico Tropical de Investigación y Enseñanza	Intibucá. Forestry equipment cost sharing.
Mar. 14	CADELGA	All six departments; equipment and input supplies
Mar. 14	ANAVIH	Santa Bárbara, Copán, Intibucá, Lempira and Ocotepeque. Eggs for diet diversity.
Jul. 14	OLAM	La Paz. Coffee purchase and technical assistance

Table 29. Letters of Agreement with Institutions

Date	Institution
Jun. 2011	IHMA
Jun. 2011	PRONADERS
Sep. 2011	Ministry of Health
Oct. 2011	Vision Mundial
Nov. 2011	SOLARIS
Jan. 2012	Ministry of Work and Social Security
May 2012	Ministry of Agriculture and Livestock
May 2012	Ministry of Health Region 14 – Ocotepeque
May 2012	Ministry of Health Region 04 – Copán Ruins
May 2012	Ministry of Health Region 10 – Intibucá
May 2012	Ministry of Health Region 12 – Marcala
May 2012	Ministry of Health Region 13 – Gracias
May 2012	Instituto Polivalente San Jose Cupertino
Dec. 2012	Banadesa
May 2013	Registro Nacional de la Personas / SAG
Jul. 2013	Instituto Nacional de Conservación y Desarrollo Forestal (Nor-Occidental)
Aug. 2013	COPECO

Grower organization and the development of market-driven production programs

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting period and the year to date is provided in Table 30.

Table 30. Grower Organization and Market-Driven Production Programs

PIRS/ WP #	Year 1 (Apr. to Sep. 2011)		Year 2 (Oct. 2011 to Sep. 2012)		Year 3 (Oct. 2012 to Sep. 2013)		Year 4 (Oct. 2013 to Sep. 2014)		Total To Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #31: Number of producers organizations, water users associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance (LOP Target 210)										
	20	40	70	150	20	31	0	519	210	740
WP #3: Number of small farmer associations formally established as businesses (LOP Target 55)										
	-	-	4	0	150	118	0	46	55	164

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

USAID-ACCESO is developing activities with organizations and associations, particularly community-based organizations, to increase outreach and improve the quality and quantity of services. By working with community level organizations, the project generates client confidence. In many cases, problems and opportunities are identified through a participatory process by the communities themselves. During the year, 519 organizations were incorporated into the project (target of 0), for a total of 740 organizations enrolled as USAID-ACCESO beneficiaries (against LOP target of 210). These include 651 private enterprises, 20 producer organizations, 41 water/irrigation associations, 26 community-based organizations, and 2 women's groups. Many of the water and irrigation boards were set up with project assistance.

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

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

USAID-ACCESO business skills, policy, production and marketing specialists work together to identify the needs and requirements of groups of growers to formally register as businesses (but where the initial decision is made by the growers, not as a requirement by the project). In addition to the work with the growers themselves, input from the project's policy component has shortened processes and reduced costs, and has improved the efficiencies of the registration process. Alliances were initially made with UNAH and SIC, but this was not formalized; a formal alliance was then made with UNITEC and SIC to assist in the legalization of the businesses.

During the year, registration has been obtained for 46 businesses, rural village banks, and organizations against a target of 0; to date 164 business have received assistance to obtain registration against a LOP target of 55. In addition, documents have been sent for registration for an additional 78 businesses and 62 are in the process of collecting and preparing documents. Groups currently receiving assistance under this activity total 304; they cover 7,101 members with an average of 23 members per business or group.

- Grower Association: 9
- Rural banks (cajas rurales): 212
- Companies with multiple services: 13

Increasing the technical capabilities of agricultural schools and local NGOs

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

During the reporting year, USAID-ACCESO continued close working relationships with 18 technical schools and universities from all project regions. To date, more than 736 students have held internships with the project in areas such as processing, business skills and finance, production, health and nutrition, IT, and administration. These students came from 57 different schools, technical colleges, and universities, and have received a total of 4,880 weeks of on-the-job technical training. 34 students have been at the university level (Zamorano, UNAH, Universidad Metropolitana, Universidad de San Pedro Sula, and UNA). Other schools have been trained in executing community cleaning campaigns and others are participating in the food preparation workshops. Coordination has been carried out with the World Food Program (WFP) in training the mothers who prepare the *merienda escolar* in select communities within the project regions.

As of September 2014, more than 60 counterpart organizations, including NGOs, donor institutions and projects have participated in project-sponsored activities. These include: Aldea Global, ANDESAIN, Caritas, CASM, CESAL, CEPUDO, CHF Honduras, Child Fund, CODESSE, COMUCAP, COOMUPL, COPRAFEL, Catholic Relief Service, Escuela San Pablo, EDUCAR, Escuela Agrícola Pompilio Ortega, FAMA, FAO, FIDA, FIDE, FOPRIDEH, Fundación Adelante, FUNDAHRSE, Fundación Banhcafe, Fundahmicro, Fundación Vida, Funder, Red Cross, Heifer, IHCAFE, OCDIH, ODECO, Veco-MA, Oxfam, PILARH, Save the Children, SOCODEVI, Swiss Contact, World Food Programme, and World Vision. Representatives from government organizations receiving USAID-ACCESO training include PRONADERS, DICTA, and selected municipalities and municipal organizations.

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

5.2.2. Rural MSMEs Access to New Market Opportunities Increased (SUB-IR 2.1.2)

USAID-ACCESO marketing specialists continually monitor new product and market opportunities, as well as recommend crops, varieties, and value-added products for calendarized production programs and commercial trials. Calendarized production programs are being implemented in each of the six departments for both the local and export markets, and will expand as more growers join these programs. In addition to fresh produce, the project has emphasized developing new markets and improving logistics for MSME processed and off-farm products, including sweets, baked goods, pickles, sauces, plantain chips, raw sugar, honey, wines, and crafts.

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

Another key activity carried out is the development of new and expansion of existing local produce fairs (*ferias del agricultor* or *mercaditos verdes*). USAID-ACCESO has worked closely with local authorities and community organizations to enable producers to sell their products in nearby communities. Small scale market sales points have been established in: Colinas (Santa Bárbara); Marcala (La Paz); La Labor, Nuevo Ocotepeque, Feria del Agricultor y Artesano, San Francisco de Valle, Mercedes, San Geronimo, and San Marcos de Ocotepeque (Ocotepeque); La Unión, Sebastian and Feria de Gracias (Lempira); Cabañas, Santa Rosa and Ruinas de Copán (Copán); Finca El Carmen (Comayagua). As the growers are selling themselves, this activity does not specifically contribute to the indicator target.

MARKETING			
Dedicated technicians	1 manager and 3 specialists		
Training Events	376		
Training Participants	3,339 men	958 women	Total 4,297
Training Individual	883 men	259 women	Total 1,142
Technical Assistance	4,045		
Investment	Clients \$26,661	Others \$39,184	Total \$65,845
Training materials	10 bulletins	3 presentations	Total 13

Development of buyer linkages and logistics

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

Table 31. Rural MSME Access to New Market Opportunities

Indicator	Year 1 (May to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Year 3 (Oct. 2012 to Sept. 2013)	Year 4 (Oct. 2013 to Sept. 2014)	Total to Date (Sept. 2014)
WP #4: Number of MSMEs accessing new market opportunities through a broker (LOP Target 10,932):					
	35	1,403	5,486	4,880	11,804
PIRS #12: Number of brokers providing market linkages to MSMEs (LOP Target 500):					
	10	19	41	288	358
WP #6: Number of market surveys conducted (LOP Target 24):					
	1	5	3	3	12

The status of activities in the Project Monitoring Plan (PMP) for years 1 to 4, against targets is provided in Table 32.

Table 32. Rural MSME Access to New Market Opportunities

PIRS/ WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total to Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
WP #4: Number of MSMEs accessing new market opportunities through a broker (LOP Target 10,932):										
	300	35	1,968	1,403	3,500	5,486	3,500	4,880	10,424	11,804
PIRS #12: Number of brokers providing market linkages to MSMEs (LOP Target 500):										
	25	10	125	19	200	41	400	288	470	358
WP #6: Number of market surveys conducted (LOP Target 24):										
	6	1	12	5	12	3	3	3	12	12

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

During the year, a total of 4,880 MSMEs were registered as accessing new market opportunities through a broker, against a target of 3,500. To date, a total of 11,804 MSMEs have been registered, against a target of 10,424. Of these, 9,860 were male and 1,944 female (16 percent). These are those who have at least two recorded sales events to at least one broker. A total of 2,700 buyers are registered as having purchased products from USAID-ACCESO clients. Data by department is given in Table 33. Details are provided in the USAID-ACCESO PMP 09/2014 Excel file.

Table 33. Number of Clients accessing new Market opportunities (>=2 deliveries each)

Department	Total Clients	%
Copán	2,081	17.6%
Intibucá	1,692	14.3%
La Paz	1,635	13.9%
Lempira	2,648	22.4%
Ocotepeque	1,917	16.2%
Santa Bárbara	1,818	15.4%
Other	13	0.1%
Total	11,804	100.0%

Two of the brokers buy from more than 200 ACCESO clients, 14 brokers with between 100 and 200 growers each, 33 brokers with between 50 and 100 growers each, and 310 brokers with 50 growers or less each. The top 10 brokers buying from USAID-ACCESO clients include three coffee exporters (Bon Café, Sogimex and Becamo), one supermarket (La Colonia), two packhouses/distributors (Aldea Global and CAEOL), one wholesaler, and three intermediaries. This year this indicator was collected by field technicians from growers, as opposed to be sampling. Around 30 percent of project clients have been recorded as benefitting from access to new market opportunities. This number is probably under reported given the amount of time it takes to track every grower, each sale, and buyer details. In addition, it should be noted that clients with crops with a single harvest event will not be counted in this indicator. In addition, the main supermarkets require suppliers to have their own code and as a result, groups of growers in calendarized production programs deliver to supermarkets under one supplier code. There may be 10 or 20 growers delivering to one supermarket under one supplier code.

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

During the year, the number of new brokers providing market linkages to MSMEs was 288 against a target of 400. To date, a total of 358 brokers are counted (against a target of 470). This is based on the definition where they have at least two sales transactions with a minimum of 10 project-assisted MSMEs and have a permanent relationship with assisted MSMEs. The 358 brokers to date include seven major supermarkets, 21 retailers, 20 packing houses (local market), nine processors, 28 exporters, and 246 intermediaries. The project has registered sales to 440 brokers with a least one sales transaction.

WP #6: Number of market surveys conducted

To date, 12 market surveys have been carried out for potential products (three in FY2014), including allspice, cardamom, processed onions, gherkins, eggplant, zucchini, stevia, chia, turmeric, and essential oils from pimento leaf, pimento berry and cardamom. The allspice survey resulted in direct exports for the first time from Honduras to the US in 2012 (as opposed to intermediaries from Guatemala). This was expanded in the 2012/2013 season and has stabilized in the 2013/2014 season. The cardamom survey resulted in direct exports to Switzerland. In the previous year, both crops were to be supported with short-term technical assistance for essential oil extraction, but this was not carried out at that time due to administrative limitations (approvals). The processed products surveys indicated limited market options and low profitability not suitable for the USAID-ACCESO grower. The surveys for stevia,

turmeric, and chia identified opportunities. This year, production and market trials were carried out with stevia and chia, with the latter being taking to commercial production levels in the last quarter of the current year. Informal market surveys were carried out for a range of crops in El Salvador and with exporters and importers for fresh herbs, snow peas, sugar snap peas, and French beans. This indicator is behind the LOP target of 24, but focus has been given on the local and regional markets and expanding existing export crops such as oriental vegetables, allspice, passion fruit and French beans.

Production and systems implementation to meet buyers' quality and standards

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

The status of activities in the Project Monitoring Plan (PMP) for years 1 to 4, against targets is provided in Table 34.

Table 34. Number of MSMEs that have entered formal preferred supplier or contract agreements

PIRS/ WP #	Year 1 & 2 (Apr. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total to Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
WP # 5: Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers (LOP Target 2,996)	599	550	925	1,521	925	3,317	2,996	5,388

During the year, 3,317 MSMEs were registered, against a target of 925. To date, 5,388 MSMEs have entered into formal preferred supplier of contract agreements with brokers (against a target of 2,996). These were determined through end-of-year client household sampling as the quantity of transactions are too high to be able to track every one. Of these, 4,478 were male (83 percent) and 910 female (17 percent). These are those who have at least two recorded sales events to at least one broker. There are a total of 10,859 MSMEs who have one recorded sales event. These buyers include collection centers, cooperatives, supermarkets, processors, and exporters. Details are provided in the PMP 09/2014 Excel file.

Given the limitations of farmers in the region, it has been essential that these efforts are supported by activities to improve postharvest infrastructure, irrigation, logistics, access to inputs and seed, finance, and local investment to ensure farmers meet quality standards and safety regulations.

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

- Negotiations and field visits with Bon Café and local buyers in Copán, Intibucá and Lempira for purchase of coffee directly from USAID-ACCESO growers. Formal market alliances were developed with Bon Café and Beneficio Santa Rosa. 12,234 quintals of coffee were sold under the market alliance with Bon Café during the 2013/2014 season (163 growers with total gross sales income of \$1.1 million). While this activity was carried out under a partner fund to identify special coffees, similar activities are being carried out with other buyers in each region.
- Work has initiated with OLAM for purchase of coffee from project growers in La Paz, including training of harvest, handling, processing and drying. Projections for the 2014/2015 season are 1,000 quintale with 300 quintales being of specialty grade. This is expected to generate \$135,000 in sales for 70 growers.
- Work with Beneficio Santa Rosa with USAID-ACCESO clients has continued to increase. More than 74 growers are now involved selling an estimated 8,085 quintales to Santa Rosa in the 2013/2014 season.

- After successful trials in the previous year, the production of French beans under contract with UNISPIECE for export to Guatemala was increased. Aldea Global was the local contact and purchaser. During this past winter season, 132 project growers planted a total of 27 hectares during the season, and sold 283,527 pounds with a total sales income of \$117,907.
- Following trials in the previous year, production programs under contract were developed for Tabasco pepper production with two processing companies. During the year, a total of 27.7 hectares were planted in Santa Barbara and La Paz.
- Production under contract of Chinese egg-plant and other oriental vegetables were expanded with local exporters. A total of 24.1 hectares were planted during the year by 29 growers in Santa Barbara and La Paz.
- Negotiations were made with market retailers in La Esperanza and Marcala for purchase of second grades produced under a calendarized vegetable production program for the supermarkets.
- Calendarized fruits and vegetables production programs were developed and implemented for all of the main supermarkets, including La Colonia, La Economica, Colonial, Los Andes, La Antorcha and Hortifruti (Wal-Mart). Project growers are supplying these supermarkets either directly or through approved suppliers.

In addition to the high value short cycle crops, USAID-ACCESO has also promoted tree fruit planting. To date a total of 335 hectares of tree fruits has been planted, including 103 hectares in the current year. While the results from this activity will not be seen during USAID-ACCESO implementation, the will provide significant income over the long term for growers in out-years. The decision to continue with the plantings was based on results seen from MCA-H/EDA clients planting avocado in 2006 and 2007, for which the results were not obtained under the project. Growers with Hass avocado at year 5 or 6 of harvest obtain gross sales of \$10,000 to \$15,000 per hectare. Tree fruits planted include 109 hectares of Hass avocado and 33 hectares of cashew. The first harvests are expected in September 2015. The avocado is suitable for high altitude hillside (coffee diversification) and the cashew for low altitude dry areas. In Lempira groups of women and individual growers initiated nurseries for the production of cashew seedlings and grafting.

The yellow corn production program planted under contract with the local industry association last year (harvested this year) was not continued during the last planting season. Despite the deal offering contracts, finance and in some cases, inputs, many growers sold outside of contract and many did not repay loans on time, and some simply did not pay. Reductions in market prices at the time of harvest did not help. The approach was to introduce growers to formal contracts and basic technologies to move up to high-value crops. The results did not justify the level of effort to continue.

Emphasis has continued to be given to the development of local markets within each department and in municipal markets such as Dandy and Central de Abastos de San Pedro Sula. Production to meet demands for supermarkets such as La Colonia, Wal-Mart, Madesma, Ebenezer, through distributors such as ASOFAIL-CICOM, ECARAI, ODECO, ECARAI, APROCEL, CAEOL, APRALIN, COPRAL, COPRAUL, Hermandad de Honduras and Aldea Global was maintained or expanded.

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

Implementation of business certification programs

The status of activities in the Project Monitoring Plan (PMP) for years 1 to 4, against targets is provided in Table 35.

Table 35. Implementation of Business Certification Programs

PIRS/ WP#	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total to Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #13: Number of MSMEs that have been verified to meet market standards for their products (LOP Target 2,000)										
	-	35	300	882	500	836	247	9,014	2,000	10,767

During the year, 9,014 MSMEs supplied buyers with products meeting define market standards, against a target of 247. To date 10,767 MSMEs are classified as meeting market standards, against a target of 2,000. MSMEs include growers. Details are provided in the ACCESO PMP 09/2014 Excel file.

Whether producers or microenterprises have implemented systems to meet buyers' demands is verified when sales to a specific market demanding a particular quality or standard take place. In order for micro and small businesses (including farmers) to build sustainable relationships with new markets, it is essential they comply with buyer expectations, not only for volumes, consistency, and frequency, but also in terms of quality and product standards. USAID-ACCESO's marketing, postharvest, certification and production specialists provide direct technical assistance to farmers so they can achieve this goal. Additional training is provided by the actual buyers themselves, who visit the farms and participate in training and technical assistance activities or provide feedback to growers when produce is delivered.

USAID-ACCESO specialists are providing support to vegetable growers to enter formal markets with quality standards and where necessary to obtain farm and product certifications. Project specialists are also assisting coffee growers meet the requirements for quality and a range of certifications (depending on buyer requirements), including Rainforest Alliance, UTZ, 4C, Certified Organic, and Fair Trade.

Given the informal nature of local markets, there were very few buyers with specifications for fresh produce. For this reason, postharvest specialists, working with marketing specialists, have worked with "informal buyers" to develop basic standards and quality inspections to formalize some of the relationships. This is in addition to the continued focus on supporting USAID-ACCESO clients in meeting buyer quality standards so they can enter more reliable formal markets with potential for expansion. Support has been provided to both buyers and growers in the development and use of product standards for fresh fruits and vegetables. Additional activities have being carried out with quality and standards for processed and other off-farm products, such as pickled vegetables, raw sugar, processed garlic, dehydrated herbs, dairy products, honey products, wood, and woven items.

USAID-ACCESO has worked with many buyers to develop quality standards for several crops. Examples during the year include all vegetables for supermarket buyers, plantain for wholesalers, Chinese eggplant for the export market, green beans to Guatemala, stevia for a local processor, coffee for many buyers and for specialty markets.

Small-scale processed food operations who have been selling informally because of a lack of registration or bar codes, have been assisted in upgrading their products and operations to enter slightly larger markets (most are still not ready for the main distributors in the principal cities). As this requires higher transport cost and higher margins for those involved, the processors need to reduce their sales price. USAID-ACCESO is helping improve efficiencies and reduce production costs (and know the unit cost of production as most of these small businesses lose money if self-employed labor is included in costs).

5.2.3. Barriers to Competitiveness of Rural MSMEs Reduced (SUB-IR 2.1.3)

Most of the activities under this component are carried out by the business skills and finance technical team, who work in coordination with the production, processing, marketing, and policy components. This team also contributes to activities under other Sub-IRs, including 2.1.1. and 2.1.2. Activities carried out by the business skills and finance team are wide-ranging, commercially-focused, integrated with other project components, and work at all levels of the finance chains.

BUSINESS SKILLS AND FINANCE			
Dedicated technicians	3 senior specialists and 7 junior technicians		
Training Events	4,192		
Training Participants	26,133 men	13,528 women	Total 39,661
Training Individual	5,595 men	2,667 women	Total 8,262
Technical Assistance	34,591		
Investment	Clients \$6,200	Others \$3,741	Total \$9,941
Training materials	50 bulletins	31 presentations	Total 81

Loan Targets

The development, linkage and expansion of access to credit by the growers is first made possible by market-led, technified production programs. Profitable commercial farming operations are a necessity. Subsistence growers can rarely, if at all, pay back loans even if they are inclined to do so. In many cases, the production programs require finance options be pre-identified, for which finance may be required by individuals or by groups of growers, to purchase inputs or for inputs and labor. The project links the finance source together with the users, aiming to be beneficial to both sides. Many non-traditional lending sources do not have the outreach to look for new clients, suitable financial products, sufficient funds to lend, or in the case of some rural village banks, are simply not legalized.

The project provides technical support and training in business skills and finance directly to the growers and to the lending sources. These activities contribute directly to PIRS #14 (access to finance), PIRS #15 (loan value), and PIRS # 11 (business management practices).

Expanding Finance Sources for USAID-ACCESO Clients

The project has developed a wide range of finance sources for client operations. To date, a total of 387 sources of finance have been used to make 13,101 loans to 8,518 clients totaling \$15,866,078. Sources of finance include:

- Rural savings and credit banks (*cajas rurales*)
- Cooperatives, sometimes in triangulation with buyers
- Suppliers of inputs and equipment, sometimes in triangulation with buyers
- Intermediaries (coyotes) providing cash advances or inputs provided and repaid against delivery of product
- Exporters and processors providing inputs in the form of seedlings, fertilizer, etc., repaid on delivery of product
- "Sharecroppers" who invest in the grower, by financing the production operation, while the growers puts the land and labor
- NGOs (eg. Fundación BANHCAFE, Fundación Jjicatuyo, World Vision, ODECO, FAO)
- Projects and governments programs (eg. COMRURAL, PACTA, HEIFER INTERNATIONAL, WFP, PRAF (Women financing program), DICTA, FAO/PESA)
- Banks (very few)
- Farmer and agriculture associations

Technical Support to Growers in Business Skills & Finance

Project support provided direct to growers includes technical assistance and training in business management practices and facilitating access to finance. These cover a range of areas including:

- Access to credit
- Annual accounts
- Annual audits
- Production costs (amount and timing)
- Break-even point analyses
- Budgeting (operative / investment)
- Business operations
- Cash flow operations and control
- Credit scoring and analysis
- Financial indicator analysis
- Financial links
- Inventory controls
- Legal procedures/documentation
- Payroll systems and controls
- Promotional activities (materials, trade shows)
- Recordkeeping for farm operations
- Sales records and control
- Tax management
- Loan documentation and loan applications
- Negotiation of purchase contracts for sale
- Use of mobile guarantees as collateral
- Credit analysis tools and credit portfolio management
- Operational and administrative rules
- Financial analysis

These compliment the production activities that are directed towards market driven planting, technified production systems with buyers pre-identified, grouping of growers for volumes, logistics, etc.

Technical Support to Rural Credit and Saving Banks (*Cajas Rurales*) in Business Skills & Finance

Despite having a poor reputation when USAID-ACCESO started, major advances have been made in increasing the levels of credit that *cajas rurales* provide to project clients for productive activities. Technical support has included:

- Legalization of existing and new *cajas rurales*; some had been in operation for up to eight years, but had never legalized their status (in association with the policy component)
- Development of statutes of operation and internal regulations
- Provision of the record book, certified by SIC, for the operation of the *cajas rurales*. These are i. general journal; ii) general ledger; iii) inventory and balances book; iv) cash inflows and outflows; v) minutes book of the general assembly; vi) minutes book of board of directors; vii) minutes book of the supervisory body; and viii) register of contributions. A total of 1,344 bound and sealed books have been provided to date.
- Training in the use and operation of the record books
- Training in finance management
- Development of credit policy
- Calculation of interest and payments

- Organization and training for boards and committees from rural banks
- Training in developing business profiles for resource management
- Studies for establishment of alternative businesses
- Training in statutes

Information collected from 56 of the rural banks showed that they have increased their savings portfolio by 182 percent and their loan portfolio by 172 percent during the time they have received assistance from the project. A total of 134 *cajas rurales* have been legalized with USAID-ACCESO assistance via the agreement with SIC and UNITEC (an additional 78 are in the process of legalization). The 212 *cajas rurales* involved are made up of 4,148 members. The legalization of the *cajas rurales* has not only increased the saving and loan levels, but also allows them to source capital from government institutions, NGOs, cooperatives and others. Examples include FAO, OXFAM, World Vision, HEIFER international, and municipalities. Legalization even allows them to obtain public services.

Technical Support to Cooperatives in Business Skills & Finance

Technical support has been provided to small cooperatives to expand their loan portfolios to include USAID-ACCESO clients. This includes:

- Development of financial products tailored for small-scale producers. Examples include: financing for rural banks, loans for agro stores installation, loans for warehouse receipts (*pignoración de granos*), microenterprise financing, and livestock financing.
- Triangulation between the cooperative, the grower and the buyer of the product. In this system the buyer makes payments direct to the cooperative. Examples include:
 - AGROSEM – Aldea Global – Producers (Lempira)
 - Inversiones El Sembrador – D’LEITE – Producers (Santa Bárbara)
 - CADELGA – Cultivos del Norte – Producers (Santa Bárbara)
 - DEL CAMPO Soluciones Agrícolas – Cultivos del Norte – Producers (Santa Bárbara)
 - DEL CAMPO Soluciones Agrícolas – D’LEITE – Producers (Santa Bárbara)
 - DEL CAMPO Soluciones Agrícolas – Melvin Sanabria – Producers (Santa Bárbara)
 - Hermandad de Honduras – Supermercados La Colonia – Producers (Santa Bárbara)
 - Industrial de alimentos EYL S.A. de C.V. – Producers (Santa Bárbara)
 - FICOHSA Trust – ECARAI – Supermercados La Colonia – Producers (Intibucá)
 - ECARAI / ASOFAIL (Comrural) – Hortifruti and Walmart – Producers (Intibucá)
 - DEL CAMPO Soluciones Agrícolas – Supermercados La Colonia – Producers (Intibucá)
 - Agoferretería Del Campo – APRALIN – Producers (Intibucá)
 - Banadesa – ECARAI – Producers (Intibucá)
 - Del Campo Soluciones Agrícolas – Supermercados La Colonia – Producers (La Paz)
 - COOMUPL – Supermercados La Colonia – Producers (La Paz)
 - Agroservicios del Rancho – D’LEITE – Producers (La Paz)
 - CACIL – Supermercados La Colonia / Hortifruti – Producers (La Paz)
 - Agroservicios Del Valle – Supermercados La Colonia / Hortiruti – Producers (La Paz)
- Sourcing of funds from second tier institutions. Examples include: eg. MCA-H/ACA trust fund, BECAMO granted Lps. 6,000,000 in cash and supplies to the “Bienestar de Copantillo” rural bank in order to lend to their producer members who will return the loan capital on sale of their coffee production.

Other Activities – Cajas Rurales

In addition to the normal savings and loans, the project has introduced new activities in order to provide additional services to the members and to generate income.

- **Warehouse receipts for grain storage (*pignoración de granos*):** this is a completely new activity introduced by USAID-ACCESO, whereby the *caja rural* receives grains for storage, with

specific quality and humidity specifications, and makes a payment to the grower at the market price at that time. The *caja rural* stores the grain in small silos and applies the appropriate treatment. The grower remains the owner of the grains. At any point, the grower returns to remove the grains from storage and pays a storage fee to the *caja rural*. The grower can then sell the grains, normally at a higher price than at the harvest date. To date warehouse receipt systems have been established with 16 *cajas rurales* with 32 silos; 568 quintales have been stored, with an estimated value of \$6,000 and a subsequent sales value of \$10,000 (Table 36). While this might appear to be insignificant value, it actually has a large impact on food security at the household and community levels. This warehouse receipts system has been expanded to include several municipalities that have larger grain storage facilities, and purchase the grains as part of a reserve for sale to the local population in the event of scarcity. These activities are carried out with technical support from the postharvest and production components.

Table 36. Rural Village Banks with Warehouse Receipts System for Grain Storage

Caja Rural	Location	# of Silos	Quintales "Pignorados"
Superación Campesina	Plan de la Púa, Lepaera, Lempira	3	54
Nuevo Despertar	Rinconada, Lepaera; Lempira	2	36
Nuevo Esfuerzo No 1	Playitas, Lepaera; Lempira	2	36
Nuevo Esfuerzo No 2	Misiora, Lepaera; Lempira	2	36
Nueva Vida	Santa Rita, Lepaera; Lempira	1	30
Siglo XXI	Ocote Chacho, Lepaera; Lempira	1	18
Nuevos Ideales	Laguna de Pajapas, Lepaera; Lempira	1	18
Futuro Mejor	El Ocotillo, Lepera, Lempira	1	18
El Rosario	El Rosario, Lepaera, Lempira	1	18
Nuevo Despertar, Uncana	Uncana, Ilama; Santa Bárbara	9	162
Nueva Vida	La Colmena, La Jigua; Copan	3	54
Mano a Mano	El Retiro, Florida; Copan	1	18
Una Luz en el Camino	El Zarzal, San Juan; Intibucá	1	18
Buenos Aires	Sabanetas, Marcala; La Paz	2	36
Tres Caminos	Rio Grande, Intibucá, Intibucá	1	12
Sagrado Corazón de Jesus de Campanario N 2	Campanario N2, Quiraguira, Masaguara, Intibucá	1	4
Total		32	568

- Small-scale input and equipment stores (agro-tiendas):** this is a completely new activity introduced by USAID-ACCESO. Most of the USAID-ACCESO clients are located in or near rural communities that do not offer the normal services and products available in the secondary and primary cities. To purchase inputs and basic farming equipment, growers have to travel large distances to obtain them, and normally at higher prices than in the cities. In order to bring the inputs closer to the growers and to help minimize prices, the project has worked with 19 *cajas rurales* to establish small-scale input stores to sell to their members and to others in the community (Table 37). Selected private sector input and equipment suppliers (e.g. Del Campo Soluciones Agrícolas, Cadelga, Bayer) are now providing products to the *cajas rurales* at discounted rates (distributor prices) so that they can sell on. Training has been provided by the project to the *cajas rurales* in inventory management, pricing structure, and purchase and sales record management. Members of the *cajas rurales* have also been trained by CropLife as regents for the storage and sales of these products. These activities are carried out with technical support from the production and postharvest components.

Table 37. Rural Village Banks with Sales of Agricultural Inputs (Agrotienda)

Caja Rural	Location	Activities
Superación Campesina	Plan de la Púa, Lepaera, Lempira	Ahorro, Préstamo, Pignoración, Agrotienda
Nuevo Despertar	Rinconada, Lepaera; Lempira	Ahorro, Préstamo, Pignoración, Agrotienda
Nuevo Esfuerzo No 1	Playitas, Lepaera; Lempira	Ahorro, Préstamo, Pignoración, Agrotienda
Nuevo Esfuerzo No 2	Misiora, Lepaera; Lempira	Ahorro, Préstamo, Pignoración, Agrotienda
Nueva Vida	Santa Rita, Lepaera; Lempira	Ahorro, Préstamo, Pignoración, Agrotienda
Siglo XXI	Ocote Chacho, Lepaera; Lempira	Ahorro, Préstamo, Pignoración, Agrotienda
Brisas del Socorro	Plan del Socorro, Lepaera Lempira	Ahorro, Préstamo, Agrotienda
Unidas Venceremos	Pinos Caídos, Rinconada, Lepaera; Lempira	Ahorro, Préstamo, Agrotienda
El Rosario	El Rosario, Lepaera, Lempira	Ahorro, Préstamo, Agrotienda
Nuevo Despertar	Mariposas, Las Flores Lempira	Ahorro, Préstamo, Agrotienda
Unión y Esfuerzo	El Filo, La Unión, Lempira	Ahorro, Préstamo, Agrotienda
COSAGUAL	Gualcinse, Lempira	Ahorro, Préstamo, Agrotienda, Acopio y Procesamiento de café
AAGASM	San Marcos, Santa Bárbara	Aportaciones, Préstamo, Agrotienda, Servicios de Mecanización Agrícola
Nuevo Despertar, Uncana	Uncana, Ilima; Santa Bárbara	Ahorro, Préstamo, Pignoración, Agrotienda
Brisas de Gualcarque	Plan de Encima, Zacapa; Santa Bárbara	Ahorro, Préstamo, Agrotienda
Unión Santa Rosita	Los Puentes, Yarula, La Paz	Ahorro, Préstamo, Agrotienda
COCAOPAL	Monte Verde, San Fco Opalaca, Intibucá	Ahorro, Préstamo, Agrotienda, Pignoración y Compra - Venta de Café
Medalla Milagrosa	Azacualpa, Yamaranguila; Intibucá	Ahorro, Préstamo, Agrotienda
23 de Enero	Malian, Yarula, La Paz	Ahorro, Préstamo, Agrotienda

Other income opportunities are being developed, including land preparation services; processing, buying and selling of coffee; and, consumer stores, as in the case of the “Nuevo Despertar de Mariposas” rural bank, selling basic items with a current inventory of near \$15,000.

Other Activities – Business Plans

USAID-ACCESO has provided continuous technical support and training to MSMEs and other businesses in the preparation of business plans to obtain funding from a wide range of sources. USAID-ACCESO has worked with the World Bank COMRURAL project in different areas, including training of technicians and growers, but particularly through the business skills technicians providing support to project client preparing profiles, business plans, cash flow projections, and counterpart sources. USAID-ACCESO has assisted clients to obtain COMRURAL donations totaling \$1.53 million, including:

- ECARI, Intibucá: \$204,500
- ASOFAIL, Intibucá: \$48,400
- INDUNOSA, Copán: \$110,000
- CAEOL, Copán: \$90,000
- Empresa Asociativa Campesina “Los Cocos”, Lempira: \$57,000
- Cooperativa Cafetalera Belén Limitada (COCABEL), Lempira: \$139,000
- Cooperativa de Servicios Agropecuarios Gualcinse Limitada “COSAGUAL”, Lempira: \$12,900
- ME “Red de Comercialización de Hortalizas Llano Grande”, Ocotepeque: \$78,000
- CR “Unión y Esperanza”: \$77,700

- Cooperativa Agrícola y Ganadera Valle Escondido Limitada (COAGAVEL), Santa Bárbara: \$65,000
- Cooperativa Cafetalera San José Limitada, Santa Bárbara: \$500,000
- Asociación de Agricultores y Ganaderos de San Marcos, Santa Bárbara: \$168,000

USAID-ACCESO has assisted the institutions/organizations “certified” by COMRURAL to prepare the business plans. Other examples of business plan development include:

- Business and investments plans developed with *cajas rurales* for financing
- Business plans for crop financing
- Business plans for agro store implementation
- Business plans for *pignoración* implementation
- Business profiles for installation of drying infrastructures

Other Business Skills and Finance Activities

- Develop credit lines for the “milking cow” with CACIL (La Paz).
- Finance wood transformers under the MOSEF project, with CATIE and FINNFOR (Intibucá).
- Develop credit line for financing of women project growers with PRAF (Intibucá, copán and Ocotepeque).
- Costings for production, postharvest handling, and logistics of fresh produce and for processed products for specific MSMEs.
- Costing for a pilot fresh produce supply program from project clients to schools (with WFP in La Paz) – activity still in the preparation phase but not yet in operation.
- Meetings with municipalities and BANADESA to provide grower financing; with the municipalities acting as the guarantors (similar to that carried out by BANADESA in Olancho) – activity still in the preparation phase but not yet in operation.
- Meet with growers and input suppliers to develop credit lines.
- Organize finance fairs for SMMEs with local providers of credit.
- Support grower groups, including irrigation groups and potable water boards, to develop statutes, internal rules, administrative recordkeeping, basic finance, etc. (in conjunction with the production and NRM components)
- Follow up with growers who are behind on loan repayments.
- Documentation for company registration and legalization (in conjunction with the NRM, processing and policy components).
- Train SMMEs in production, cost, sales and income records, and revision of documentation and calculations.
- Train coffee producers to use recordkeeping log books for certification of production systems.
- Work with buyers and growers on contract mechanisms and payment procedures (mainly for processors).
- Support to obtain several hundred RTNs from the DEI for growers (a requirement for loans).
- Elaboration of “*constancias*” for growers receiving technical assistance from the project to access finance.
- Saving products for children through schools or with the children from members of rural banks including “*Superación Campesina*”, “*Nuevo Despertar*”, “*Nuevo Esfuerzo*” and “*Nueva Vida*” in Lempira.

Initial discussions have also been held to determine the possibilities of using mobile cash transactions (for payments by buyers) with cellular providers and with Banco Atlántida.

Coordination

In the business skills and finance component, much of the work has been carried out directly by the USAID-ACCESO team. Outreach increased through alliances and coordination with others involved in these activities, which have collaborated with training, technical assistance, and events, including:

- Private sector buyers and input/equipment suppliers
- Cooperatives, banks
- Municipalities
- PRONADERS
- COMRURAL, FUNDER, ASONOG, Fundación Jicatuyo, HQC, Hermandad de Honduras, World Vision, AMVAS
- PACTA
- WFP

Challenges

USAID-ACCESO clients are not normally considered as potential clients by the traditional banking system and in most cases cannot access formal credit lines. There are many reasons for this, including:

- Lack of collateral.
- High interest rates or terms that are not aligned with the crop or cash flow needs.
- Lack of production technology to ensure productivity, profitability, consistency of supply.
- Require formal buy/sell agreements for triangulation.
- Lack of agricultural affordable insurance.
- Banking institutions do not want to work with thousands of small farmers with small loans.
- Producers have no business plan, cash flow, financial skills (some cannot read and write).
- Producers do not have the required documentation, e.g. RTN, balance sheets, bank account records, bank or commercial references.
- Financial products that are based on a single crop (short term) and not based on the operation of the farm.
- Producers in remote areas where no funding sources exist and where the banks do not visit.

Many banks are wary of working with the poor and extreme poor population based on previous experience with high delinquency rates, even when supported technically by government and other programs. Many growers (not just poor and extreme poor) will cite the “lack of finance” as a constraint to their survival and growth, but even when preferential lines are established repayment levels are inadequate. Their lack of success is a result of several potential factors:

- Inadequate technical assistance.
- Traditional or non-technified production systems.
- Growers are not linked to the market and in many cases plant, and then look for a buyer just prior to harvest.
- Producers who do not follow the recommendations.
- Producers who fail to achieve the required productivity, quality, consistency; market non-compliance; and lack of profitability.
- Complicated and high cost logistics to coordinate plantings and deliveries.
- Small production plots and harvested volumes.
- Producers who plant to “live” but not as a business.
- When subsistence level growers receive payments for their crops, the family needs and essential items take first priority, and loan repayments are secondary.
- Resistance for some producers to adapt new and improved techniques.

Repayment potential is considered a problem by many finance institutions. Subsistence level growers are frequently accustomed to received “*bonos*” from the government or donations of seeds and inputs from

donors, NGOs and other organizations. They are not used to having to repay. It should be said however, that this is not the majority. Most growers do repay, but even for those there are challenges:

- **Producer:**
 - Lack of yield or quality
 - Unit costs above selling price
 - Financial products that does not go with the crop (high interest rate / payment terms)
 - Lack of "plan B"
 - Use of the loan for non-productive activities
- **Buyer / market:**
 - Non-payment or late payments
 - Change or cancel orders during production / harvest
- **Other:**
 - Weather
 - Pests and diseases
 - Lack of contact or follow-up between the lender and the producer
 - Road blocks or strikes preventing the crop reaching markets
 - Security risks

Successes

As a result of the challenges given previously, USAID-ACCESS focused efforts on more non-traditional and local finance options. These have been expanded as implementation has progressed and are demonstrated in the loan results presented later in this section of the report.

USAID-ACCESO has been able to increase client access to finance as a result of:

- Integration of market-driven, technified production systems.
- Identifying finance sources based on client needs, capacity, and capability.
- Working with local rural finance operations.
- Improving and expanding the operations of the *cajas rurales*.
- Developing and expanding input and equipment financing directly with providers.
- Involving buyers with the financing operations, either direct or via triangulation.
- Developing the clients basic recordkeeping and financial management skills.
- Diversification of operations of assisted rural banks and cooperatives.

The more formal finance providers have become involved as growers, and particularly the MSMEs, have expanded, legalized, gained credit history and require more credit options. Efforts have been made to increase the credit lines of the non-traditional and informal lenders by associating them directly with the banks – a second tier system. Several policy barriers relating to finance have been eliminated or reduced to increase the finance options available to small-scale growers and rural MSMEs.

Increased access to finance

The status of activities in the Project Monitoring Plan (PMP) under this component during the reporting periods and accumulated to date is provided in Table 38.

Table 38. Barriers to Competitiveness of Rural MSMEs Reduced

Indicator	Year 1 (May to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Year 3 (Oct. 2012 to Sept. 2013)	Year 4 (Oct. 2013 to Sept. 2014)	Total to Date (Sept. 2014)
PIRS #14: Number of MSMEs accessing market-based financing as the result of government assistance (LOP Target: 4,314)					
	315	1,577	2,826	3,800	8,518
PIRS #15: Value of agricultural and rural loans made to MSMEs (\$ millions) (LOP Target: \$6.33 million)					
	0.200	1.554	6.072	8.060	15.886
PIRS #11: Number of MSMEs implementing sound business management practices (LOP Target: 8,482)					
	-	695	4,498	6,318	11,511

The status of activities in the Project Monitoring Plan (PMP) for years 1 to 4, against targets is provided in Table 39.

Table 39. Barriers to Competitiveness of Rural MSMEs Reduced

PIRS/ WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total To Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #14: Number of MSMEs accessing market-based financing as the result of government assistance (LOP target 4,314):										
	215	315	863	1,577	1,000	2,826	100	3,800	4,314	8,518
PIRS #15: Value of agricultural and rural loans made to MSMEs (\$ millions) (LOP target \$6.33 million):										
	0.32	0.200	1.26	1.554	1.730	6.072	1.000	8.060	6.330	15.886
PIRS #11: Number of MSMEs implementing sound business management practices (LOP target 8,482):										
	-	-	1,696	695	3,750	4,498	3,250	6,318	8,443	11,511

SELECTED BUSINESS SKILLS AND FINANCE SNAPSHOTS

- Access to financing is a key factor preventing growth of MSMEs on- and off-farm. Finance specialists work with input providers, *cajas rurales*, cooperatives, and other institutions to assist them in developing administrative tools to improve their portfolio management capacity. This also includes the design of financial products and services in response to the specific needs of growers and business owners. Eight *cajas rurales* in Lempira and Santa Barbara has broadened their coverage of services to offer financing to non-members as a result of project technical assistance. Specifically, *Caja Rural Copantillo* in Lempira established an alliance with BECAMO for the delivery of credit services to coffee producers. BECAMO assigned a line of credit worth \$340,000 (\$146,000 in inputs and \$194,000 in cash) for on-lending to coffee producers.
- With the technical assistance from project specialists, Coraguil, a wood processing cooperative in Intibucá, has developed its organizational and administrative capacity to qualify for investments through CATIE. An agreement between Coraguil and CATIE was signed for investments totalling \$32,000 in industrial machinery for wood processing, infrastructure improvements, and other equipment. This investment will benefit the small businesses of 85 active members of Coraguil of which close to 70 percent are USAID-ACCESO clients.
- PALISAL, an agroforestry cooperative in El Obispo, Yamaranguila, Intibucá, with the assistance of project specialists, signed an agreement with CATIE for \$19,000 to set up a revolving fund for lending to its members. With technical assistance and training from USAID-ACCESO business and finance specialists, PALISAL managers developed a financial product appropriate for the needs of wood processing/transformation businesses in the region. This product was promoted in the first EXPO Agroforestry Financing Fair held in Yamaranguila.
- New alliances were established between project client growers and off-farm MSMEs, and financial intermediaries such as CACIL, AGROSEM, COMIXMUL, CADELGA, BANADESA, and World Vision.
- Project finance specialists assisted 10 businesses in Santa Barbara to develop business profiles, for funding by *Proyecto Horizontes del Norte* who provide non-reimbursable funding for up to 75 percent of the total cost of investment of the proposed business plan. All 10 profiles are still pending approval as the project is under restructuring to be managed under SAG instead of PNUD.
- *BANASUPRO en Mi Barrio* is a program through which 20 basic food items (sugar rice, salt, pastas, beans corn, vegetable oil, eggs, chicken, etc.) are made accessible to populations who live in very remote communities at a very low cost while providing members or community organizations with an opportunity to do business and earn an income for their families. With project support, one *caja rural* in Santa Barbara and two in Lempira were identified as eligible to participate and are pending approval. The value of food products distributed through this initiative will provide more than 200 families with access to these foods at reasonable prices.
- Finance and production specialists are working closely with *cajas rurales* in the design and implementation of a pilot project to supply vegetables, dairy products, fruits, and eggs to schools for use in the *merienda escolar* in cooperation with the WFP. Selected *cajas rurales* and project growers will benefit through increased and sustained income with a new market option, in addition to improving the nutrition of the children. Two pilot projects involving approximately 12 schools in La Paz are ongoing, so far with successful results.

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

During the year, 3,800 MSMEs accessed market based finance with project assistance (against a target of 100). To date, 8,518 MSMEs have accessed financed, against LOP target of 4,314. Women made up 17 percent of the MSMEs and 16 percent of the number of loans. The extreme poor made up 77 percent of the MSMEs and 75 percent of the number of loans. Details on the loan numbers are provided in Tables 40 to 42. More details on loans and lenders are provided in the Excel PMP file 09/2014.

Table 40. Number of MSMEs accessing market-based financing by sex (Accumulated September 2014)

Category	# MSMEs LOP Target	# MSMEs to Date	% of Total	# Loans to Date	% of Total
Male	3,667	7,070	83.0%	10,968	83.7%
Female	647	1,448	17.0%	2,133	16.3%
Total	4,314	8,518	100%	13,101	100%

Table 41. Number of MSMEs accessing market-based financing by baseline income (Accumulated September 2014)

Category	# MSMEs to Date	% of Total	# Loans to Date	% of Total
Extreme Poor	6,542	76.8%	9,772	74.6%
Poor	651	7.6%	1,053	8.0%
Non-Poor	1,115	13.1%	1,902	14.5%
MSMEs Micro	126	1.5%	226	1.7%
MSMEs Other	85	1.0%	148	1.1%
Total	8,518	100%	13,101	100%

Table 42. Number of MSMEs accessing market-based financing by department (Accumulated September 2014)

Department	# MSMEs to Date	% of Total	# Loans to Date)	% of Total
Copan	1,693	19.9%	2,534	19.4%
Intibucá	1,324	15.6%	2,150	16.4%
La Paz	1,163	13.7%	2,083	15.9%
Lempira	1,987	23.4%	2,892	22.1%
Ocotepeque	1,233	14.5%	1,743	13.3%
Santa Bárbara	1,102	13.0%	1,679	12.8%
Other	16	0.2%	20	0.2%
Total	8,518	100%	13,101	100%

PIRS #15: Value of agricultural and rural loans made to MSMEs

During the year, USAID-ACCESO clients accessed \$8.060 million in loans against a target of \$1.0 million. To date, loans total \$15.886 million against a LOP target of \$6.33 million. More than 387 different finance sources have been used including rural village banks, input stores, cooperatives, buyers, NGO and municipalities. These are the formal loans. There are many informal loans, particularly between family members, intermediary buyers and “sharecroppers”. Traditional banks do not normally work with this segment. Women clients make up 11.1 percent of the total loan value with \$1.761 million in credit. The extreme poor clients obtained credit totalling \$5.567 million and made up 35 percent of the total loan value. The average loan amount was \$1,865, with the majority in the range of \$100 to \$500 (43 percent). Details on the loan values are provided in Tables 43 to 46. More details on loans and lenders are provided in the Excel PMP file 09/2014.

Table 43. Value of Loans by Sex (Accumulated September 2014)

Category	Loan Value LOP Target	Loan value to date (September 2014)	% of Total
Male	\$5.38 million	14,125,439	88.9%
Female	\$0.95 million	1,760,639	11.1%
Total	\$6.33 million	15,886,078	100.0%

Table 44. Value of Loans by baseline income (Accumulated September 2014)

Category	Loan Value	% of Total
Extreme Poor	5,567,246	35.0%
Poor	1,302,716	8.2%
Non-Poor	3,738,054	23.5%
MSMEs Micro	2,832,462	17.8%
MSMEs Other	2,445,599	15.4%
Total	15,886,078	100.0%

Table 45. Value of Loans by Department (Accumulated September 2014)

Department	Loan Value	% of Total
Copan	3,133,057	19.7%
Intibucá	2,459,765	15.5%
La Paz	1,290,945	8.1%
Lempira	2,363,361	14.9%
Ocotepeque	3,369,633	21.2%
Santa Bárbara	3,253,914	20.5%
Total	15,870,677	100.0%

Excludes loans made to initial clients in Comayagua

Table 46. Number of MSMEs accessing market-based financing by Department (Accumulated September 2014)

Loan Amount	# MSMEs	# MSMEs % of Total	# Loans	# Loans % of Total	Total Value	% of Total Value
< \$100	778	9.1%	1,779	13.6%	91,375	0.6%
>\$100 <\$500	3,237	38.0%	5,687	43.4%	1,395,655	8.8%
>\$500 < \$1,000	1,667	19.6%	2,407	18.4%	1,510,268	9.5%
>1,000 < \$5,000	2,324	27.3%	2,715	20.7%	4,737,595	29.8%
>\$5,000 < \$10,000	285	3.3%	284	2.2%	1,793,246	11.3%
>\$10,000 < \$100,000	213	2.5%	222	1.7%	5,052,481	31.8%
>\$100,000	14	0.2%	7	0.1%	1,305,458	8.2%
Total	8,518	100%	13,101	100%	15,886,078	100%

387 loan sources have been used to obtain credit. The *cajas rurales* have become the main source of loans for USAID-ACCESO clients: \$1.764 million of a total of \$15.886 million (11 percent), and 3,918 loans of a total of 13,101 loans (30 percent).

In terms of loan number, after the *cajas rurales*, IHCAFE has loans with 611 project clients for \$600,000; Hermandad de Honduras with 526 loans for \$353,000; municipalities with 341 loans for \$67,000 and Del Campo with 224 loans for \$219,000.

Larger loans have been obtained from banks including Banco Occidente (95 loans for \$1.294 million), FICOHSA (383 loans for \$626,000), Banadesa (196 loans for \$604,000), and BANHCAFE (31 loans for \$300,000).

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

A total of 6,318 MSME implemented sound business management practices this year against a target of 3,250. To date, 11,511 are implementing sound business practices against an overall target of 8,443. To count as an MSME toward this indicator, the MSME has to implement a minimum of three of the following business management practices:

- Access to credit
- Annual accounts (internal or external)
- Annual audits (internal or external)
- Break-even point analyses
- Budgeting (operative / investment)
- Business operations
- Cash flow operations and control
- Credit scoring
- Financial indicator analysis
- Financial links
- Inventory controls
- Legal procedures/documentation
- Payroll systems and controls
- Promotional activities (materials, trade shows)
- Recordkeeping
- Sales records and control
- Tax management

This indicator was measured as part of the sampling procedures and was extrapolated to the USAID-ACCESO clients. The top five practices being implemented are:

- Access to credit
- Credit scoring
- Financial links
- Inventory controls
- Recordkeeping

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

This indicator was added in for Year 3 (October 2012 to September 2013). Data for Years 3 and 4 are provided in Table 47. To date, women have made up 17 percent of the individuals obtaining loans (1,448).

Table 47. Proportion of female participants with access to productive resources

Indicator	Year 3 (Oct. 2012 to Sept. 2013)			Year 4 (Oct. 2013 to Sept. 2014)			Total to Date (Sept. 2014)		
	Total	Female	%	Total	Female	%	Total	Female	%
GNDR 2: Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (LOP Target: 20%)									
Individuals	4,718	819	17.4%	5,085	800	16%	8,518	1,448	17%
\$ millions	7.826	0.921	12%	8.830	0.813	9%	15.89	1.76	11%
# Loans	6,727	1,151	17.1%	6,271	927	15%	13,101	2,133	16%

Policy and value chain sector constraints identified and eliminated

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

The most important problems identified related to policies, rules or regulations, were found primarily in the area of access to credit, access to technologies and agricultural extension services, and institutional aspects of the Ministry of Agriculture and Livestock (SAG).

In terms of administrative barriers, the most significant problems identified were related to the high costs, requirements, and time required for registration; procedures for exports or imports agricultural products and inputs; access to technologies and agricultural extension services; market access and business practices; food safety and plant/animal health; and access to land or titles.

Table 48. Status: Policy and Value Chain Sector Constraints

PIRS/ WP #	Year 1 & 2 (Apr. to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total to Date (Sept. 2013)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #16: Number of value chain / sector constraints identified and resolved (LOP Target 40):								
	15	1	24	16	23	15	40	32
PIRS #17: Number of policy reforms, regulations, administrative procedures passed for which implementation has begun with USG assistance (LOP Target 4):								
	1	2	1	3	0	1	4	6

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

During the year, 15 value chain/sector constraint were resolved, against a target of 23 (for a total to date of 32 barriers against a target of 40). The following value chain/sector constraints have been resolved as a direct result of or with USAID-ACCESO assistance:

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

Current Year:

- Official Recognition of Potato Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Official Recognition of Onion Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Official Recognition of Cacao Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Official Recognition of Carrot Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Simplification of RTN applications from the DEI for companies and individuals.
- National Plan for Integrated Assistance to Small Scale Coffee Growers Affected by Coffee Rust (with IHCAFE).
- Custom technical instruction for the waiver of payment of 15% on sales of inputs used in the process of production, processing and distribution of milk, beef and pork as set out in the law of the National Fund for The Competitiveness of the Agricultural Sector.
- Reforms to the Circular No. PE-002/2014 of BANHPROVI on the National Program of bovine, swine and poultry repopulation, to allow access to credit to small and medium-sized producers who are not members of associations or organizations belonging to the FENAGH.
- Streamlined Process for the registration and operation of chicken slaughterhouses.
- Official Recognition of Plantain Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Official Recognition of Lettuce Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Official Recognition of Palm Oil Production Manual in order to harmonize and improve the quality of agricultural extension services.
- Accreditation of natural and legal persons to provide agricultural inspection services.
- Establishment of additional reforms to the Normative Evaluation and Classification of the Agricultural Loan Portfolio issued by the National Banking and Insurance Commission (via Policy Measures to Expand Credit Service to Farmers).
- Clarification of the list of products that must pay the 1.0% of income tax established in article 19 of the law of strengthening of income, Social equity and rationalization of public expenditure, Decree No. 17-2010.

A series of activities are also ongoing to resolve or eliminate other barriers. These included:

- Fund for the control and disposal of agrochemical packaging
- Review of the Pesticides and related substances regulations to simplify administrative procedures and requirements
- Review of the Veterinary Medicine regulations to simplify administrative procedures and requirements
- Review of the Fertilizers regulations to simplify administrative procedures and requirements
- Development of Santa Barbara Municipal Ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity (Legislative Decree).
- Development of Marcala Municipal Ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity (Legislative Decree).
- Development of La Esperanza Municipal Ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity (Legislative Decree).
- Development of San Marcos de Ocotepeque Municipal Ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity (Legislative Decree).

- Development of Santa Rosa Municipal Ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity (Legislative Decree).
- Development of Gracias Municipal Ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity (Legislative Decree).

Information on the value chain / sector constraints identified and resolved in the current year is provided below:

Official recognition of crop production manual in order to harmonize and improve the quality of agricultural extension services: The country does not have an adequate system of technology generation and transfer, nor strategies, validation mechanisms, or formalization of technological packages by crop or value chain. The support services offered by government institutions and assistance projects are not standardized or regulated, and as a result, the impact of these services on productivity and income for farmers is often marginal. With USAID-ACCESO guidance and assistance, SAG established a technical committee to review and subsequently approve the use of crop specific technical manuals. This is made up of SAG, DICTA, UNA, EAP Zamorano and FHIA. Seven manuals were prepared this year by USAID-ACCESO (4), FHIA (1), DICTA (1) and the Palm Oil association (1). The manuals are approved and made official via a Ministerial Agreement.

In addition, the corn and bean manuals approved in the previous year were presented in the last quarter by the Minister of Agriculture to the sector as the technologies to be used and promoted as part of the response to the drought problems which saw a reduction in the production volumes.

National Plan for Integrated Assistance to Small Scale Coffee Growers Affected by Coffee Rust (with IHCAFE): Since 2012, IHCAFE, supported by public and private organizations, has implemented a National Strategy to Combat Roya, with good results. However, analysis of the current situation of coffee production indicated the need to supplement national priorities with additional measures to expand coverage to achieve control and avoid potential rust advancement to susceptible farms that had previously recorded only mild damage.

To elaborate the national plan, USAID-ACCESO coordinated a total of 14 meetings with IHCAFE's technical team, and four meetings in Santa Barbara with IHCAFE and donor projects to assign activities and targets. Within the complementary measures to the current strategy, diversified production and the generation of new jobs to offset the reduction of revenue from coffee producing families affected by rust were considered priority.

Accreditation of natural and legal persons to provide agricultural inspection services: Poor and cumbersome coverage of agricultural health services provided by SENASA results in high costs and discourages investment in the agricultural sector. These aspects contribute little to the phytosanitary health status protection of the country and compliance with the requirements of the major markets for agricultural exports.

Meetings were held with SENASA officials and technicians to define principles and procedures for the accreditation of individuals and corporations to provide health services delegated by SENASA. Standards and procedures used by other countries (Chile and Mexico) for accreditation and outsourcing of certain services were collected and analyzed. USAID-ACCESO prepared draft regulations on accreditation of specialized staff by SENASA for discussion and subsequently the pre-project documentation to the Minister of Agriculture for technical and legal review. The document was approved technically and has been piloted, with USAID-ACCESO clients, in small-scale chicken farms for egg and meat production. It is awaiting publication in the official government paper *La Gaceta*.

Streamlined process for the registration and operation of chicken slaughterhouses: The provisions of the regulations for Inspection, Approval And Certification Of Health Products And Poultry Products, establishes a set of procedures and requirements that limit private investment in this field and has

caused many small producers to operate outside the law. This is due to the high costs to meet the requirements and that contribute little to the improvement of the phytosanitary health status.

Activities have included meetings with officials from the Department of Food Safety of SENASA to define a monitoring strategy for applications approval to register poultry slaughterhouses. Simplified procedures were defined that include aspects relating to the submission of plans and infrastructure requirements. The regulations and requirements for registering slaughterhouses were reviewed. SENASA's director of safety made four inspection visits to USAID-ACCESO supported slaughterhouses in Santa Barbara and Copan. Work plans were developed and approved by SENASA for the small-scale plant registration.

Custom technical instruction for the waiver of payment of 15% on sales of inputs used in the process of production, processing and distribution of milk, beef and pork as set out in the law of the National Fund for The Competitiveness of the Agricultural Sector: Through the Legislative Decree No. 278-2013, Public Finance Control Exemptions and Evasion Measures Law, all exemptions and customs duty on the import of goods and local purchase exemption set out in the various general laws are removed, including sales tax, except those granted in the legislative Decree No. 143-2013, NPF Act Competitiveness of the Agricultural Sector. The development of a Technical Instruction from FENAGH was necessary for submission and approval by SAG, MoF and DEI.

USAID-ACCESO held eight meetings with representatives from the milk, beef and pork value chain, in order to identify the goods and services exempt from payment of the 15 percent sales tax in accordance with the provisions of the Law on the National Fund for Competitiveness of the Agricultural Sector. Matrices were prepared to describe, in terms of tariff and trade, goods and services subject to the exemption of 15 percent sales tax.

Establishment of additional reforms to the Normative Evaluation and Classification of the Agricultural Loan Portfolio issued by the National Banking and Insurance Commission (via Policy Measures to Expand Credit Service to Farmers): Despite the reforms made to the rules of evaluation and classification of the loan portfolio issued by the National Banking and Insurance Commission (CNBS) in 2013, in the regulations in force even SFN institutions are obliged to use classification and evaluating criteria for the agricultural portfolio which are the same for loans for the commercial sectors. As a result, many of the loan applications in the agricultural sector are not eligible or do not meet the requirements or criteria of the legislation. Consequently, the loan portfolio to agriculture funded by the SFN for the past five years was only 3 to 5 percent of the total, and for the past 20 years has presented a downward trend.

USAID-ACCESO held two meetings with representatives of FENAGH and AHIBA in order to develop proposed amendments to current regulations and thus facilitate access to credit to more farmers; one meeting with representatives of the National Banking and Insurance Commission to present the proposed amendments and justifications; three meetings with the Registry of Security to define and approve the scope of proposed reforms to the laws for assessment and classification of the current loan portfolio; and, subsequently, preparation and submission of proposal to facilitate access to credit under the Secured Transactions Law.

New rules of evaluation and classification of the loan portfolio were approved as given in CNBS circular No. 074/2014. This established different rules for agricultural sector in regard to accumulated reserves and allocation of any assets and portfolio sale, and aims to accompany the central government's efforts to revive the agricultural sector through the implementation of FIRSA.

Reforms to the Circular No. PE-002/2014 of BANHPROVI on the National Program of bovine, swine and poultry repopulation, to allow access to credit to small and medium-sized producers who are not members of associations or organizations belonging to the FENAGH:

BANHPROVI Circular No. PE-002/2014, allocated L. 280.0 million to finance beef, pork and poultry restocking project, with a 10-year term, 3-year grace period and an interest rate of 7.25% to the producer, as long as the borrower is a member or belong to a member organization of the FENAGH. Persons outside of this organization were excluded.

USAID-ACCESO worked with FENAGH to develop proposed amendments to the circular to enable non-members of FENAGH, to apply for credit from the funds allocated in the framework of the loan funds. An application for amendments was made to the Minister of the Ministry of Economic Development and Social for discussion and approval. As a result a new Circular was issued by BANHPROVI that allows eligibility of natural or legal persons who are not members or belong to a member organization of the FENAGH, to apply for credit from the funds allocated under this program.

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

One additional policy reform was achieved this year (policy reforms, regulations, and/or administrative procedures have been passed for which implementation has begun with US government assistance), against a target of zero (for a total to date of six reforms against a target of four). These are as a direct result of, or with USAID-ACCESO assistance:

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

Policy Measures to Expand Credit Services to Farmers

Nationally there are about 5,000 rural credit and saving banks, which are regarded as part of the alternative financing system (rural credit and savings banks, community banks). They have been supported since 1992 by several government institutions, private institutions, NGOs, programs, and projects, but via a wide range of approaches. This has been due to the lack of a national policy on rural savings and credit banks, which has limited their growth and efficiency.

USAID-ACCESO participated in five meetings of the Technical Committee on Rural Savings and Credit Banks, coordinated by PRONADERS, in order to discuss and comment on the first draft document of the National Policy on Rural Savings and Credit. A presentation was made to the National Committee on Savings and Credit Executive Agreement prepared for the Financial Capital of Rural Savings and Credit, for inclusion in the National Policy. The measures were approved by Council of Ministers.

An activity was carried out in Santa Barbara to promote the policy to 50 representatives of rural credit and savings banks supported by USAID-ACCESO, and 25 representatives of other rural banks supported by FAO.

Applied research and development programs developed

FHIA: Applied research programs in technical areas to support USAID-ACCESO's production activities and crops are currently being carried out under the auspices of a partner fund with FHIA. This applied research will result in information and scientifically validated practices that will help Honduran farmers achieve higher yields, utilize more resistant and productive crops, and improve production and postharvest practices. Most of the research activities were carried out or initiated in the previous year, and finalized in the current year. Results from selected research activities became available during the current year.

Status of activities in the PMP under this component:

- Research and development projects and activities identified: 14

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

Activities included:

- Evaluation of different rootstocks in tomato and eggplant on development of bacterial wilting. Rootstocks were identified that provided acceptable tolerance to wilting in tomato, but did not provide the required tolerance in the case of eggplant.
- Optimization of drip irrigation to improve pest control in soil and general agrichemical applications. Trials indicated that using two drip irrigation tapes per bed provide 51 percent coverage of products in the soil, while using only one tape provided 31 percent.
- Application efficiency of commercial spray equipment. Trials carried out on sweet pepper plants. Conclusions of this activity indicate that spraying with motorized equipment is more effective than manual backpack sprayer, with backpack sprayers achieving less coverage of the leaf underside.
- Effects of planting Curaré plantain on raised beds. This activity concluded that there are no significant benefits to planting this plantain variety on raised beds.
- Evaluation of different types of limestone, time of application, and dosage in potato. The potato lot used for this activity was lost due to bacterial wilting.
- Productivity and quality of 23 different types of yellow and red onion. Results identified the best performing varieties in terms of yield and quality.
- Storage life evaluation of 11 onion varieties. Varieties with the best storage characteristics after four days were identified.
- Productivity and quality of 11 onion varieties grown in different seasons, together with their storage characteristics. The best performing varieties at each planting seasons were identified, which did not always show the best storage characteristics.
- Identification of virus in the main *solanacea* crops grown in USAID-ACCESO regions. The following results were obtained from this activity:
 - 83 percent of the samples collected showed the presence of virus.
 - The most common were those transmitted by white fly during the dry season.
 - Weeds continue to be an important factor in the reproduction of virus transmitting vectors.
- Comparison between using plantlets and corms of different sizes in plantain production. Plantlet should the fastest rate of growth, followed by large and medium corms. Growth rate from small corms show slow growth.
- Effect of de-handing on plantain yields and fruit quality. Ongoing.
- Determination of production curves of two white corn hybrids under weekly plantings throughout the year. Study to be finalized in next quarter.

EAP Zamorano

- Nematode displacement in soil. Application systems through drip lines showed that infected nematodes were able to move into the top 15 cm of the soil within 24 hours of application.
- Nematode distribution in irrigation systems. No differences were found in the nematode distribution between system injections with Ventry and a standard pump. When pressurized

systems were compared to non-pressurized, higher populations were found with the pressurized systems.

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

On-farm natural resource management activities to maintain healthy soils and conserve water are integrated into the good agricultural practices at the centerpiece of the USAID-ACCESO extension program. Under this component, the project works in collaboration with community groups to improve overall natural resource management practices at the community, micro-watershed, and municipal levels. USAID-ACCESO uses a participatory municipal and community planning process to develop and implement municipal natural resource management plans that identify existing, proposed, and potential areas of public interest; biological and economic corridors, including areas with potential for and irrigation or hydropower development; as well as areas under current or future environmental threat due to deforestation, soil erosion and sedimentation, chemical and organic pollution, and natural hazards.

The status of activities in the Project Monitoring Plan (PMP) for years 1 to 4, against targets is provided in Table 49.

Table 49. Status: Natural Resources Conserved

PIRS/ WP #	Year 1 (Apr. to Sept. 2011)		Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total to Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #8: Number of additional hectares under improved technologies or management practices as a result of USG assistance (LOP Target 14,904):										
	-	-	2,981	8,321	3,000	7,693	0	11,215	14,904	27,229
PIRS #10: Number of companies (including farms) that have made conservation-friendly changes in their business practices (LOP Target 22,050):										
	-	-	4,410	356	8,750	351	13,500	6,194	14,207	6,901

Implementation of natural resource management practices on farm

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

During the year, 11,215 hectares of production were under improved technologies or management practices, against a LOP target of 14,904. Total area is now 27,229 hectares. This indicator was calculated with data from the client survey and extrapolated to the total registered active clients. The 27,229 hectares broken down by sex – 23,609 hectares by male clients (87 percent) and 3,620 hectares by female clients (17 percent).

To be counted toward this indicator the company has to implement at least one of the following technology or management practices:

- Crop genetics
- Animal genetics
- Cultural practices
- Pest management
- Disease management
- Soil-related fertility and conservation
- Irrigation
- Water management (non-irrigation-based)
- Post-harvest handling and storage
- Processing
- Climate mitigation or adaptation

Results for this indicator were obtained as part of the annual sampling survey. Of the technologies and

management practices, 85 percent of the area is under improved cultural practices, 48 percent with improved soil-related fertility and conservation, and 20 percent with improved pest management systems.

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

During the year, 6,194 additional companies have made conservation-friendly changes, against a target of 13,500. To date, 6,901 companies have made the changes, against a target of 14,207. Of the 6,191 total, 1,336 are women (19 percent).

This indicator was calculated with data from the client survey and extrapolated to the active clients registered with the project as of September 2014. To be counted toward this indicator the company has to implement a minimum of five changes at the farm or household level from the following predefined list:

- Contoured beds
- Field drainage systems
- Incorporation of organic materials in soils
- Use of physical terraces
- Pest and disease sampling systems
- Planting of permanent live barriers
- Water source protection
- Planting of riparian buffers (rivers and streams)
- Reforestation
- Forestry management plan
- Safe disposal of chemical containers
- Recycling of drip irrigation equipment
- Use of *eco-justa* stoves
- Development of wildlife conservation plans
- Effluent treatment systems for households and processing plants
- Treatment of coffee residues
- Production and use of hay silage for cattle feed
- Planting of fast woods for firewood
- Formal disposal of household waste

For reference, the number of companies (including farms) and the respective changes from the list are as follows:

Table 50. Number of companies that have made conservation-friendly changes in their business practices

# Changes	# Companies	%
1	5,397	27%
2	3,655	18%
3	2,578	13%
4	1,685	8%
5	1,613	8%
>5	5,287	26%
Total # companies	20,214	100%

The indicator definition also states that at the community level, if three of the following five NRM practices are achieved, the number of households in the community will be counted.

- Regulations for solid waste disposal
- Prevention and control of forest fires
- Legalization of water producing zones
- Recuperation of deforested area in watersheds
- Basic sanitation systems and water treatment for human consumption

These numbers have not been factored into the totals presented to date, but will be done so for the final report in February 2015.

This indicator is under target due mainly as the “five changes” requirement was included after the target was set. Given the type of client that USAID-ACCESO is working with, they do not normally implement all of the practices in one crop cycle, and technologies and practices have to be incorporated over time.

USAID-ACCESO incorporates on-farm natural resource management activities to maintain healthy soils, prevent contamination, and conserve water as part of the good agricultural practices. These activities are carried out mainly by the production component with input from the NRM component. The following practices are being promoted through technical assistance and training on a regular basis in all regions covered by the project:

- **Land preparation:** Use of contoured beds, raised beds, drainage systems, minimum tillage techniques, live and dead wind and erosion barriers; introduction of appropriate tools and machinery.
- **Crops:** Crop rotation (including use of leguminous cover crops that fix nitrogen in a more economical way than chemical fertilizers), elimination and/or incorporation of crop residues, use of border weed control (alternative hosts), pest and disease sampling, use of hybrid seeds, and improved planting materials with greater disease tolerance.
- **Water:** Protection of water sources from contamination for better water management, better water quality, less soil erosion, and less pesticide and fertilizer use. This also increases yields for farmers, reduces input costs, and increases gross and net incomes.

Implementation of natural resource management practices at community and municipal levels

During the life of project, USAID-ACCESO was to work with at least 20 municipalities to develop and implement natural resource management policies. The USAID-ACCESO natural resource management team has developed activities with 67 municipalities (42 in September 2012, and 64 in September 2013). Three new municipalities were added during the current year (one in Intibucá and two in Lempira). These municipalities were selected based on project presence, rates of poverty and child malnutrition, and high vulnerability to environmental disaster. Many NRM practices have now been implemented by these municipalities and community involvement is high. Assisted municipalities have made significant progress and are in different stages of the process, from awareness to implementation.

NATURAL RESOURCE MANAGEMENT AND DISASTER PREVENTION			
Dedicated technicians	2		
Training Events	1,016		
Training Participants	12,418 men	5,001 women	Total 17,419
Training Individual	3,272 men	1,275 women	Total 4,547
Technical Assistance	13,959		
Investment	Clients \$225,406	Others \$378,456	Total \$603,863
Training materials	13 bulletins	21 presentations	Total 34

Of the 67 municipalities receiving assistance, five municipalities have achieved the project criteria for successful implementation during the current year (against a target of 0). To date, 36 municipalities are implementing the required practices. The LOP target of 20 for this indicator has been surpassed.

SELECTED DISASTER MITIGATION AND NRM SNAPSHOTS

- Thirty CODEL's in Lempira, La Paz, Copan, Ocotepeque and Santa Barbara, were equipped with training materials and manuals for training of community members in disaster mitigation activities. Equipment for timely responses to forest fire, landslides, and other disaster emergency cases were provided. With this equipment and training materials, CODEL's will be able to increase community capacity to provide timely response to natural disasters.
- Thirty one water supply systems in equal number of communities in La Paz, Intibucá, Lempira, Ocotepeque, Copan, and Santa Barbara were improved through technical and financial assistance from USAID-ACCESO. As a result, more than 2,750 households now have access to quality water for consumption and basic personal and household hygiene.
- Project specialists have continued the promotion of activities to reduce the contamination from coffee waste. The use of microorganism to treat coffee pulp continues to be promoted among both large-scale beneficiaries and small-scale farm operations. With the technical assistance of project specialist, the municipalities of San Isidro in Intibucá and Erandique in Lempira, among others, have established microorganism "banks", making this technology available to coffee growers in the area. The technology reduces contamination, eliminates odors from oxidation ponds, avoids the proliferation of vectors, and provides a source for the production of organic fertilizer.
- Chlorination systems (tablet) has been established in 23 of the 31 water supply systems installed and training in their use in communities of La Paz, Lempira, Intibucá, Copan, Ocotepeque and Santa Barbara – ensuring safe potable water.
- Improvements were made to potable water conduction and distribution network systems in Santa Catarina, Intibucá; Bajillal and Linderos in Guajiquiro, La Paz; Barrio Nuevo in Erandique Lempira; Arcamón in San Marcos de Caiquín, Lempira; Cueva Honda, Sinuapa and Cipresal, Ocotepeque, Ocotepeque; Copante and San Marquitos, Tomalá, Lempira; Las Juntas, Florida, Copán; La Majada, Zacapa and Piedras Azules, San Luis, Santa Bárbara.

Table 51. Status: NRM Practices at Community and Municipal Levels

PIRS/ WP #	Year 2 (Oct. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sep. 2013)		Year 4 (Oct. 2013 to Sep. 2014)		Total To Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS # 9: Number of Local Municipal Governments effectively implementing natural resource management policies (LOP Target 20):								
	7	7	10	24	0	5	20	36

Per the indicator's precise definition, a municipality is counted once implementation of 4 out of 7 of the following NRM practices have begun:

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

Development or strengthening of water boards

USAID-ACCESO support has resulted in the organization of new water boards, including legal registration (five new potable water boards have been registered with USAID-ACCESO assistance and

44 are in process of registration). For both new and existing, assistance has been given in a wide range of areas, including:

- Organization: structuring roles and functions of the boards and support committees (operation and maintenance, watershed management, sanitation and education), while taking into account the general water law and national regulation of water boards.
- Administration: establishment of basic records for good governance and financial transparency, including ledgers (inputs and outputs), subscriber registration, worksheets, journal, and other service contracts.
- Review and development of regulations based on the general regulation of water management boards while taking into account the local conditions.
- Review and readjustment of rates: the project has promoted the need to manage the boards as commercial operations and has provided support to develop and review fees and cost structures. Rates vary from \$0.47/month to \$2.40/month per household, which while not ideal rates, can be considered as a major step and improvement for these organizations.
- Operation and maintenance: activities have been based on the premise that the water projects are integrated systems that start in the watershed and end at the household, and training has been provided to management and plumbers, first in the identification of the components and then in their operation and maintenance.

Coffee waste

Project technical assistance has been given to growers and to municipalities on the use of “mountain microorganisms” (*microrganismos eficaces de montaña*) or worms to use to decompose waste coffee pulp, which can then be used on the farm. The pulp is a major contaminant, especially for water supplies as 60 percent of the fruit is made up of pulp and skin. Many municipalities have developed their own stock of microorganisms that they sell to growers. Some have also developed *ordenanzas municipales* for the control of waste pulp, through the UMAs, who now also provide training to the growers. This technology has been adopted by municipalities, independent growers, companies, and coffee cooperatives across the six departments where USAID-ACCESO is working. The use of the microorganisms for pulp disposal on farm for has also enabled growers to certify their environmental-friendly farming systems farms and obtain farm certifications, which in turn allows entry in higher value markets and increased incomes.

Solid waste disposal

Poor disposal of solid waste is a problem faced by all municipalities in the six departments in the ZOI. Project support includes participation in municipal/community meetings, the development of *ordenanzas municipales* for the implementation and charges for solid waste disposal services and systems, identification and/or assessment of garbage fill sites, use of micro-landfills, expand recycling options. USAID-ACCESO, in direct coordination with the municipalities, and with other organizations including MAMLESIP and MAMCEPAZ (La Paz), and schools (e.g. Lenca agroforestry Yamaranguila Institute), have provided assistance and training aimed at achieving improvements, including:

- Classification and marketing of certain wastes such as FIFO and aluminum.
- Treatment of organic waste with EM.
- Identification of sites for relocation of municipal dumps.
- Landfill management.
- Preparation of proposals for integrated waste management.
- Training on local waste management and establishment of sanitary landfills.

The work has developed more oriented to technical support through municipal and local training and technical assistance, including coordination with the municipal environmental technicians, UMAs, community water boards, and the Ministry of Health.

Forest fire prevention

USAID-ACCESO works with the municipalities to develop forest fire prevention and control plans, that includes training of water boards and community leaders as “forestry fireman,” and involves the *mancomunidades*, UMAs, CODELs, watershed committees, ICF, COPECO and other projects (e.g. USAID-PROPARQUE, CRS and COPECO MITIGAR). Where necessary support is provided to prepare *ordenanzas municipales*, executed through the UMAs; in many cases the *ordenanzas* involve the prohibition of farmers burning land or clearing trees to plant crops.

Legalization of water producing zones

This activity is necessary to ensure the sustainability of the water-producing area or watershed with the direct participation of the communities and the municipalities. In many cases, ICF is also involved. USAID-ACCESO support includes:

- Municipal agreement for protection of watersheds obtained through regular meetings or open fora.
- Delimitation and demarcation of the watershed with the participation of the community, UMA, *Catastro* and *regidores*. The delimitation is done via GPS, and field is marked with visible paint to
- Development of the watershed protection plan.
- Preparation of records for each watershed, including maps and management plans, for approval by the municipality.

This process does not replace the declaration done through the ICF, but rather can be considered a first step especially for water sources where there are conflicts of use and legalization.

Watershed protection / reforestation

Meetings with local communities, water boards, watershed committees, and municipalities to agree to watershed protection, organize observation committees, and develop tree planting programs. Environmental watershed management plans are developed, detailing activities, demarcation, delimitation, conservation, protection, establishing of live and dead barriers at the water sources, equipment/personnel needs, timing and persons responsible. These plans are coordinated with the municipalities, and may involve water boards, UMAs, ICF, teachers and students, the community *patronato*, and other institutions including ICF, WFP, and MAPANCE. Watershed protection activities are also carried out where USAID-ACCESO has been involved in the installation of irrigation projects.

Basic sanitation and water treatment

In addition to working with the communities on the quantity of water through the protection of the watersheds, USAID-ACCESO has also worked to improve water access and quality for communities. This has been done by constructing new or improving existing potable water systems. A total of 42 potable water systems have been rehabilitated and six new systems have been installed with USAID-ACCESO assistance. Activities included:

- Construction or improvement for water capture
- Improvements in pipelines
- Rehabilitation of storage tanks
- Installation of chlorination systems
- Rehabilitation of loadbreak structures
- Expansion of domestic distribution networks
- Installing micro-measurement systems

Investments have been made using project funds plus cost sharing from municipalities, communities, WEFTA, Agua y Desarrollo Comunitario (ADEC), PDA-Visión Mundial, ACRA, and others.

To complement the new or improved potable water systems, the NRM component in conjunction with the nutrition component, installed latrines and wash tanks for households in 17 communities also receiving health and nutrition support. A total of 330 latrines and 382 household wash tanks have been installed to date, enabling more efficient household water use and improved sanitary conditions. Training is provided is the use and maintenance of the latrines and tanks.

Coordination

NRM activities involve planning meetings at the community level, as well as on-site training activities. While water board managers are key players, many of the activities require the buy-in and participation of entire communities. In the implementation of these activities, USAID-ACCESO has coordinated and collaborated with a wide range of players, including:

- Municipalities, through the UMAs
- Ministry of Health, with environmental health technicians from the municipal health centers
- Regional SANAA offices
- Instituto de Conservación Forestal (ICF)
- Agua y Desarrollo Comunitario (ADEC) in La Paz, Intibucá and Lempira
- ACRA in La Paz
- WEFTA in Intibucá, La Paz and Lempira
- *Mancomunidades* through environment technicians
- PESA-FAO
- PMA in La Paz
- PDA-Visión Mundial through the WASH Project in Intibucá and Lempira
- COCEPRADII in Intibucá
- CRS in Intibucá and La Paz

The municipalities that have achieved and are implementing NRM practices, as of September 2014, are provided in Table 52.

Table 52. Municipalities implementing NRM practices

Department	Municipality	Strengthening of Water Boards	Coffee Waste	Solid Waste Disposal	Forest Fire Prevention	Legalization of water producing zones	Watershed protection / reforestation	Basic Sanitation and Water treatment	Total NRM Practices
La Paz	Yarula								4
La Paz	Santa Elena								6
La Paz	Guajiquiro								7
La Paz	Santa Maria								3
La Paz	Cabañas								2
La Paz	Santiago Puringla								3
La Paz	Oporoto								6
Intibucá	San Isidro								7
Intibucá	Jesús De Otoro								7
Intibucá	Intibucá								6
Intibucá	Yamaranguila								6
Intibucá	San Marcos de la Sierra								6
Intibucá	San Miguelito								3
Intibucá	Masaguara								3
Intibucá	La Esperanza								3
Lempira	Erandique								6
Lempira	La Iguala								5
Lempira	La Unión								6
Lempira	San Manuel de Colohete								6
Lempira	San Rafael								
Lempira	Candelaria								
Lempira	San Sebastián								5
Lempira	La Campa								3

Table 52. Municipalities implementing NRM practices

Department	Municipality	Strengthening of Water Boards	Coffee Waste	Solid Waste Disposal	Forest Fire Prevention	Legalization of water producing zones	Watershed protection / reforestation	Basic Sanitation and Water treatment	Total NRM Practices
Lempira	San Marcos De Caiquin								2
Lempira	Tambla								4
Lempira	Guarita								4
Lempira	San Jose Guarita								4
Lempira	Tomalá								6
Santa Bárbara	Santa Bárbara								6
Santa Bárbara	Trinidad								6
Santa Bárbara	Quimistan								6
Santa Bárbara	Las Vegas								6
Santa Bárbara	Nueva Frontera								6
Santa Bárbara	Macuelizo								2
Santa Bárbara	El Naranjito								2
Santa Bárbara	Protección								6
Santa Bárbara	Azacualpa								3
Santa Bárbara	San Marcos								4
Santa Bárbara	San Pedro de Zacapa								4
Santa Bárbara	La Arada								2
Santa Bárbara	Atima								2
Santa Bárbara	Concepción Sur								2
Santa Bárbara	San Nicolás								2
Santa Bárbara	San Jose de Colinas								2
Santa Bárbara	El Nispero								2
Copán	La Unión								6
Copán	San Jose								7

Table 52. Municipalities implementing NRM practices

Department	Municipality	Strengthening of Water Boards	Coffee Waste	Solid Waste Disposal	Forest Fire Prevention	Legalization of water producing zones	Watershed protection / reforestation	Basic Sanitation and Water treatment	Total NRM Practices
Copán	Santa Rosa								5
Copán	Dolores								5
Copán	Trinidad								5
Copán	Veracruz								5
Copán	Santa Rita								6
Copán	Florida								6
Copán	La Jigua								0
Copán	Cucuyagua								3
Copán	San Pedro								3
Copán	Corquin								3
Copán	San Jerónimo								2
Copán	Cabañas								2
Copán	Copán Ruinas								3
Copán	Dulce Nombre								7
Ocatepeque	San Marcos								3
Ocatepeque	Sinuapa								3
Ocatepeque	Mercedes								1
Ocatepeque	Dolores Merendon								0
Ocatepeque	Ocatepeque								3
Ocatepeque	Belén Gualcho								7
TOTAL		60	47	39	23	26	34	48	

Of the 36 municipalities implementing more than four practices, there are six with five practices; 18 with six practices; and six with seven practices. Another 16 municipalities require one additional practice to be counted for this indicator (Table 53). This indicates the value of the assistance being provided and the commitments from the municipalities involved.

Table 53. Number of NRM practices implemented by municipalities

# NRM Practices Implemented	# Municipalities
7	6
6	18
5	6
4	6
3	16
2	12
1	1

Support was provided to the municipalities in seven areas. Assessment of the uptake and implementation of the areas indicates that priority was given by the municipalities to potable water supplies. Development and strengthening of water boards was achieved in 90 percent of the municipalities and basic sanitation and water treatment in 72 percent of them. Coffee waste treatment systems were taken up by 70 percent of the municipalities, indicating the importance and concern of the environmental damage caused by waste pulp.

Table 54. Number of municipalities implementing specific NRM practices

NRM Practice	# Municipalities	% of total
Development or strengthening of water boards	60	90%
Coffee waste	47	70%
Solid waste disposal	39	58%
Forest fire prevention	23	34%
Legalization of water producing zones	26	39%
Watershed protection / reforestation	34	51%
Basic sanitation and water treatment	48	72%

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

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

Table 55. Status: Disaster Vulnerability Reduced

PIRS/ WP #	Year 1 & 2 (Apr. 2011 to Sept. 2012)		Year 3 (Oct. 2012 to Sept. 2013)		Year 4 (Oct. 2013 to Sept. 2014)		Total To Date (Sept. 2014)	
	Target	Achieved	Target	Achieved	Target	Achieved	Target	Achieved
PIRS #28: Number of communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity (LOP Target 40):								
	15	11	20	50	0	0	40	61
PIRS #29: Number of rural micro-generation clean/renewable energy projects established (LOP Target 805):								
	351	728	100	921	0	1,921	805	3,570

5.4.1. Disaster Vulnerability Reduced (SUB-IR 2.3.3)

Development and implementation of disaster mitigation plans

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

USAID-ACCESO aimed to work with at least 40 communities to develop and implement adequate disaster prevention and mitigation capacity. The USAID-ACCESO disaster prevention team has developed activities with 117 communities of which 81 have implemented at least 1 of the activities (23 in September 2012, 75 in September 2013). These communities were selected based on project presence, rates of poverty and child malnutrition, and high vulnerability to environmental disaster. Many disaster prevention and mitigation practices have now been implemented by these communities and community involvement is high. Assisted communities have made significant progress and are in different stages of the process, from awareness to full implementation.

Of the 81 communities that the project is working with in this area, 61 are implementing the required practices, against the LOP target of 40.

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

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

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

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

The communities that are implementing the practices, as of September 2014, are provided in Table 56:

Table 56. Communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity

Dept.	Municipality	Community	Prevention Plan/Local Response	Personnel Trained to update &/or prepare PPRL	Risk mapping	EDAN capacity	Early Warning System Implemented	Identification & Management of Shelters	First Aid	Simulation & Mock Exercises	Total
La Paz	Yarula	Tierra Colorada									6
La Paz	Yarula	Zacate Blanco									6
La Paz	Yarula	Cipres									6
La Paz	Yarula	Aguanqueterique									1
La Paz	Yarula	Cojore									1
La Paz	Yarula	Adoberos									1
La Paz	Santa Elena	Monte Copado									2
La Paz	Guajiquiro	Bajillal									6
La Paz	Guajiquiro	Linderos									6
La Paz	Opatoro	Florida Opatoro									7
La Paz	Opatoro	El Sauce									7
La Paz	Opatoro	Las Mercedes									7
La Paz	Opatoro	Las Delicias									7
La Paz	Opatoro	San Antonio									7
La Paz	Opatoro	El Paraíso									7
La Paz	Opatoro	El Matazano									7
La Paz	Opatoro	San Manuel									7
La Paz	Opatoro	Barrio Suyapa									7
La Paz	Opatoro	Buenos Aires									7
La Paz	Opatoro	Valle de Ángeles									7
Intibucá	San Isidro	Macuelizo									7
Intibucá	San Juan	Panina									2
Intibucá	San Juan	Los Patios									2

Table 56. Communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity

Dept.	Municipality	Community	Prevention Plan/Local Response	Personnel Trained to update &/or prepare PPRL	Risk mapping	EDAN capacity	Early Warning System Implemented	Identification & Management of Shelters	First Aid	Simulation & Mock Exercises	Total
Intibucá	San Juan	Cataulaca									2
Intibucá	Jesus De Otoro	San Gerónimo									1
Intibucá	Jesus De Otoro	Unión Praga									1
Intibucá	Intibucá	Santa Catarina									5
Intibucá	Intibucá	Belén Manazapa									6
Lempira	La Igualá	Llano Largo									7
Lempira	La Unión	Las Peñas									1
Lempira	La Unión	El Sitio									1
Lempira	San Manuel De Colohete	Nuevo Cedro									7
Lempira	San Manuel De Colohete	Poza Verde									7
Lempira	San Manuel De Colohete	Rancho Obispo									7
Lempira	Tomalá	Copánte									7
Lempira	Tomalá	San Marquitos									7
S. Bárbara	Santa Bárbara	Las Crucitas									7
S. Bárbara	Santa Bárbara	El Zapote									7
S. Bárbara	Trinidad	El Higuito									7
S. Bárbara	El Naranjito	San Isidro									3
S. Bárbara	Protección	Nuevas Delicias									6
S. Bárbara	Protección	La Posona									4
S. Bárbara	San Pedro De Zacapa	La Majada									6
S. Bárbara	San Pedro De Zacapa	La Isla									6
Copán	Santa Rita	Londres									7

Table 56. Communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity

Dept.	Municipality	Community	Prevention Plan/Local Response	Personnel Trained to update &/or prepare PPRL	Risk mapping	EDAN capacity	Early Warning System Implemented	Identification & Management of Shelters	First Aid	Simulation & Mock Exercises	Total
Copán	Santa Rita	El Rabinal									8
Copán	Santa Rita	El Último Vado									8
Copán	Santa Rita	Vado Ancho									4
Copán	San Juan De Opoa	Los Linderos									6
Copán	Florida	Las Juntas									6
Copán	Florida	Pueblo Nuevo									6
Copán	Santa Rosa	El Mogote									6
Copán	Santa Rosa	El Derrumbo									7
Copán	Santa Rosa	Sector San Miguel									7
Copán	Dolores	Vega Redonda									7
Copán	San Jose	Buena Vista									7
Copán	San Jose	El Porvenir									7
Copán	Dulce Nombre	El Limón									7
Copán	Dulce Nombre	El Zapote									7
Copán	San Agustín	Granadilla									3
Copán	San Agustín	Cerro Negro									7
Ocatepeque	Belén Gualcho	El Paraíso									6
Ocatepeque	Belén Gualcho	Tejeras									6
Ocatepeque	Belén Gualcho	Belén Centro									6
Ocatepeque	Belén Gualcho	Suyapa									6
Ocatepeque	Belén Gualcho	El Calvario									6
Ocatepeque	Belén Gualcho	El Magueyal									6
Ocatepeque	Belén Gualcho	San Antonio									6

Table 56. Communities in high vulnerability municipalities with adequate disaster prevention and mitigation capacity

Dept.	Municipality	Community	Prevention Plan/Local Response	Personnel Trained to update &/or prepare PPRL	Risk mapping	EDAN capacity	Early Warning System Implemented	Identification & Management of Shelters	First Aid	Simulation & Mock Exercises	Total
Ocotepeque	Dolores Merendon	San Jerónimo									
Ocotepeque	La Labor	Llano Largo									6
Ocotepeque	La Labor	Pashapa									6
Ocotepeque	La Labor	Santa Lucia									6
Ocotepeque	La Labor	Rio Chiquito									6
Ocotepeque	La Labor	El Azufrado									6
Ocotepeque	La Labor	El Ingenio									6
Ocotepeque	La Labor	Cerro Grande									6
Ocotepeque	La Labor	San Antonio									6
Ocotepeque	La Labor	Santa Efigenia									3
Ocotepeque	La Labor	La Ruda									3
Ocotepeque	Ocotepeque	Los Estanquillos									4
Ocotepeque	San Marcos	Rio Hondo									6

Of the 61 communities implementing more than six disaster prevention and mitigation practices, there are two with eight practices; 30 with seven practices; and 29 with six practices (Table 57). Another four communities require one or two additional practice to be counted for this indicator. This indicates the value of the assistance being provided and the commitments from the communities involved.

Table 57. Number of disaster prevention and mitigation practices implemented by communities

# Practices Implemented	# Communities
8	2
7	30
6	29
5	1
4	3
3	4
2	4
1	8

Support was provided to the communities in eight technical areas. Assessment of the uptake and implementation of the areas indicates that priority was given by the communities to the prevention plans and local response, risk mapping and improving the EDAN capacities.

Table 58. Number of communities implementing specific disaster prevention and mitigation practices

Disaster prevention and mitigation practice	# Communities	% of total
Prevention Plan/Local Response (PPLR)	74	91%
Personnel Trained to update &/or prepare PPLR	69	85%
Risk mapping	73	90%
EDAN capacity	71	88%
Early Warning System Implemented	59	73%
Identification & Management of Shelters	62	77%
First Aid	32	40%
Simulation & Mock Exercises	5	6%

Prevention Plan/Local Response (PPLR)

Municipal Committees and Local Emergency (CODEMs and CODEL) under the law of SINAGER (National Risk Management System) are the organizations in towns and communities responsible for prevention, preparedness, and response to adverse events. Water boards, trustees, parents, society, farmers groups, and others work participate in the preparation of the PPLR in each location through five workshops. The plan covers four major aspects:

- Organizational structure and the roles and functions of those on the committee.
- Construction of the risk scenarios based on potential threats and vulnerabilities to the community.
- Measures for preparation and response together with actions for effective response.
- Measures for risk reduction.

The PPLR is the end product of the process and becomes an important tool in the community for the prevention, mitigation and risk management. In the six departments of the project, 66 PPLRs were developed and three were updated.

Personnel trained to update or prepare PPLR

Parallel to the plan development process, members of the CODEMs and CODEL are trained in the preparation and updating of the plan (learning by doing). This also includes management of temporary shelters, EDAN, risk maps, and early warning systems. Members of the CODEL have the capability to

regularly review and update the plan according to the incidence of adverse events. Throughout this process, an estimated 3,500 people participated in the series of five community workshops, with an average of 10 participants per group.

Risk mapping

Risk mapping involves the development of a community map, and in some cases the municipality, where committee members work together to identify potential threats using high, medium, and low risk categories. The maps complement prevention and response plans. The map identifies the most important community resources, such as churches, schools, shelters, escape routes, emergency operations centers, health centers, production areas, water storage tanks, bridges, and human resources. The risk levels to each resource are determined according to the identified threats and which of them could be used in situations of adverse events. In the six departments where USAID-ACCESO operates, a total of 70 risk maps were created.

EDAN capacity

Capacity building has been carried out through the development of departmental courses in the Damage Assessment and Needs Analysis at the technical level of CODEMs, COPECO, and allied NGOs working on risk management and “first response” organizations (Fire Brigade and Honduran Red Cross). The work with the CODELs includes the teaching of the basics of damage assessment and needs analysis in a simple, effective and objective way. This is carried out using COPECO materials between eight and 72 hours after the adverse event, and ensuring the correct data entry and prioritization of needs. In addition, throughout the six departments, persons were trained and certified as EDAN instructors by USAID; these activities were carried out in close coordination with USAID OFDA/LAC and COPECO.

Early warning systems

The community alert mechanisms are implemented according to the threat, and are obtained via information bulletins and warnings issued COPECO, through the local and national media, and the actual conditions in each location. In some cases, the water levels in rivers are used to determine the maximum flow together with conventional rain gauges to measure precipitation in the area. When these exceed the specific levels, the early warning systems and alarms are activated (e.g. siren, megaphone, church bell, phone calls, etc.).

Identification and management of shelters

The activities are carried out in association with local and municipal emergency committees in each community, ensuring that they meet the following basic requirements:

- Facilities are in good condition and close to the families who will use them
- Ensure that they are safe and easily accessible
- Availability of water and basic services
- Availability of areas and infrastructure for food preparation
- Latrines and showers

The committee members are trained in handling temporary shelters and taught to monitor and record incoming and outgoing families who are affected. Emphasis is made on using schools as the last option for shelters.

First aid

Training in first aid is carried out in coordination with “first response” institutions and specialized agencies in the field, including the Honduran Red Cross and the Fire Department. They are provided with logistical support at practical training events carried out at the community level. Areas cover the proper treatment of bleeding, burns and fractures where the committees are taught to provide pre-hospital care to victims for any adverse event. Among the six departments, USAID-ACCESO trained a total of 30 CODELs.

Simulation and mock exercises

Due to the high economic cost and wide mobilization of resources required, simulation exercises were conducted in the departments of Copan and Ocotepeque in coordination with iCade and CARITAS. The preparation of a simulation is to identify a threat and prepare the scenario accordingly and as real as possible. The majority of the community population is involved in the exercise, and the CODEL is activated to mobilize and manage the necessary resources. If this is insufficient, the CODEL has to coordinate with others, including the CODEMs and COPECO. These types of exercises allow the project and the community to measure their preparedness in coping with adverse events and to make required adjustments where necessary.

Coordination

As community risk management is governed by the SINAGER law and COPECO is the leading government agency responsible for formalizing actions for disaster management, USAID-ACCESO, signed an agreement of collaboration directly with COPECO. Through this agreement joint activities were developed, mainly related to the formation of the technicians in the six departments covering areas such as EDAN, forest fires, and basic life support. From the central level, coordination moves down to the regional levels, mainly those located in Santa Rosa de Copan and Comayagua.

Coordination has also occurred with iCade, National Fire Brigade College, SERNA, PRESANCA II, MAMLESIP, ASONOG, CARITAS, MITIGAR Project/COPECO, PGR, Inter-municipal Council “Higuito,” Honduran Red Cross, Ministry of Education, and municipalities demonstrating interest in the subject.

Installation of renewable energy technologies

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

USAID-ACCESO’s renewable energy component is focusing on promoting low-cost renewable technologies for individual rural households and selected nutrition training centers. Priority project support was given to investments that provide clean renewable energy for individual households, nutrition training centers and productive farm activities.

RENEWABLE ENERGY			
Dedicated technicians	1 (with support from production, postharvest and nutrition components)		
Training Events	1,219		
Training Participants	7,109 men	1,696 women	Total 8,805
Training Individual	1,756 men	594 women	Total 2,350
Technical Assistance	8,148		
Investment	Clients \$355,013	Others \$238,435	Total \$593,447
Training materials	2 bulletins	1 presentations	Total 3

During the year 1,921 renewable energy projects were installed in household, farms, and CENs, against a target of 100. To date, 3,570 projects have been installed against a LOP target of 805.

Table 59. Installation of Renewable Energy Projects (in households, farms and CENs)

Renewable Energy - Type	Year 1 (Apr. 2011 to Sept. 2011)	Year 2 (Oct. 2011 to Sept. 2012)	Year 3 (Oct. 2012 to Sept. 2013)	Year 4 (Oct. 2013 to Sept. 2014)	Total To Date (Sept. 2014)
Solar Dryers		112	224	720	1,056
Bio-digesters		40	62	50	152
Eco-justa cooking stoves	4	538	630	1,026	2,194
Solar panels		33	9	111	153
Ram pump		1	0	14	15
Total	4	724	925	1,921	3,570

Note: An additional 1,273 ecofriendly cooking stoves and 23 five solar panel systems have been registered as installed by the University of Florida/USAID trilateral project in USAID-ACCESO client households or CENs.

This activity is being carried out in close coordination with both the production (to add value on-farm and increase incomes) and the nutrition component (to reduce the smoke pollution in houses and reduce the expenditure or time for collecting firewood). The installation of the renewable energy projects by department is given in Table 60.

Table 60. Installation of Renewable Energy Projects by Department (September 2014)

Department	Solar Dryers	Bio-digesters	Eco-justa cooking stoves	Solar panels	Ram pumps
Copán	168	35	188		
Intibucá	238	23	204	95	
La Paz	171	32	283	35	1
Lempira	218	24	393	20	
Ocotepeque	113	8	839	1	
Santa Barbara	148	30	287	2	14
Total	1,056	152	2,194	153	15

Solar dryers

Solar dryers are being installed in key areas with coffee production with drying systems being implemented to add value and generate additional income; they are also being used to dry corn, beans, allspice, loofah, cashew, clothes, and adobe blocks. While this technology was being implemented by IHCAFE, the dissemination and use was not widespread and was not being used by small-scale growers in the project's ZOI. In addition, to benefit from the IHCAFE solar dryer program, the grower has to be registered with IHCAFE and 40 percent of USAID-ACCESO coffee growers were not registered growers (around 700 project growers have now registered with IHCAFE).

A total of 1,056 solar dryers have been installed by project growers to date (Table 60), with an investment total of \$396,887. They cost an average of \$400 each. Solar dryers directly benefit production activities, farm certification, access to market and income generation. Buyers cannot cup wet coffee and therefore growers cannot access the market for quality or specialty coffees.

The project's technology fund was used to promote the solar drying technology, initially for coffee. Traditionally, coffee drying when carried out is done in open air, on patios, asphalt roads and other similar surfaces. This practice has a negative impact on the coffee's organoleptic qualities (aroma, flavor, texture and color) and overall quality. Although traditional drying utilizes solar energy, it does not optimize it nor does it protect the coffee beans. Solar dryers optimize solar energy by capturing heat within the structure, drying the beans more quickly and uniformly than other methods, and simultaneously protecting the beans from dirt, insects, water and other pollutants. Solar drying has been utilized inefficiently in the past, but the coffee drying structure utilized by the project (modified from an IHCAFE design) optimizes solar radiation.

The dryer consists of a 30 square meter domed structure built of wood, PVC pipe and clear plastic with UV protection. The dome uses the heat of the sun to dry the coffee beans on trays, while also protects them from dust, water, debris and animals. Ventilation systems allow air movement to prevent overheating the coffee.

The objective was to introduce new postharvest technology to the small-scale coffee grower sector to add value on-farm by allowing the grower to sell dried coffee as opposed to wet beans. The dryer structure uses solar energy to reduce moisture in coffee beans from 40 to 12 percent in beans while ensuring the coffee's organoleptic properties (in the 2013/2014 season, buyer requirements reduced from 12 percent to 11 percent). By drying beans in less time (5 to 7 days) and better preserving quality, growers were able to access new and improved markets for their coffee, and in some cases rent them or purchase coffee for drying from neighbors.

Growers build the dryers under project supervision and provide cost share, which ensures knowledge remains in the community for replication and future expansion. Training in proper coffee drying techniques and market linkages were part of this activity in order for growers to exploit the dryers' full potential. Several other institutions have followed USAID-ACCESO's example with this technology, including Bon Café, Del Campo, CASM and several municipalities.

The technology adds value on-farm and therefore increases the sales income and profitability for the growers, as well opening up market access. Growers may sell cherry coffee, with no de-pulping, washing or drying) or wet coffee (which has been de-pulp and washed, but not dried). In both cases, the grower has a limited amount of time to sell their coffee to avoid fermentation and price reductions. Intermediaries who buy cherry coffee and wet coffee deduct the cost of transport and the drying operations from the grower. Transport is a major cost component with the sales of cherry coffee. 1,112 solar dryers installed (1,056 completed and 56 in process) with project clients have the capacity to produce 222,400 QQ during the season.

The additional sales income is \$2.67 million by moving from cherry sales to dry coffee and \$1.60 million by moving from wet to dry coffee. When the transportation cost is factored in this increases to an additional income potential of \$3.39 million by moving from cherry to dry coffee and \$1.84 million by moving from wet to dry coffee. A summary of the benefits on transport savings and sales income are given in Tables 61 and 62.

Table 61. Potential income generation from coffee using solar dryers

Number of Solar Dryers	1,112
Capacity/Dryer (QQ) ^a	200 QQ
Total Dry Coffee Installed Capacity (QQ)	222,400 QQ
Cherry Coffee Sales Price (\$/QQ) ^b	\$100
Total Sales Cherry Coffee Sales Price (\$)	\$22,236,583
Wet Coffee Sales Price (\$/QQ) ^c	\$105
Total Sales Wet Coffee (\$)	\$23,304,320
Dry Coffee Sales Price (\$/QQ)	\$112
Total Sales Dry Coffee (\$)	\$24,906,576
Sales Income Difference Cherry Coffee vs Dry (\$)	\$2,669,993
Sales Income Difference Wet vs Dry (\$)	\$1,602,256

a. 10 harvesting weeks / 7 weeks per dry load / 20 QQ dry coffee per load (1.92 QQ wet coffee = 1 QQ dry coffee)

b. Cherry coffee bean sales price / QQ = Dry Coffee Price less L250/ QQ

c. Wet coffee sales price / QQ = Dry Coffee Price less L150/ QQ (de-pulped coffee)

Table 62. Additional Income Potential Generated by Changing from Sales of Cherry or Wet Coffee to Dry Coffee

	Move from cherry to dry coffee	Move from wet coffee to dry coffee
Number of Solar Dryers	1,112	1,112
Capacity/Dryer (QQ)	200	200
Additional Savings / Transportation	\$720,722	\$240,192
Income Premium for Dry Coffee \$	\$2,669,993	\$1,602,256
Total Additional Income \$	\$3,390,715	\$1,842,448
Dry Coffee Additional Price \$ /QQ	\$15.25	\$8.28
Dry Coffee Price	\$ 115.23	\$113.07

Bio-digesters

Bio-digesters have been being installed with households who work under the production component with cattle (for milk or meat production). A total of 152 have been installed to date, with an investment total of \$22,085. They cost an average of \$120 each. Cost savings for food preparation to the average family are an estimated \$360 per year compared to a traditional wood burning stove, and \$120 compared to an *eco-justa* stove. This technology was not available or widely used prior to USAID-ACCESO. Bio-digesters directly benefit health and nutrition activities, production activities, farm certification, and household incomes and expenditure.

A bio-digester is a hermetically-sealed container in which organic waste material is anaerobically digested to produce methane gas (biogas). The system consists of four components: a constructed trench, a nylon plastic tube (polythene film), the influent chamber (feed pit) through which waste enters the system, and the effluent chamber (outlet pit) through which biogas is expelled.

Biogas is an environmentally friendly, renewable energy, offering many benefits for productive and household activities. In Honduras, bio-digesters offer a solution to waste management (particularly in households with cattle and pigs) as well as a source of clean, renewable energy for rural families. In addition, the use of bio-digesters also reduces the dependence on forest resources by reducing the amount of firewood needed for cooking – one of the most energy-consuming activities in rural households. In addition, they also reduce health risks by replacing traditional firewood stoves that can emit toxic smoke in the kitchen, thereby reducing the potential incidence of respiratory diseases. Other advantages include access to immediate heat (as opposed to waiting for firewood stoves to heat up), frees up time that would be used for firewood collection, can provide lighting, and produces organic material that can be used on the farm. They are low cost and have no or very little operating costs, which helps the household save money from firewood purchases.

Families build the bio-digesters under project supervision and provide cost share, which ensures that knowledge remains in the community for replication and future expansion. Training in the use and maintenance were an integral part of this activity. Several other institutions have followed USAID-ACCESO's example with this technology, including coffee processing and cooperatives, CASM, OCDIH and several municipalities.

Eco-justa cooking stoves

The *eco-justa* cooking stoves are being installed in households prioritized by the nutrition component, focusing principally on those households with children under two years old. In addition to the installation, the project is giving training on use and maintenance of all the systems to ensure that they are operated correctly. A total of 2,194 have been installed in households to date, with an investment cost of \$177,558 (households \$55,901; others \$63,731). The high leverage of investment from beneficiaries and other counterparts will allow for a larger number of renewable energy projects in the upcoming periods. The stoves cost around \$80, with the household covering \$25. The fact that the end

beneficiaries are making a large contribution reflects the acceptance of these technologies and, therefore, their sustainability. In addition, *eco-justas* have also been installed in the nutrition training centers established by the project.

This technology is not new to Honduras, with several models having been developed and installed by NGOs and other institutions. The major difference with USAID-ACCESO however, is that the stove is considered an integral part of the project's healthy household program, as on its own, the full potential impact on a family's well-being is not achieved (see Section 5.5).

Many rural Honduran families cook on traditional stoves with an open fire inside or near the home. Traditional wood burning stoves are inefficient and generate smoke, soot, and toxins that can cause respiratory diseases and ailments, particularly in young children and mothers. These stoves consume 60 percent less wood than traditional stoves and they channel smoke and toxins outside the home through a chimney.

The stove comprises a traditional fireplace brick base and a brick foundry with a clay interior that acts as the combustion chamber. Gases are extracted through a galvanized chimney leading to the household's exterior through the kitchen roof and protected by a cap that prevents rainwater from entering. These stoves are a quick and effective response to two basic problems in rural Honduras: health and natural resources. The eco-stoves have many benefits, including:

- Improved household health because they release less smoke, soot, carbon dioxide and toxins into the home than conventional wood stoves.
- Frees up time for the women in lighting up the stove, and in many cases in collecting firewood.
- The reduction in wood consumption also translates to direct savings in fuel costs (in time and money) for the family as well as reduced deforestation (Table 63).
- They contribute to reduced use of natural resources because less firewood fuel is required for their operation.

Table 63. Average Operating Costs and Benefits for Traditional vs Eco-Justa stoves

Department	Traditional Stove	Eco-Justa Stove
# pounds of firewood used per week	157.5	63
# pounds of firewood used per year	8,190	3,276
Equivalent # of trees per year	80	32
Equivalent # trees for 5,000 families	400,000	160,000
# trees not used ("saved")	240,000	
Cost for each pound of firewood	\$ 0.07	
Cost of firewood per year	\$ 573.30	\$ 229.32
Cost of firewood for 5,000 families	\$ 2,866,500	\$ 1,146,600
Cost savings per family using Eco-Justa stove	\$ 343.98	
Cost saving for 5,000 families	\$ 1,719,900	
Calculations on Usage		
12 pieces of firewood per day per family with an Eco-Justa stove (360 pieces per month)		
Each piece weighs an average of 0.73 pounds and measure 20 inches in length, equivalent to 9 pounds per day per family or 63 pounds per week for an Eco-Justa stove		
On average 70 pieces of firewood make up one "carga" (rural zones), equivalent to 51 pounds per carga.		
With averages of 0.73 pounds and 20 inches, each tree gives 2 cargas.		
In rural zones the average price of a carga of firewood is L. 70 (\$3.50), or L.1.372 per pound (\$0.07 per pound)		
1 Hectare planted at a distance of 3 meters by 3 meters, contains 1,111 trees. With savings equivalent to 240,000 trees, a total of 216 hectares of forest is not utilized.		

Training in construction, use and maintenance has been carried out. Most communities now have persons trained in the construction that can provide the service of building the stoves. Additionally, trainings have also included the staff of NGOs and municipalities.

In the last quarter of FY 2013/2014, USAID-ACCESO has started a new activity involving the planting of trees for firewood production. A pilot project was started with nurseries being established in households with *eco-justa* stoves using *Leucaena leucocephala*, a fast growing wood that is suitable for firewood. The first harvests will be in 2015, and harvests being sustainable thereafter. This will further reduce costs, time involved in collection and pressure on the forestry resources.

Solar panels

This technology is readily available commercially and being used and promoted by NGOs, municipalities and other organizations. A total of 153 have been installed to date, with an investment total of \$103,561. They cost an average of \$994 each. Given the high cost for the initial purchase and the part replacement costs, USAID-ACCESO decided not to continue with this line of renewable energy. Day time light has been provided using a very low cost transparent roof sheeting (\$8) as part of the healthy household program in the health and nutrition component.

Ram pumps

A small number of ram pumps have been installed for use in farms for productive activities and in communities for potable water supply. A total of 15 have been installed to date with an investment total of \$9,621. They cost an average of \$600 each. They have no operating costs and save growers and communities the fuel costs necessary for pumping water. This technology was not available or widely used prior to USAID-ACCESO.

Hydraulic ram pumps takes in water under at one height (pressure) and flow rate and outputs the water at a higher height and a lower flow rate. The pump uses a hammer effect to develop pressure that allows a percentage of the water that drives the pump to lift it to an elevation higher than where it originated. The height that the water can be lifted depends on the water volume and pressure at the source of the pump. The advantage, as mentioned, is that there is no operating costs and it can work 24 hours a day. They can be used to fill water tanks for potable water systems and for irrigation systems, where the water source is at a lower altitude than the water tank. The only cost is the investment in the pump and the pipes. There are no operating costs.

USAID-ACCESO has helped install 13 of these systems for farming operations and 2 for potable water systems. Assistance has also been given to develop two local rural manufacturers, both technically in the pump specifications and manufacture, and on business aspects in terms of unit cost, labor and materials.

Collaboration

In the implementation of the renewable energy activities USAID-ACCESO has collaborated with a wide range of organizations and institutions, including municipalities, Solaris, FHIS, IHCAFE, FHIA, TECHO, EAP Zamorano, and SNV.

A significant amount of time was dedicated to the USAID University of Florida Trilateral Project, including initial designs, field tour visits, and training. The project was initially housed in the USAID-ACCESO Tegucigalpa office to facilitate coordination. The initial aim was to coordinate activities to install renewable energy projects in USAID-ACCESO households and farms. The Trilateral project focused on installing *eco-justa* stoves in production related households and solar panels in the CENs. Although originally planned, no activities were carried out with the solar dryers for farm operations. According to USAID-ACCESO data, the Trilateral project has installed 1,273 *Eco-Justa* stoves and 23 solar panels with project clients. Three potential sites for micro-turbines in USAID-ACCESO communities were provided to UF for assessment, for which construction began in two communities in La Paz in the last quarter of FY 2013/2014.

Successes and challenges

The project has already surpassed the original LOP targets by almost 350 percent (3,570 against a target of 805). The focus on the household and farm level and the integration with the production, nutrition

and health and NRM components, has facilitated the uptake of the technologies and the rate of implementation. The success of this component can be attributed to the following factors, among others:

- Low cost technologies with an immediate visual, and in most cases, financial benefit to the clients (either in increased incomes or savings in household expenditure)
- Technologies which benefit the whole family, especially the case for women with the Eco-Justa stoves and the bio-digesters (time, cost and health)
- Technologies that form part of an integrated technical assistance program eg. solar dryers: production technical assistance in coffee (and corn and beans) to increase yields, links with buyers paying premiums for dried quality coffee, and assistance in farm certification operations; Eco-Justa stoves that form part of the healthy household program under the Nutrition and Health component.
- Integrated with the NRM activities with a reduction in the firewood use and the planting of trees specifically for firewood.
- Installation and maintenance can be carried out by the families themselves or by local persons trained by the project.
- Technologies that can be easily copied and taken up by other organizations and institutions.

The challenges are mainly technical in nature:

- Solar dryers: trays are made from galvanized metal that is not easily obtained; temperatures in some zones are higher than required and can reduce coffee quality.
- Bio-digesters: methane production as high altitude is lower as a result of lower ambient temperatures and the required pressure is not always obtained.
- Solar panels: less sustainable due to the high initial investment cost and for parts replacement.
- Logistics: coordination for transport, delivery and installation can be expensive.

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

USAID-ACCESO has fully integrated the nutrition and health activities with all other technical areas, including economic development (access to food), renewable energy (improved stoves), natural resource management (drinking water access and chlorination, waste disposal), and value-added products and animal production (diet diversity).

NUTRITION AND HEALTH			
Dedicated technicians	22		
Training Events	5,916		
Training Participants	6,160 men	83,849 women	Total 90,009
Training Individuals	1,294 men	6,981 women	Total 8,275
Technical Assistance	47,136		
Investment	Clients \$1,504,741	Others \$504,054	Total \$2,008,795
Training materials	9 bulletins	3 presentations	Total 12

As a result of strategies implemented since the second quarter of 2014 (community mobilization to identify and add to AIN-C records all children under 2 years old in the community and expand to new communities), project's health and nutrition services are now working throughout 225 communities in 56 Municipals (after suspension of services to some communities with high insecurity for project staff).

Implementation of the above mentioned strategies, has also contributed to the increase in coverage of project nutrition and health services, which reached 89.5 percent as of September 2014, compared to 80.3 percent in January 2014. As of September 2014, the project is serving a total of 5,309 children under 2 years of age across all six departments including old and new communities. Of these, 4,753 attended growth monitoring sessions in September accounting for 89.5 percent coverage of nutrition and health services (90.4 percent in old communities, and 82.8 percent in new communities). When including children that have moved out of the age group, the project has provided assistance to 7,781 children under two years old.

Since AIN-C program ceased operation in 2012, USAID-ACCESO has worked directly with the health volunteers to continue growth monitoring activities, improve the skills of community health volunteers to weigh children and record data as well as to provide training and services to the mothers. In accordance with Ministry of Health norms for the AIN-C program, the data is collected on children under 2 years of age (not on children under 5 years of age) by project nutrition and health staff during growth monitoring sessions in prioritized communities where the USAID-ACCESO nutrition component is implemented. It should be noted that the communities where USAID-ACCESO is working are predominantly those that had the highest levels of malnutrition. Improvements in these communities will have positive effect on the reduction of overall department figures.

The status of eight of the indicators under this IR are presented in September 2014. These are provided in Table 64.

Table 64. Status of Nutrition and Health Indicators

Indicator	Baseline (Aug. 2011) ¹	Sept. 2012			Sept. 2013			Sept. 2014		
		Results	Difference	% Change	Results	Difference	% Change	Results	Difference	% Change
PIRS #19: Prevalence of underweight children under 5 ² (LOP Target: -20%):										
	22.00%	16.74%	-5.26%	-23.92%	14.6%	-7.44%	-33.77%	9.6%	-12.4%	-56.36%
PIRS #20: Prevalence of stunted children under 5 (LOP Target: -20%)										
								28.6%	-8.9%	-24.8%
PIRS #21: Percent of children 6-23 months that received a Minimum Acceptable Diet (LOP Target: +30%)										
								58%	-2.58%	-4.25%
PIRS #22: Prevalence of exclusive breast feeding of children under 6 months ³ (LOP Target: +20%):										
	92.24%	96.39%	+4.15%	+4.50%	94.85%	+2.61%	+2.83%	83.07%	-9.17%	-9.95%
PIRS #23: Prevalence of anemia among women of reproductive age (LOP Target: -5%) ⁴										
		27.70%			27.60%	-0.1%	0.4%	22.6%	-5.1%	-18.21%
PIRS #24: Prevalence of anemia in children 5 - 59 months (LOP Target: -20%) ⁴										
		35.40%			37.99%	+2.61%	+7.38%	45.74%	+10.36%	+29.29%
PIRS #25: Women's dietary diversity: mean number of food groups consumed by women of reproductive age (LOP Target: +30%) ⁵										
		3.40			3.54	+0.15	+4.28%	4.09	+0.7	+20.45%
PIRS #27: Modern contraceptive prevalence rate ⁶ (LOP target: +10%):										
	27.51%	30.59%	+3.09%	+11.24%	56.00%	+28.50%	+103.64%	68.81%	+41.31%	+150.22%
¹ , PIR#19 and PIR#22 baseline from AIN-C data for the communities with USAID-ACCESO nutrition intervention. ² , PIR#19 data collected monthly with health monitors for the communities with USAID-ACCESO nutrition interventions; data collected by health monitors only for children under 2 years old. ³ , PIR#22 data collected monthly with health monitors for the communities with USAID-ACCESO nutrition interventions ⁴ , Anemia indicators with baseline date of August 2012 (data collected by USAID-ACCESO). Data reported corresponds to anemia in children 6-23 months of age ⁵ , Baseline September 2012 HH survey with 3.4 groups. ⁶ , PIR#27 baseline from USAID-ACCESO client sample survey for those households with a minimum of six months between survey interviews.										

SELECTED NUTRITION & HEALTH SNAPSHOTS

- Through an agreement with ANAVIH (National Association of Poultry Producers in Honduras), USAID-ACCESO has secured a supply of eggs on a daily basis to a total of 437 children under 2 years old in 15 nutrition training centers across the zone of influence.
- 484 community health volunteers completed four days of training on growth monitoring of children under 2 years old, data recording, child nutrition principles and practices, appropriate feeding practices, and food preparation. Their participation in this activity has generated a new level of motivation to better serve their communities.
- Nine community health volunteers from nine communities of Belen Gualcho, Ocotepeque, initiated in business ventures under a verbal agreement between ACCESO and UNILEVER as local distributors of personal and household items that contribute to improved individual and household hygienic practices that will impact health conditions of all family members. Though items are sold at very low prices, community health volunteers are earning up to 20 and 30 percent profit margins which is an important source of household income.

PIRS #19: Prevalence of underweight children under 5

The status of indicators tracked by USAID-ACCESO is presented in comparison to baseline and data reported in the September 2013 annual report. Data related to underweight children comparing results during the quarter to previous year results is given in Table 65. Note that data in Table 65 corresponds to children under 2 in the original project communities only. Tables presenting data from new communities added over the last three quarters are identified as such, since data from these communities are being tracked against baseline data collected when they began with the project.

Project results to date clearly indicate that significant advances have been made in reducing acute malnutrition. The number of children (under 2 years old) under the third percentile was reduced from:

22.0 percent in August 2011 (936 of 4,253 children), to:

- 16.7 percent in September 2012 (796 of 4,754 children) – reduction from baseline of 23.9 percent
- 14.6 percent in September 2013 (626 of 4,296 children) – reduction from baseline of 33.8 percent
- 9.6 percent in September 2014 (415 of 4,329 children) – reduction from baseline of 56.4 percent

As a result of strategies implemented during the past three quarters to expand services into new communities, 24 new communities and 552 children under 2 years of age were added, representing a 10.4 percent increase in the number of children under 2 receiving project nutrition and health services. As of September 2014, the project is serving a total of 5,309 children under 2 in 225 communities in 56 municipalities (compared to 213 communities in 54 municipalities in 2013) across all six departments. This coverage does not include communities from which the project has had to withdraw services over the past months due to high insecurity. Of these, 4,763 attended growth monitoring sessions in September accounting for 89.5 percent coverage of nutrition and health services (90.4 percent in old communities, and 82.8 percent in new communities).

The prevalence of acute malnutrition in children under 2 in new communities has reduced significantly after less than one year of project interventions. As indicated in previous reports, these communities were selected based on the criteria that the community is served by a decentralized health service provider, the presence of USAID-ACCESO's agriculture production activities and the existence of trained community health volunteers implementing AIN-C. The baseline of *Prevalence of Underweight Children Under 2 Years* in these new communities two years after the close-out of activities of the decentralized AIN-C service providers under the World Bank project is consistent with what it was in the old communities when USAID-ACCESO initiated service delivery to them in 2011: 22.5 percent for January 2014. After nine months of support, it was reduced to 12.7 percent in September 2014, which represents a 43.5 percent reduction from baseline in less than a year. This is a very clear indication that

growth monitoring activities as delivered by AIN-C groups on its own cannot affect the nutritional status of children. The USAID-ACCESO strategies to reduce acute malnutrition work. Complementary activities aimed to improve child feeding practices, food availability at the community level, household conditions and personal hygiene, hence increasing food intake and reducing gastrointestinal and respiratory disease in these poor communities, are crucial to reduce the prevalence rates of this indicator.

Data by department and month are given in Tables 65-68 (additional data is provided in the ACCESO PMP Excel file, 09/2014).

Table 65. Prevalence of Underweight Children Under 2 Per Department (original communities)

Department	# children < 2 years				# children under 3 ^o percentile				%			
	Aug. 2011	Sept. 2012	Sept. 2013	Sept. 2014	Aug. 2011	Sept. 2012	Sept. 2013	Sept. 2014	Aug. 2011	Sept. 2012	Sept. 2013	Sept. 2014
La Paz	634	603	669	674	123	102	73	46	19.4	16.9	10.9	6.8
Intibucá	629	793	750	839	185	191	124	100	29.4	24.1	16.5	11.9
Lempira	1,260	1,177	979	893	293	165	136	102	23.3	14.0	13.9	11.4
Copán	424	950	838	872	112	162	145	83	26.4	17.1	17.3	9.5
Ocotepeque	419	636	427	397	92	113	84	58	22.0	17.8	19.7	14.6
Santa Barbara	887	595	630	654	131	63	64	26	14.8	10.6	10.2	4.0
Total	4,253	4,754	4,293	4,329	936	796	626	415	22.0	16.7	14.6	9.6

¹, Note: data from 200 original communities with USAID-ACCESO nutrition intervention.

Table 66. Prevalence of Underweight Children Under 2 Per Department (new communities)

Department	# children < 2 years		# children under 3 ^o percentile		%	
	Jan. 2014	Sept. 2014	Jan. 2014	Sept. 2014	Jan. 2014	Sept. 2014
La Paz	-	111	-	15	-	13.5
Intibucá	-	77	-	12	-	15.6
Lempira	49	67	9	9	18.3	13.4
Copán	-	125	-	14	-	11.2
Ocotepeque	13	21	5	4	38.4	19.0
Santa Barbara	-	33	-	1	1	3.0
Total	62	434	14	55	22.5	12.7

¹, Note: data from 25 new communities with USAID-ACCESO nutrition intervention starting January 2014

Table 67. Prevalence of Underweight Children Under 2 Years Old (Original Communities)

Month/Year	# Children < 2 years old	# Children under the 3 ^o percentile	%
Aug-11	4,253	936	22.0
Mar-12	4,419	834	18.9
Apr-12	4,700	892	19.0
May-12	4,944	902	18.2
Jun-12	4,664	879	18.8
Jul-12	4,972	950	19.1
Aug-12	4,895	916	18.7
Sep-12	4,754	796	16.7
Oct-12	4,835	780	16.1
Nov-12	3,815	703	18.4
Dec-12	3,615	649	18.0
Jan-13	3,911	645	16.5
Feb-13	3,903	634	16.2
Mar-13	4,042	648	16.0
Apr-13	4,191	682	16.3
May-13	4,207	649	15.4
Jun-13	4,299	649	15.1
Jul-13	4,260	663	15.6
Aug-13	4,403	651	14.8
Sep-13	4,296	626	14.6
Oct-13	4,204	607	14.4
Nov-13	4,103	508	12.4
Dec-13	3,905	556	14.2
Jan-14	3,799	514	13.5
Feb-14	3,842	529	13.7
Mar-14	3,930	544	13.8
Apr-14	3,867	519	13.4
May-14	4,201	551	13.1
Jun-14	4,173	559	13.3
Jul-14	4,357	556	12.7
Aug-14	4,320	470	10.8
Sep-14	4,329	415	9.6

Table 68. Prevalence of Underweight Children Under 2 Years Old (New Communities)

Month/Year	# Children < 2 years old	# Children under the 3 ^o percentile	%
Jan-14	62	14	22.5
Feb-14	167	35	20.9
Mar-14	429	81	18.8
Apr-14	371	66	17.8
May-14	458	78	17.0
Jun-14	467	76	16.3
Jul-14	421	65	15.4
Aug-14	440	80	18.2
Sep-14	434	55	12.7

Project implementation strategies for the treatment and prevention of malnourished children under 2 years of age are the same in all six departments. Though all six departments has demonstrated a decrease in the rate of malnourished children under 2 years over the three-year period, it is important to note the results of project implementation strategies in Intibucá where the rate has reduced from 29.4 percent in 2011 (the highest prevalence rate of all six departments) to 11.9 percent in September 2014, which represents a 59.5 percent reduction. A similar result is observed in Ocotepeque where project intervention over the past quarter has resulted in a 33.6 percent reduction of a prevalence rate that had stagnated for the first quarters of the year. Santa Barbara presents the lowest prevalence rates among all six departments since 2011 where project activities have resulted in an outstanding 73.0 percent reduction from 14.8 percent in 2011 to 4.0 percent as of September 2014.

Overall, the results for this indicator are positive and indicate that project implementation strategies and methodology have worked well – prioritized communities and population focusing on mothers and children attending the AIN-C groups; counseling mothers on child nutrition, training and food preparation demonstrations; targeting family households with malnourished children for regular home visits to assist mothers with the practice of food preparation and feeding of the malnourished child and reinforce proper individual and household hygienic practices. Furthermore, along with technical assistance and training, USAID-ACCESO has implemented household improvement initiatives in collaboration with families as preventive measures to address household conditions which contribute to child illness such as: installing eco-stoves, improving floors and walls, access to potable water inside the house, transparent roof sheets to improve illumination, and water filters.

During the past year USAID-ACCESO has reinforced activities to address two key challenges the project encountered over the last years:

- The expansion of nutrition and health services to other communities while sustaining results obtained to date among currently attended population.
- The identification of mechanisms through which proper food consumption of children under 2 is sustained during the coffee harvest season in order to prevent a reversal of these results. Many mothers leave their homes to harvest coffee, and leave children to be cared for by others or take them along, exposing them to longer periods of hunger in addition to limited access to proper food sources for the child.

The positive results of project's efforts on the first challenge is strongly demonstrated in different sections of this report; however, results of efforts toward addressing the second challenge will be observed after the coffee harvest in early 2015.

PIRS #20: Prevalence of stunted children under 5

Chronic Malnutrition (Stunting). According to ENDESA 2011-2012, 23 percent of children between 6 months and 5 years of age experience stunting, with the highest percentage in Intibucá and Lempira. In January 2013, USAID-ACCESO began tracking height and weight per age for all children turning 2 and over during their last attendance to AIN-C growth monitoring sessions. An analysis of this data during the first two quarters of FY 2013/2014 gives results consistent with those of ENDESA. For September 2014, the result for all six departments was 28.5 percent, which is a significant reduction from 49.2 percent in December 2013 (Tables 69 to 72). During the past quarter the variation between the three months is a consistent slight decrease, with the highest rate being Intibucá, Ocotepeque, and Copan with 58, 52, and 24 percent respectively. As with acute malnutrition, Santa Barbara presents the lowest rates among the six departments: 12 percent in July and 0 percent in August and September.

Chronic malnutrition or stunting is an indicator of the accumulative effects of malnutrition and micronutrients deficiencies over time. It is associated with intrauterine growth retardation (low birth weight babies are prone to become stunted especially if the mother herself is stunted and has poor

nutritional status), socioeconomic conditions, level of education of the mothers, and health conditions of the mother. Other contributors to stunting include chronic or recurrent infections, sometimes in combination with intestinal parasites. The prevalence of growth stunting, particularly among children under 2 can also reflect the prevalence of low birth weight in a population.

Though project interventions to address the problem of low weight for age ultimately has a positive effect thus the consistent reduction of the prevalence rate of malnutrition, the cumulative effect of the severity of this health condition in the child over the first two years of life in addition to conditions of the child at birth due to the health of the mother, is reflected in the rates of stunting. Studies conducted in developing countries around the world assessing the prevalence of stunting, malnutrition and wasting has produced results of higher prevalence rates for stunting than for malnutrition and wasting in the same period of time because of the accumulative effect of malnutrition in the stunting of the child.

As indicated in tables bellow, the behavior of this indicator is not consistent with that of acute malnutrition where there is a gradual and sustained decline over time. Chronic malnutrition fluctuates with increases and declines over each quarter. Understanding the concept of chronic malnutrition and its causes is crucial to better understand the results obtained for this indicator. Micronutrient deficiencies cause permanent loss of growth in children and most of them never regain from these effects, leading to long-term deficits in mental capacity. Given the behavior of this indicator over the past two ENDESA's, it is apparent that there is a need to review the implementation of national policies, as well as their appropriateness and impact.

Table 69. Stunting in Children 2 Years of Age per Department (October to Dec. 2013)

Department	# of Children 23 months of age in AIN-C			# of Children with Stunting			Percentage		
	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec
La Paz	15	19	15	6	6	6	40.0	31.6	40.0
Intibucá	0	11	7	0	4	6	0.0	36.4	85.7
Santa Bárbara	10	9	0	4	3	0	40.0	33.3	0.0
Lempira	21	20	14	6	6	12	28.6	30.0	85.7
Copán	32	31	10	13	7	3	40.6	22.6	30.0
Ocotepeque	18	11	15	7	4	3	38.9	36.4	20.0
Total	96	101	61	36	30	30	37.5	29.7	49.2

Table 70. Stunting in Children 2 Years of Age per Department (January to March 2014)

Department	# of Children 23 months of age in AIN-C			# of Children with Stunting			Percentage		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
La Paz	12	14	25	3	5	6	25.0	35.7	24.0
Intibucá	8	22	12	4	13	8	50.0	59.0	66.6
Santa Bárbara	6	6	4	3	2	0	50.0	33.3	0.0
Lempira	11	22	36	1	4	4	9.0	18.1	11.1
Copán	8	14	17	0	4	6	0.0	28.5	35.2
Ocotepeque	14	7	10	3	4	4	21.4	57.1	40.0
Total	59	85	104	14	32	28	23.7	37.6	26.9

Table 71. Stunting in Children 2 Years of Age per Department (April to June 2014)

Department	# of Children 23 months of age in AIN-C			# of Children with Stunting			Percentage		
	Apr.	May	June	Apr.	May	June	Apr.	May	June
La Paz	14	30	9	4	5	2	28.6	16.7	22.2
Intibucá	12	16	17	6	7	7	50.0	43.8	41.2
Santa Bárbara	6	9	8	1	0	1	16.7	0	12.5
Lempira	27	49	23	9	11	5	33.3	22.4	21.7
Copán	18	20	25	6	8	8	33.3	40.0	32.0
Ocotepeque	6	29	13	3	16	4	50.0	55.2	30.8
Total	83	153	95	29	47	27	34.9	30.7	28.4

Table 72. Stunting in Children 2 Years of Age per Department (July to Sept. 2014)

Department	# of Children 23 months of age in AIN-C			# of Children with Stunting			Percentage		
	Apr.	May	June	Apr.	May	June	Apr.	May	June
La Paz	2	21	15	0	4	2	0	19	13
Intibucá	9	16	12	3	11	7	33	69	58
Santa Bárbara	16	6	8	2	0	0	12	0	0
Lempira	36	22	29	14	3	5	39	14	17
Copán	25	32	37	7	13	9	28	41	24
Ocotepeque	17	11	25	9	2	13	53	18	52
Total	105	108	126	35	33	36	33.3	30.5	28.5

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

USAID-ACCESO nutrition and health staff conducted a survey among mothers of children 6-23 months of age who attended the growth monitoring sessions during the months of August and September 2014 to assess the status of the minimum acceptable diet among children 6-23 months of age. Data was collected for the first time in 2013 and was repeated 2014. Of the total 505 children subject of the survey, 293 were receiving the minimum acceptable diet-received feedings from at least 4 of the food groups (58 percent compared to 61 percent in 2013), of which 266 children were 9 to 23 months of age, and the remaining 27 were between 6 and 8 months of age. Of the 505, 317 were receiving breastfeeding of which 187 (59.0 percent compared to 64.0 percent in 2013) were receiving a minimum acceptable diet. Of the 188 children who were not being breastfed, 106 (56.3 percent compared to 49 percent in 2013) were receiving a minimum acceptable diet (Table 73).

One of the key feeding messages delivered by health technicians to mothers to impact the reduction of malnutrition is to increase the number of feedings during the day. Although no significant change was observed in the number of children 6-23 with a minimum acceptable diet, the results of the survey conducted demonstrate an outstanding impact in this practice among both age groups: 97 percent of children who were being breastfed received the minimum frequency of feedings and 99 percent of those who were not being breastfed were receiving the minimum frequency of feedings per day (minimum frequency of feeding per day is 3 feedings for children 9 to 23 months and 2 feedings per day for children 6 to 8 months of age).

Table 73. Children 6 to 23 months that receive a minimum acceptable diet

	Sept. 2013	Sept. 2014
# children	449	505
# receiving minimum acceptable diet	272	293
% receiving minimum acceptable diet	61%	58%
# children being breastfed	347	317
# breastfed children with minimum acceptable diet	222	187
% breastfed children with minimum acceptable diet	64%	59%
# non-breastfed children	102	188
# non-breastfed children with minimum acceptable diet	50	106
% non-breastfed children with minimum acceptable diet	49	56%

Minimum Acceptable Diet for breastfed children 6-23 months is defined as four or more food groups out of the 7 food groups: Grains, roots and tubers, Legumes and nuts, Dairy products (milk, yogurt, and cheese), Flesh foods (meat, fish, poultry and liver/organ meats), Eggs, Vitamin-A rich fruits and vegetables, Other fruits and vegetables.

Minimum Acceptable Diet for non-breastfed children is defined as four or more food groups out of the following six food groups: Grains, roots and tubers, Legumes and nuts, Flesh foods, Eggs, Vitamin-A rich fruits and vegetables, and other fruits and vegetables.

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

According to ENDESA 2011-2012, the prevalence of exclusive breastfeeding among children under 6 months is 31 percent, and in the majority of the departments, the duration of exclusive breastfeeding has a median of less than 1 month with the exception of Intibucá, which has a median of 4.8 months, and Lempira and La Paz with 3.9 and 3.8 months respectively. During the first quarter of fiscal year 2014, project specialists identified discrepancies in the concept of exclusive breastfeeding among community health volunteers and begun standardizing the concept as well as the questions asked to collect data during the monthly meetings. As a result of this change, a continued decrease of the prevalence rate were observed throughout all six departments, as training of community volunteers regarding the concept and data collection was completed and they began to change the way the questions were asked thus obtaining more accurate data on this indicator.

The percentage of children reported as receiving exclusive breastfeeding has decreased from 95.5 percent in September 2013 to 83.1 percent in September 2014 which is closer to national rates. Project specialists and technicians continue to assist community health volunteers in properly collecting and reporting on this data during the monthly meetings. This is a resulted in a reduction in the reported rate. It is expected that the rate will stabilize or experience a slight decrease during the upcoming quarter as training of community volunteers on the concept and data collection is completed throughout all communities in the six departments.

Baseline for this indicator collected for children under 6 months of age recorded in AIN-C groups in new communities added during the previous two quarters was 82.6 percent in March, 67.5 percent in June 2014, and 87.6 percent in September 2014. As project nutrition technicians and specialists continue to work with these new groups and train community health volunteers in proper data collection methods, the level is expected to reduce before we can see an increase due to project interventions in these new communities.

Though there is no way to tell what the actual rates were in 2011 when baseline data was collected under the initial standardized concept and questioning method, we are confident that there has been a positive impact on this indicator as a result of project interventions. Discussions with staff from the previous World Bank decentralized services providers for AIN-C has indicated their awareness that this problem existed without their capacity to do anything to correct it. Promotion of exclusive breastfeeding during the first six months of life continues to be one of project technicians' key messages to pregnant women and mothers of young children. The data collected through health monitors is presented for reference in Table 74. This is also presented in the PMP Excel file for September 2014.

Table 74. Prevalence of Exclusive Breastfeeding of Children Under 6 Months

Department	# children < 6 months				# children with exclusive breastfeeding				%			
	Aug. 2011	Sept. 2012	Sept. 2013	Sept. 2014	Aug. 2011	Sept. 2012	Sept. 2013	Sept. 2014	Aug. 2011	Sept. 2012	Sept. 2013	Sept. 2014
La Paz	132	88	177	114	115	85	177	109	87.12	96.59	100.00	95.6
Intibucá	80	128	146	159	67	117	127	133	83.75	91.41	86.99	83.6
Lempira	285	148	160	164	269	141	154	153	94.39	95.27	96.25	93.3
Copán	93	147	159	169	90	143	146	134	96.77	97.28	91.82	79.3
Ocotepeque	80	103	100	80	77	103	97	73	96.25	100.00	97.00	91.2
Santa Barbara	NA	74	131	123	NA	74	131	70	ND	100.00	100.00	56.9
Total	670	688	876	809	618	663	840	672	92.24	96.37	95.30	83.1

PIRS #23: Prevalence of anaemia among women of reproductive age**PIRS #24: Prevalence of anaemia in children 5 - 59 months**

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

In August 2013, nutrition and health technicians conducted blood testing for children who attended growth monitoring sessions in all six departments between the ages of 1 and 2, and women of reproductive age who attended growth monitoring sessions. In August and September 2014, health and nutrition staff once again conducted blood testing to women in reproductive age and children 6 to 23 months of age in a sample of 521 children 6 to 23 months of age and 511 women of reproductive age, from 35 communities randomly selected throughout all six departments. The 521 children were randomly selected from all children within the age group attending the growth monitoring session the day the survey was carried out. Table 75 presents the results for 2014 compared to baseline of 2012 and testing of 2013. Additional data for each department is provided in the ACCESO PMP Excel file, 09/2014.

Table 75. Prevalence of Anemia In Women of Reproductive Age and Children Under Two Years Old

Department	Women of Reproductive Age			Children < 2 years		
	# sampled	# with < 12g/dl	%	# sampled	# < 10.5g/dl	%
Baseline August 2012						
La Paz	34	10	29.4	23	9	39.1
Intibucá	47	16	34.0	21	8	38.1
Lempira	68	15	22.1	59	13	22.0
Copán	53	12	22.6	45	17	37.8
Ocotepeque	47	10	21.3	29	6	20.7
Santa Bárbara	69	25	36.2	35	22	62.9
TOTAL	318	88	27.7	212	75	35.4
Results August 2013						
La Paz	37	14	37.8	25	12	48.0
Intibucá	90	35	38.9	53	26	49.1
Lempira	143	31	21.7	90	18	20.0
Copán	104	29	27.9	72	37	51.4
Ocotepeque	69	11	15.9	52	17	32.7
Santa Bárbara	47	15	31.9	37	15	40.5
TOTAL	490	135	27.6	329	125	38.0
Results August 2014						
La Paz	74	18	24.3	77	30	39.0
Intibucá	115	32	27.8	109	47	43.1
Lempira	103	20	19.4	101	49	48.5
Copán	104	33	31.7	102	69	67.6
Ocotepeque	45	2	4.4	45	16	35.6
Santa Bárbara	70	11	15.7	71	20	28.2
TOTAL	511	116	22.7	505	231	45.7

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

In August 2013, USAID-ACCESO conducted testing to 329 children less than 2 years of age in the six departments of which 38 percent (125 children) resulted anemic (based on an hemoglobin level of less than 10.5 g/dl), compared to the baseline of 35 percent. Project health specialist attributed this increase in cases of anemia to the fact that health service providers attending these AIN-C groups up to March 2012 provided all children less than 2 years of age with iron and zinc supplements on a monthly basis, and by this, ensuring they received appropriate nutrients which ensured reduction of anemia. Copán presented the highest rate with 51 percent, followed by Intibucá with 49 percent and La Paz with 48 percent. Lempira's rate dropped from baseline of 22 percent to 20 percent and is also the department with the lowest rate of anemia in children under 2 during this period. It is important to note that the rate of anemia in children under 2 also decreased in Santa Barbara from the baseline of 62.9 percent to 40.5 percent during 2013.

Table 76. Classification Of Anemia In Children 6-23 Months By Type

Hemoglobin	#	%	Anemia
<=5.9	1	0.2%	Anemia- severe: < 5.9 g/dl*
6-8.9	53	10.5%	Anemia- moderate: 6.0-8.9 g/dl*
9-10.4	177	35.0%	Anemia- mild: 9.0-10.4 g/dl*
	231	45.7%	WITH ANEMIA
	274	54.3%	WITHOUT ANEMIA
	505	100.0%	TOTAL SAMPLE

* Ref: Honduras ENDESA DHS 2012 06-19-2013

Table 77. Classification of Anemia in Children 6-23 Months by Sex

Hemoglobin	Male	Female	Anemia
<=5.9	1	0	Anemia- severe: < 5.9 g/dl*
6-8.9	28	25	Anemia- moderate: 6.0-8.9 g/dl*
9-10.4	89	88	Anemia- mild: 9.0-10.4 g/dl*
231	118	113	With Anemia
	51.1%	48.9%	% According To Sex
274	137	137	Without Anemia
	50%	50%	% According To Sex

* Ref: Honduras ENDESA DHS 2012 06-19-2013

During the period of August-September 2014, health and nutrition staff with the assistance of the M&E director randomly selected a sample of 35 communities from all six departments to be surveyed for Minimum Acceptable Diet and hemoglobin testing. A total of 521 children 6 to 23 months of age were randomly selected as subjects of the survey on Minimum Acceptable Diet and hemoglobin count, and their respective mothers were the subjects of hemoglobin count in women of reproductive age. For the purpose of analysis only 505 records were considered as the remaining 16 were either children younger than 6 months or older than 24 months of age. Different than in years 2012 and 2013, analysis was done based on standards according to the definition of the indicator in the FTF Indicator Handbook and ENDESA in order to compare results to national rates.

Of the 505 children 6-23 months of age tested, 231 resulted with anemia (45.7 percent), an increase of 29.3 percent compared to baseline. The increase occurred across five or the six departments, with only Santa Barbara showing a decrease against baseline (Table 75). It is also important to point out that the mothers of the 505 children tested were also surveyed to identify those children that were actually receiving iron intakes. Of the 231 anemic children, 132 (57.1 percent) were receiving one of two different sources of iron supplements during the six months previous to the test. Of the 132 children who were receiving iron supplements six months previous to testing, 89 children (67 percent) were children 12 to 24 months of age.

Tables 76 and 77 present the distribution of anemia by type and sex. It should be noted that of the 231 with anemia, 177 (76.6 percent) experienced mild anemia. The large majority of the anemic children could be treated with oral therapy. While these results may appear high and raise genuine concerns, reports on experiences in other Latin America countries as well as the United States demonstrates that despite the living conditions of project clients, this aspect of their health (anemia) is very similar to other populations in countries with far better socioeconomic conditions. It also raises awareness to the need to strengthen the capacity of health facilities in the area to closer monitor this health condition among this particular age group.

Project results for 2014 are very consistent with national rates presented by ENDESA 2011-2012: a 29.1 national rate for children 6-59 months of age, with the highest rates being among children 6 to 8 months with a 59.5 percent and a 52.4 percent in children 9 to 11 months. Despite this fact, and the information of anemia in other countries demonstrated in scientifically conducted studies, USAID-ACCESO recognizes the need to address the problem and has begun working with health professionals at the national, regional and local levels of the Ministry of Health and decentralized providers to put in place a plan for treating and preventing anemia. We recognize that as a medical condition, anemia is treated subject to the type and cause, however, ministries of health around the world put in place preventive

According to the paper on *Evaluation of Anemia in Children* (by JENNIFER JANUS, MD, Johns Hopkins Community Physicians, Hagerstown, Maryland; SARAH K. MOERSCHEL, MD, West Virginia University Robert C. Byrd Health Sciences Center Eastern Division, Harpers Ferry, West Virginia, 2010 Jun 15), an estimated 20 percent of American children will have anemia in their childhood and one half of American toddlers do not receive the recommended daily intake of iron. The paper also indicates that it is not clear whether iron supplementation reduces the incidence of anemia. A randomized study in the United States demonstrated that high-risk, six-month-old infants who received 10 mg of supplemental iron per day did not have a reduced incidence of anemia or abnormal indices indicative of iron deficiency. In the first four to six months of life, full-term infants use hepatic stores of iron in addition to dietary iron in formula or breast milk; iron supplementation is not required in these children. Preterm infants do not have adequate hepatic iron stores and require larger amounts of iron for catch-up growth. These infants should receive supplemental iron. Starting at four to six months of age, infants require an additional source of iron. Another study in three different cities in Bolivia in 2006 and one in Mexico in the same year concluded that Ministry of Health efforts implemented for control and prevention of anemia (which is very similar to those implemented in Honduras) had not worked. This type of information leads us to consider more carefully project strategies implemented in parallel with those of the Ministry of Health and its decentralized service providers and their impact. Furthermore, retardation of clamping of the umbilical cord at birth is a key measure to prevent anemia in children under 1 year of age, and requires that this norm is being adhered to in regional hospitals and maternal clinics.

measures involving from supplementation to pregnant and lactating women as well as practices during child birth, to promotion of preventive measures during the first years of life of the child. These experiences will be revised along with norms and strategies provided by WHO/PAHO as we move forward to address this health issue.

Conclusion: Despite efforts invested in technical assistance and training on food diversification, preparation and intake for children less than two years of age over the past year by project staff, and the occasional distribution of micronutrients by the health facilities in the six departments, there has been no positive impact on the prevalence of anemia in children under two years of age. This leads USAID-ACCESO's nutrition and health specialists to conduct a careful review of determinant factors for anemia in children less than two years of age in the ZOI and develop an intervention plan in two stages:

- The immediate stage, which corresponds to the last quarter of USAID-ACCESO implementation.
- The ongoing stages, which will be under the timeline of the upcoming two projects to be implemented by USAID and USAID/INVEST in succession of USAID-ACCESO.

Project health specialists will work closely with public and private health service providers to identify key factors among the target population, that can be contributing to gradual increase of anemia among children under 2, and help them develop a strategy to address these factors. Some factors already identified are those which inhibit the absorption of iron such as parasitism, consumption of coffee, lack of consumption of other micronutrients, those that contribute to blood loss leading to anemia such as specific practices during child birth, and consumption of cow's milk by children under 2.

The project has not provided supplements to communities or children as the Ministry of Health should and most NGOs do. The project aims to achieve sustainable changes, as can be seen in the case of acute malnutrition. If the project gives away or distributes supplements and there is no system in place to continue post-project, any improvement will be simply be lost in the next batch of children. This should have been addressed at the policy/Ministry of Health level, perhaps with the USAID ULAT project (or perhaps it was). The project focus was to increase the vitamin and mineral content in the diet, which was achieved through the "fortified" tortilla and other means. But in the case of anemia, it was not expected that the tortilla and increased consumption of leafy greens would eliminate the problem. In retrospect, in order to meet the target, USAID-ACCESO should have distributed or obtained supplements. USAID needs to provide guidance on whether the project should obtain and distribute supplements in what remains of project implementation.

Anemia in women of reproductive age: The baseline sample was carried out in August 2012 of women of reproductive age – the mothers of children under 2 years that were sampled – of which 27.7 percent had a hemoglobin level of less than 12g/dl (the level considered normal in this group). This compares to the ENDESA figure of 16.5 percent for the same group. Santa Barbara was the department with the highest rate with 34 percent (also coinciding with the rate for children under two years in this department).

Testing was again carried out in 2013 of mothers of children under 2 years of age selected for testing. Of the 490 women tested, 27.6 percent (compared to 27.7 percent at baseline) had a hemoglobin level of less than 12g/dl. Intibucá was the department with the highest rate of anemic women in reproductive age with 38.9 percent followed by La Paz with 37.8 percent and Santa Barbara with 31.9 percent which is a decrease from the baseline of 36.2 percent. Ocotepeque was the department with the lowest rate at 15.9 percent, which also decreased from the baseline of 21.3 percent.

In August-September 2014, testing of women in reproductive age was carried out on mothers of children selected for the sample for hemoglobin testing. A total of 517 women were tested of which 117 (22.6 percent) resulted as anemic, an 18.2 percent decrease from baseline in 2012. These results, when analyzed along with food consumption practices among project assisted households in 2014, suggest a

correlation between the reduction of anemia in women and the increased number of families that are now consuming from an average of 4 food groups, compared to 3.5 in 2013. In addition, it is important to note that women in reproductive age are less likely to have absorption problems with supplements provided during pregnancy through health centers, than children under 2 years of age.

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

The mean minimum number of food groups consumed by women of reproductive age is calculated by averaging the number of food groups consumed (out of the nine food groups: Grains, roots and tubers; Legumes and nuts; Dairy products (milk, yogurt, cheese); Organ meat; Eggs; Flesh foods and other misc. small animal protein; Vitamin A dark green leafy vegetables; Other vitamin A rich vegetables and fruits; and Other fruits and vegetables) consumed across all women of reproductive age in the sample.

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

The survey conducted in 2014 produces very encouraging results. The average has increased to 4.09 food groups representing 15.5 percent increase above the results for 2013. The highest numbers of women consuming from 4 or more food groups are in Ocotepeque (342 women representing 66 percent) and the lowest number is in La Paz (176 women representing 35 percent). This increase in the mean numbers of food groups consumed can be a result of increased availability of a diversity of food products at the community level due to the transformation of agriculture production generated by the project, or it can be the impact of multiple methods for delivering trainings on diet diversity used by project health and nutrition staff in the communities with mothers and other caregivers. It is most probably the result of both.

PIRS #27: Modern contraceptive prevalence rate

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

The modern contraception prevalence rate among mothers of children under 2 years of age who attend growth monitoring sessions continued to increase every quarter during the past year. It increased from 56.0 percent in September 2013, to 62.5 percent in December 2013, to 64.3 percent in March 2014, and 65.8 percent in June 2014 (table 78). The prevalence rate for all six departments as of September 2014 is 68.8 percent which represents a 41.3 percentage point increase and a 150.1 percent increase over baseline.

Baseline for this indicator collected among mothers of children less than 2 years of age recorded in AIN-C groups in **new communities** added during the previous quarters in the departments of La Paz, Intibucá, and Santa Barbara was 53.2 percent. For June 2014 the prevalence rate for new communities in all six departments was 66.6 percent, and with a slight increase to 67 percent in September 2014. As with the results for PIRS #22, nutrition and health technicians continue to work with community health volunteers to improve the data collection and reporting on this indicator.

It should be noted that the rate varies across the six departments, with highest prevalence rates in Santa Barbara, Lempira and Ocotepeque with 79.7, 77.7 and 74.1 percent respectively. In some departments the topic is very sensitive and women are not open to sharing this information, while Santa Barbara is

considered a more “urbanized” department where the women have a slightly different mentality compared to those more “rural” departments. In addition, during the year, health centers have frequently been short of contraceptive supplies.

Table 78: Modern Contraceptive Prevalence Rate

Department	# Children < 24 months			# mothers using modern contraceptive methods			Percentage		
	March 2014	June 2014	Sept. 2014	March 2014	June 2014	Sept. 2014	March 2014	June 2014	Sept. 2014
La Paz	594	676	615	340	371	379	57.2	54.9	61.6
Intibucá	753	790	839	427	482	464	56.7	61.0	55.3
Lempira	779	841	893	489	585	694	62.8	69.6	77.7
Copán	815	872	872	510	585	586	62.6	67.1	67.2
Ocotepeque	387	381	397	230	270	294	59.4	70.9	74.1
Santa Bárbara	602	613	654	531	455	521	88.2	74.2	79.7
Total	3,930	4,173	4,270	2,527	2,748	2,938	64.3	65.9	68.8

WP #8: Percentage of children less than two years old with two consecutive low monthly measurements

Data from March 2012 through September 2014 of children under 2 in project communities with “persistent inadequate growth” (two consecutive low monthly measurements) is provided in Table 79.

Tracking “persistent inadequate growth” allows technicians and community volunteers to teach mothers feeding practices that can prevent the child from falling below the third percentile. It is primarily an indication of the prevalence of child morbidity, which is why higher rates are observed in months corresponding to rainy seasons when prevalence of diarrhea and acute respiratory infections are higher.

Table 79. Percentage of children less than two years old with two consecutive low monthly measurements

Year	Month	TOTAL # Children	Sum of # Girls with “PIG”	Sum of # Boys with “PIG”	Sum of TOTAL # Children with “PIG”	% total
2012	Mar	4,419	180	136	316	7.2%
	Apr	4,700	241	165	406	8.6%
	May	4,944	317	231	548	11.1%
	Jun	4,678	272	213	485	10.4%
	Jul	4,972	315	249	564	11.3%
	Aug	4,922	294	233	527	10.7%
	Sep	4,754	246	213	459	9.7%
	Oct	4,778	214	180	392	8.2%
	Nov	3,807	241	209	449	11.8%
	Dec	3,615	214	185	397	11.0%
2013	Jan	3,903	176	135	311	8.0%
	Feb	3,974	177	163	340	8.6%
	Mar	4,042	214	163	377	9.3%
	Apr	4,189	207	187	394	9.4%
	May	4,205	308	226	534	12.7%
	Jun	4,299	296	240	536	12.5%
	Jul	4,331	267	202	469	10.8%
	Aug	4,403	268	196	464	10.5%
	Sep	4,293	260	210	470	11.0%
	Oct	4,204	264	213	477	11.4%
	Nov	4,103	235	226	461	11.2%
	Dec	3,905	225	226	451	11.5%
2014	Jan	3,799	183	162	345	9.1%
	Feb	3,842	176	156	332	8.6%

Table 79. Percentage of children less than two years old with two consecutive low monthly measurements

Year	Month	TOTAL # Children	Sum of # Girls with "PIG"	Sum of # Boys with "PIG"	Sum of TOTAL # Children with "PIG"	% total
	Mar	3,930	208	192	400	10.2%
	Apr	3,867	235	191	426	11.0%
	May	4,201	265	226	491	11.7%
	Jun	4,173	238	227	465	11.6%
	Jul	4357	269	225	494	11.3%
	Aug	4311	248	221	469	10.9%
	Sep	4270	246	193	439	10.3%

IND-3.1.9-1. Number of people trained in child health and nutrition through USG-supported programs (New 03/2014)

During the year, 4,962 individuals received training in health and nutrition, including 4,381 women and 581 men. Overall, 2,584 training events were carried out with 38,487 participants (36,806 women and 1,681 men).

To date, the total number of individuals who have received training in health and nutrition is 8,275, including 6,981 women and 1,294 men. Overall, 5,876 training events have been carried out with 89,304 participants (83,215 women and 6,089 men).

IND-3.1.9-15. Number of children under five reached by USG-supported nutrition programs (new 03/2014)

To date 7,781 children under 2 years old have received assistance from the project. This is calculated based on the total number of children participating in monthly weighing sessions, an average attendance rate of 80 percent (for the last six months information the actual information has been used for the total number of children in the lists in order to determine the percentage of participation), and a monthly average of 80 children moving over 2 years old.

Sustained service delivery

USAID-ACCESO beneficiaries are provided training in health and nutrition-related activities, complementary to assistance being provided in production systems and economic development where both components are present in the community. As of September 2014, the project is working with nutrition activities in 225 communities in 56 municipalities, directly reaching 3,446 households compared to 2,631 households in September 2013. Both men and women are receiving basic training in child care, prevention of illnesses, nutrition practices, keeping a healthy household, and family planning. Training subjects include exclusive breastfeeding for children under 6 months, hand washing, good household and individual hygiene practices, safe water for human consumption, family planning, and consumption of vitamin- and nutrient-rich foods.

Project implementation strategies for the treatment and prevention of malnourished children under 2 have been continuous, with emphasis on communities with highest malnutrition prevalence rates in each department. In these communities project staff mobilized all key community actors/leaders including religious, public service workers such as school teachers, mayors, and police to raise their awareness of the determinant factors of this health problem.

To improve the capacity and skill of community health volunteers (CHVs), and boost their motivation to continue the delivery counseling and growth monitoring services after project close-out, USAID-ACCESO held a series of four-day training sessions for a total of 484 CHVs in all six departments during the second quarter of the fiscal year. The activity generated excellent results as the interest and dedication in conducting quality services was duly noted at the community level during supervisory visits and in quality of data reported. CHVs trained have also motivated others to become involved in

community service to the extent that project staff is now working directly and providing ongoing training to a total of 557 community health volunteers in all six departments. For the remaining time under USAID-ACCESO, project staff will continue to strengthen the capacity and motivation of community health volunteers as they carry out the following services at the community level:

- **Household visits.** Technicians continued to work closely with community members, health committee members, and health volunteers to identify households with children under 2 years old that are not attending group sessions for growth monitoring. This includes children recorded on group records as well as children who are not. In addition to the regular home visits to refresh mothers' knowledge of food preparation and feeding practices, household visits were conducted by community health volunteers and technicians to educate mothers on growth monitoring sessions and identify and record children who are not currently attending these sessions. As a result of these efforts the coverage of growth monitoring services for children under 2 years reached a 90.4 percent in September 2014 compared to 80 percent in March 2014 when this indicator began to be tracked. In addition to improving coverage, this strategy is providing technicians with the opportunity to increase knowledge transfer to community health volunteers and motivate them to carry out household visits on their own, which is key to sustainability. During the quarter, nutrition and health technicians conducted 7,133 technical assistance visits (47,136 to date).
- **Counselling on child nutrition, training and demonstrations for food preparation.** During the quarter, a total of 455 food preparation demonstrations were conducted, with the highest number of these activities taken place in Ocoatepeque as a key strategy to address the high prevalence rate of malnutrition in the Municipality of Belen Gualcho. These training and demonstrations are done during household visits, at the Nutrition Training Centers (NTCs – or CENs), and at the community health volunteers' homes. As of September 2014 a total of 40 nutrition centers have been completely installed and are operational (See Table 80 for a list of communities where these centers are operating) and 5 more are pending inauguration during the upcoming quarter (4 are in coordination with CRS). In communities where a NTC has not been established, demonstrations of food preparation and training to mothers are carried out at the homes of mothers and community health volunteers on a rotating basis. Negotiations with PMA for equipping 20 additional NTCs in USAID-ACCESO target communities have continued. USAID-ACCESO and PMA will sign a Memorandum of Understanding in the upcoming quarter and it is expected that activities under this initiative will take on a more efficient pace.

During the quarter, specialists and technicians held 744 training events with 10,937 participants (90,009 participants to date). Current quarter participants were 425 male and 10,512 female, for a total to date of 6,160 male and 83,849 female. Participation of school teachers and adolescent girls in fourth, fifth and six grades in training sessions held in the NTCs located in schools continued during the year.

- **Ministry of Health.** The project continued to work closely with leaders and technicians from Ministry of Health facilities in target areas for the coordination of field activities related to delivery of the basic services package and selected distribution of micronutrients. During the quarter a total of 252 basic services packages were delivered in targeted communities for a total of 873 during the fiscal year. The majority of these services were provided in Copán and Ocoatepeque through the decentralized health service providers, while in Intibucá despite the presence of COMIPRONIL, a decentralized service provider, the emphasis is on the delivery of Primary Health Care Services (PHCS) carried out through home visits which is expected to have a higher impact on prevention measures at the household level.

In April 2012, USAID-ACCESO procured and distributed equipment to selected health centers to strengthen their capacity to manage acute malnutrition. A total of 20 Centers for Management of

Acute Malnutrition (CMAM) has been equipped and are operational. During the past quarter, project nutrition and health technicians, community health centers staff and community health volunteers continued the delivery of the basic services package and primary health care services to targeted communities on a monthly basis, utilizing the equipment of the CMAMs. Basic services package and primary health care services include administration of dietary supplements, vaccines, prenatal care, and training of mothers and other caregivers in family planning, nutrition, and breastfeeding during group meetings and household visits respectively. The health centers that benefitted from this activity are:

- Intibucá: CESAR Zacate Blanco, CESAMO San Isidro, CESAR San Nicolás
 - La Paz: CESAR Florida de San José, CESAR El Encinal, CESAR Sabanetas
 - Ocotepeque: CESAMO San Jorge, CESAMO Belén Gualcho, CESAR Jocotan
 - Lempira: CESAMO San Rafael, CESAMO San José, CESAR Rodeo Quelacasque, CESAR Platanares, CESAMO San Bartolo
 - Santa Bárbara: CESAR Paso Viejo, CESAR San Francisco Carrizal
 - Copán: CESAR Vega Redonda, CESAR de Capuca, CESAR Río Amarillo, CESAMO Nueva Armenia
- **Activities to ensure food availability/diet diversity at the household level.** Family plots have been successful in the homes of most community health volunteers and at NTCs housed in schools. However, this has not been the case in the majority of households with children under 2 that need these food sources most. After a successful first cycle, many did not replant because mothers need more incentivizing, guidance, technical assistance, or training in good agricultural practices. During the quarter nutrition technicians in close collaboration with production technicians continued to work to increase and improve the level of technical assistance given to mothers and families on these small plots with excellent results. Given that the rainy season has begun in most of the communities, most households and NTC have been successful in reactivating the plots.

Some clients are involved in poultry and goat production as another source of both food and income. Through an agreement with ANAVIH (National Association of Poultry Producers in Honduras), USAID-ACCESO has secured a supply of eggs on a daily basis to a total of 437 children under 2 years of age in 15 NTCs in the departments of Lempira, Ocotepeque, Copán, Santa Barbara and Intibucá. This activity was initiated in June 2014 and will continue throughout the remaining of the year.

- **Promotion of healthy household concept among client households.** Initially, this activity focused on health volunteers and families with children under 2 years old to improve basic household sanitation and health of family members through improvements to stoves, floors, walls, and water sources. This quarter, healthy household activities extended to the wider community. A total of 2,194 *eco-justa* stoves have been installed to date, mainly in households with children under 2 (plus 1,273 installed by the University of Florida). The project's natural resource management component has complemented this activity with land fill construction for solid waste management and residual water treatment systems at both household and community levels. During the quarter, a total of 346 water tanks and 326 latrines were constructed in 16 communities throughout the six departments under the technical oversight of NRM/DM specialists. This initiative has created a high motivation of families in these communities who with their limited resources have contributed to this activity with materials and labor. Initial discussions were held with the government's *Vida Mejor* program to coordinate household improvements.

Table 80. USAID-ACCESO Installed CENs

Department	Municipality	Community
Lempira	Gracias	San Jose del Ocotal
Lempira	San Manuel Colohete	Nuevo Cedros
Lempira	San Rafael	Agua Zarca
Lempira	San Rafael	San Antonio
Lempira	La Campa	Tontolo
Lempira	San Rafael	El Sináí
Lempira	Talgua	El Higuito
Lempira	Gracias	La Canoa
Lempira	Gracias	Rodeo El Pinal
Copan	La Unión	Cedrales
Copan	Copán Ruinas	El Porvenir Segundo
Copan	Concepción	Plan Grande
Copan	Copán Ruinas	Los Arcos
Copan	Dolores	Yaruconte
Copan	San Agustín	Granadilla
Ocotepeque	Belén Gualcho	El Ciprés
Ocotepeque	Belén Gualcho	El Arco
Ocotepeque	Belén Gualcho	Jualaca
Ocotepeque	Lucerna	Laguneta
Ocotepeque	Fraternidad	Copantillo
Ocotepeque	Belén Gualcho	La Mohaga
Intibucá	Yamaranguila	La Unión, Yamaranguila
Intibucá	Yamaranguila	Los Olivos
Intibucá	Intibucá	El Tabor
Intibucá	Intibucá	Manazapa
Intibucá	Intibucá	Pahizlal
Intibucá	Intibucá	San Pedro Lomas
Intibucá	Intibucá	Los Encinos
Intibucá	Intibucá	Rio Colorado
Intibucá	Intibucá	Belén Manazapa
La Paz	Santa Elena	Llano Alegre
La Paz	San José	Guascotoro
La Paz	Yarula	Tierra Colorada
La Paz	San Pedro de Tutule	Guayabal
La Paz	Santa Ana	Santiago
Santa Bárbara	Quimistan	Divisoria
Santa Bárbara	Quimistan	El Listón
Santa Bárbara	San Luis	El Jardín
Santa Bárbara	Quimistan	El Pinal

Collaboration

Project health and nutrition staff collaborate closely with the decentralized service providers health facilities in the project target area, including MANCORSARIC and COMIPRONIL. Collaboration with Aldea Global and Fundación BANCAFE in training of institutional and community staff is ongoing.

6. ADDITIONAL REPORTING

In addition to the PMP and work plan indicators that have been provided earlier in this report, USAID-ACCESO reports on additional selected indicators and activities and provides data both to USAID-Honduras and the FTFMS.

6.1. USAID-HONDURAS

Government of Honduras Investments

Data is provided quarterly on the Government of Honduras cost sharing investments in fixed assets; includes investments made by the Ministry of Agriculture, municipalities, *mancomunidades*, FHIS, and selected projects. As of September 2014, this totalled \$780,769.

USAID Reporting

Selected data was provided to USAID Honduras for FY 2013 relating to FTF indicators and specific value chains. Results for FY 2014 are provided in the following table:

FY 2014 (FROM GROSS MARGIN)

	Bean	Corn	Coffee	Horticulture
Gross Margin/Ha. (\$)	555	314	1,036	2,697
Area Planted (Hectares)	4,354	12,627	19,788	3,805
Total Production (Kgs)	3,425,657	26,123,926	11,765,229	46,481,794
Total Production (MTs)	3,426	26,124	11,765	46,482
Yield / Ha. (Kgs)	786.8	2,069	594.6 *	12,222
Yield / Ha. (MTs)	0.79	2.07	0.59	12.22
Value of Sales \$	1,109,549	1,640,735	34,252,046	16,799,866
Quantity of Sales (Kgs)	1,167,738	5,761,138	11,428,035	44,539,140
Purchased input costs \$	838,817	3,472,893	14,754,053	7,270,027
# growers	16,380	19,130	18,517	9,243

* 12.925 sacks of 46kgs

Data from USAID-ACCESO for FY 2014 relating to population/sector level outcome targets for the portfolio review for horticulture, coffee, and corn are provided below:

USAID-ACCESO Data Related to Population/sector-level outcome targets - Horticulture

“Increased total production of horticulture among the poor in the ZOI (by 111% in 2016)”

2011 estimated baseline: 33,186 MT among the poor; 92,769 MT in the ZOI
2013: 56,678 MT among the poor; 123,681 MT in the ZOI

USAID-ACCESO CLIENTS

2014: 31,605 MT among the poor; 46,482 MT among all clients

“Scaling up of best agricultural practices and technologies will lead to an average yield increase from 9.2 MT/Ha to 26.8 MT/Ha. (by 2016)”

2014: 12.22 MT/Ha

“FTF will provide direct technical assistance to 11,000 horticultural producers of which 85% are new to horticulture. A total of 7,022 poor households will diversify production with horticulture, representing an increase of 94% in the ZOI (by 2016)”

**2014: direct TA to 9,243 horticultural producers of which 95% are new to horticulture
3,916 additional poor households diversify with horticulture**

“Increase area under horticultural production among the poor by 59% using good agricultural practices (2,094 ha) (by 2016)”

2014: 1,483 hectares

“In 2013, FTF helped increase horticultural yields from 9.2 MT/ha to 31.0 MT/ha in 1,416 hectares”

2014: horticultural yields at 12.22 MT/ha in 3,805 hectares

“FTS also supports policy initiatives to reduce barriers, access to credit, market development, and access to irrigation”

To date 09/2014

6 policies, 32 barriers, \$15,886,078 in credit, 358 brokers, 11,804 SMMEs with buyers, 3,806 growers with access to irrigation

USAID-ACCESO Data Related to Population/sector-level outcome targets - Coffee

“Increase total production of coffee among the poor in the ZOI (by 15% in 2016); reaching 860,912 sacks of 46 kgs in the ZOI by 2016; total production in the ZOI will increase by 6% to 2,679,726 sacks of 46 kg from FTF contribution”

2011 estimated baseline: 750,330 sacks among the poor; 2,534,255 sacks on the ZOI (record high)

2013: 684,208 sacks among the poor (-9%); 2,122,362 sacks in the ZOI (-16%)

USAID-ACCESO CLIENTS

**2014: 150,911 sacks among the poor
255,766 sacks among all clients**

“ACCESO is providing direct assistance to 16,000 coffee growers in the ZOI to recover from rust, increase yields, and access better markets”

2014: 18,517 growers receiving assistance with coffee under production plus 654 growers with new planting coffee and coffee plantlets for sale. Total coffee growers assisted 19,171

“The scaling up of the package of basic practices will lead to an average yield increase from 16 to 28 sacks (46kg) / ha, a 75% increase over two years”

2014: average of 12.93 sacks/ha

“Scaling up solar dryers will provide value-added and increase access to higher value markets”

2012: 112 dryers with 22,400 QQ of drying capacity

2013: 336 dryers with 67,200 QQ of drying capacity

2014: 1,056 dryers with 211,200 QQ of drying capacity

“FTF will provide direct assistance to 26% of the poor coffee producer households (12,160HH) in the ZOI and 12% of the coffee growers in the ZOI (16,000 HH) (by 2016)”

USAID-ACCESO CLIENTS

**2014: 15,582 poor coffee producers
19,171 coffee growers**

“Best agricultural practices will be scaled up to 14,957 ha under coffee production among the poor in the ZOI, representing 31% of the baseline area; total project outreach will cover 19,680 ha, which represents 13% of the baseline area under coffee production in the ZOI (by 2016)”

**2014: 12,175 hectares with best production practices in coffee among the poor
20,733 hectares total project outreach**

“FTF provides assistance to IHCAFE to improve response to coffee rust at the farm level, in the ZOI and national through policy support”

2014: Lead coordination and assistance provided in the preparation and dissemination of the “National Plan for Integrated Assistance to Small Scale Coffee Growers Affected by Coffee Rust”

USAID-ACCESO Data Related to Population/sector-level outcome targets - Corn

“Increase total production of corn among the poor in the ZOI (by 13% in 2016). Corn production reaches 106,692 MT among the poor; total production in the ZOI will increase to 255,959 MT”

2011 estimated baseline: 94,349 MT among the poor; 239,718 MT in the ZOI
2013: 97,989 MT among the poor; 244,507 MT in the ZOI

USAID-ACCESO CLIENTS

2014: 18,614 MT among the poor; 26,124 MT among all clients

“ACCESO will lead to an increase of 16,241 MT of corn in the ZOI (13% among the poor and 7% at the ZOI)”

2014: 26,124 MT

“The scaling up of the package of best practices will lead to an average yield increase from 1.3 to 2.2 MT/ha (75% increase)”

2014: 2.07 MT/ha

“Increased productivity will allow farmers to free up land to diversify to other high value crops”

2014: 4,305 corn farmers also producing horticultural crops

“FTF will provide direct technical assistance to 25,500 corn producers in the ZOI (12%); reaching 19,380 poor corn producers (22% in the ZOI)

2014: 19,130 corn producers; 16,748 poor corn producers

“FTF also supports policy initiatives to disseminate the package of basic practices for maize production; GOH adopted the corn manual as the guide for Honduras”

2014: disseminated by GOH

“In 2013, FTF helped increase yields from 1.3 to 1.8 MT/ha (38% increase) in 9,993 ha, for 4,789 MT of additional corn produced in the ZOI, opening the path for 18,000 growers”

2014: yield 2.07 MT/ha in 12,627 ha

USAID-ACCESO Data Related to Population/sector-level outcome targets – Minimum Acceptable Diet

“Increase the percent of children 6-23 months that receive a minimum acceptable diet in the ZOI (by 30% in 2016)”

2014: -4.91%

6.2 FTFMS

USAID-ACCESO and USAID Honduras inputs data into the FTFMS on an annual basis. These include:

- Indicators reported under USAID-ACCESO
- Indicators reported under USAID-ACCESO, but with the FTF definition
- Indicators not reported under USAID-ACCESO

Data is presented in Annex V.

7. SUPPORTING ACTIVITIES

7.1. ADMINISTRATIVE ACTIVITIES

Most of the senior level technical and management team were in place within two weeks of project start-up. Contracts were developed in the first quarter of Year 1, with the initial five subcontractors operating six of the 12 local field implementation teams by the end of the second quarter. In the third quarter of Year 1, contract mechanisms were developed with six local NGOs for five local implementation teams. By the end of 2011, 11 of the 12 Community Technical Units (CTUs) were operational. The final CTU was finalized in January 2012.

Project staff turnover during the past year has been high, particularly at the junior level. With relatively low salaries, low annual increases and high work load, it is difficult to retain staff. After they have been trained by the project, they are frequently taken up by other organizations who offer improved salaries and less work pressure to accomplish targets. Project management has worked closely with subcontractors to identify reasons for staff turnover and ensure proper measures are put in place to address the issues. During the last year 24 field staff had to be replaced. Some initiatives to improve staff motivation and promote job satisfaction among all levels of staff were introduced.

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

Delays with tax exoneration documentation resulted in delays of equipment purchases.

7.2. MONITORING AND EVALUATION ACTIVITIES

Activities carried out by the monitoring and evaluation (M&E) unit enable all project employees to report their activities in the field, to provide recurrent and real time feedback to department managers on major advancements in their regions, and to collect information on assisted client households. Specific activities carried out during the period include:

- Ongoing maintenance and data assessment in CIRIS and Tablet database.
- Preparation of inputs for monthly and quarterly reports.
- Data analysis for monthly and quarterly reports.
- Updating ACCESO's PMP.
- Preparation of Advance Reports for Subcontractor's feedback and follow-up.
- Ongoing CIRIS data registration of trainees' participation lists collected on field.
- More than 3,300 clients were interviewed to collect FY2014 results (EOH, off farm income (OFI), BL-follow up data).
- More than 10,000 EOH forms were completed through on field visits during FY2014.
- Nutrition and Health support in preparing surveys and data entry on minimum diet diversity (MDD) for children less than 2 years old.
- Nutrition and Health support with data entry on anemia indicators for mothers and children.
- Ongoing progress reports preparation for follow up.
- Ongoing feedback and training on CIRIS management.
- Participation on Departmental meetings, presenting CIRIS reports and providing critical feedback on project progress.
- Management of CIRIS N&H data entry personnel.

- CIRIS N&H: ongoing data entry review for children's participation in AIN-C meetings
- Participating in M&E Workshop in Washington D.C. (Director and Specialist)

7.3. SMALL GRANTS, SUBCONTRACTS AND ALLIANCES PROGRAM

This program manages all activities related to small grants carried out under Partner Fund and Technology fund Activities, including short term subcontracts. This includes the preparation of documentation for approval by Fintrac HO and USAID, quotations, purchase orders, delivery and logistics, and records. These activities are carried out in collaboration with all of the technical components and project administration.

There is one manager and two specialists comprising this component's staff. All administrative and financial activities related to the small long term subcontractors providing field technicians for implementation are also managed by this program (CASM, OCHID, COPRAFEL, Hermandad de Honduras, PILARH, IHCAFE, and Save the Children).

The small grants and subcontracts are targeted at investments that promote increased yields, sales, incomes, nutrition and health, and food security, that in most cases are used to promote the increased use of new or improved technology.

Small grants fund activities were continued throughout the year principally with irrigation installation and community health related activities. Activities during the past year focused on technology and partner funds in marketing, production, postharvest, nutrition and health, and disaster mitigation.

- # Technology fund / grants to households: Year 4: 5,237 grants; to date: 18,078 grants
- Production: 10,333 households
- Nutrition & health grants: 4,957 households
- Disaster mitigation/NRM: 694 households
- Renewable energy: 1,440 households
- MSMEs: 128 households
- Marketing: 400 households
- Miscellaneous: 126 households

The principal activities carried out under these components are summarized below:

Production

A total of 18 technology funds and 4 partner funds have been carried out. These cover irrigation technology, solar dryers, new crop development, weather stations, biological controls for coffee, greenhouse technology, production manual reproduction, agricultural equipment, research trials, and a cattle outgrower program. A total of 10,033 individual grants have been made.

Irrigation technology forms part the main part of the Technology Funds, being implemented by the project to allow for continuous production, improved yields and increased incomes for client households. USAID-ACCESO made an initial investment to provide irrigation technology and technical assistance to 375 beneficiaries under TF 2012-04 (Phase I), then increased to 1,500 additional beneficiaries with TF 2012-13 (Phase II), and later expanded to include 1,449 additional beneficiaries with TF 2013-27 (Phase III). The latter two were installed in the current year. Phase IV of irrigation systems was initiated in the final quarter of the current year. With all phases, a total of 142 individual conduction systems are or will be installed, with 564 kms of conduction pipe, involving 3,806 producers and a potential irrigation area of 1,257 hectares. In-plot systems were or are being installed for 355 growers covering a total of 1,309 hectares.

Marketing

Three technology funds and two fixed price contracts have been carried out, the first with market and product trials, development of local market fairs and participation in local trade events, and the second in promotional cooking events to promote the sales and consumption of fresh produce and project clients' processed items.

Nutrition & Health

12 technology funds and one fixed price contract have been implemented with nutrition and health activities. These cover the installation of *eco-justa* stoves, installation of 40 Nutrition Training Centers, establishment of household production plots, water filters, floor and wall improvements, kitchen water connections, training activities and equipment for volunteers, and projects for access to protein (chickens and goats). A total of 5,987 individual grants have been made. A multi-dimensional poverty study was also carried out by TECHO.

The stoves, filters, water connections, household plot, floors and walls are all part of the healthy household program (Section 5.5). The nutrition training centers are a key activity in the nutrition and health component and have help achieved a major impact on the food preparation and feeding practices. 13 families also received a total of 28 goats and 318 families have received a total of 3,498 chickens and roosters with the respective materials for coops.

Disaster Mitigation/NRM

Five technology funds, one partner fund, and three fixed price contracts have been carried out to date. The technology funds include the construction of a box culvert, potable water system installation and improvements, road rehabilitation, and the installation of household water tanks and latrines. A partner fund was used to carry out disaster training with ICADE. Potable water and disaster mitigation studies were carried out under fixed price contracts.

Renewable Energy

Three partner funds were specifically carried out for renewable energy including solar energy systems, bio-digesters and solar dryers. These were expanded under technology funds initiated under other components (production and nutrition).

MSMEs

Two technology funds, one partner fund, and two fixed price contracts have been carried out to date. These cover the installation of a MSME training kitchen, value added equipment, formal training to MSMEs by UNITEC, bakery training, and legalization of MSMEs.

A listing of the small grants and sub-contracts made is provided in Table 81.

Table 81. Small grants and subcontracts program

Activity	Area	Date	#	Status	HH Status 09/2014	Orgs/MSM Es Status 09/2014
Installation of Photovoltaic Systems (33)	R. Energy	Nov-11	TF 2011-01	Completed	32	1
Solar Dryers (300)	R. Energy	Nov-11	TF 2011-02	Completed	287	0
Installation of Small Scale Biodigesters (120/240)	R. Energy	Jan-12	TF 2011-03	Ongoing	91	0
International Marketing Jumpstart (20)	Marketing	Nov-11	TF 2011-04	Ongoing	0	4
Installation of MSME Training Kitchen (400)	MSME	Nov-11	TF 2011-05	Completed	0	0
Construction of Eco-Stoves (Eco-Estufas) (500)	R. Energy	Nov-11	TF 2011-06	Completed	500	0
Herb Seeds (230)	Production	Dec-11	TF 2011-09	Completed	3	0

Table 81. Small grants and subcontracts program

Activity	Area	Date	#	Status	HH Status 09/2014	Orgs/MSM Es Status 09/2014
Snow and Sugar Snap Pea Seeds (320)	Production	Jan-12	TF 2012-02	Completed	311	0
Allspice Thresher and Cleaners for COAPIGOR (48)	Production	Mar-12	TF 2012-03	Completed	0	2
Irrigation Equipment (1,500)	Production	Mar-12	TF 2012-04	Completed	311	0
Pea Packing Plant Equipment (200)	Production	Apr-12	TF 2012-05	Completed	0	1
Weather Stations (6)	Production	May-12	TF 2012-06	Completed	0	6
Nutritional Training Centers - Equipment (40)	Nutrition	Apr-12	TF-2012-07	Ongoing	20	0
Improving Rural Health Center Capacity to Manage Under-Nutrition	Nutrition	Apr-12	TF-2012-08	Completed	20	0
Bean Seeds (2,100)	Production	May-12	TF 2012-09	Completed	1,736	0
Improved Diet Diversity in Households (Parcelas) (1,000)	Nutrition	Jul-12	TF 2012-10	Ongoing	1,074	0
New Crop and Product Development	Production	May-12	TF 2012-11	Ongoing	704	6
Box Culvert Materials, Intibuca	NRM/Disaster	Jun-12	TF 2012-12	Completed	1	0
Irrigation Phase II (885)	Production	Jul-12	TF 2012-13	Completed	1,854	0
Household Water Filters (600)	Nutrition	Jul-12	TF-2012-14	Ongoing	606	0
Kitchen Water Connections (1,000)	Nutrition	Aug-12	TF-2012-15	Ongoing	958	0
Construction of Eco-Stoves (Follow-Up) (500 + 80 CEN)	R. Energy	Sep-13	TF-2012-16	Ongoing	530	34
Biological Pest Control for Coffee (480)	Production	Sep-12	TF-2012-17	Completed	200	0
Floor & Wall Improvements (1,000)	Nutrition	Oct-12	TF-2012-18	Ongoing	922	0
Strengthening Market Associations (12)	Marketing	Oct-12	TF 2012-19	Ongoing	1	0
Agromercados Agricultural Fair	Marketing	Oct-12	TF 2012-20	Completed	0	7
Water Systems Improvement	NRM/Disaster	Nov-12	TF 2012-21	Ongoing	0	31
Yellow corn seed (4,000)	Production	Nov-12	TF 2012-22	Completed	2,457	0
Crop Competitions	Production	Nov-12	TF 2012-23	Ongoing	3	0
Training Workshops	Misc	Jan-13	TF 2013-24	Ongoing	126	0
Training Materials and Equipment for CODELs (60)	NRM/Disaster	Feb-13	TF 2013-25	Ongoing	0	29
Road Rehabilitation Opatoro	NRM/Disaster	Feb-13	TF 2013-26	Completed	118	1
Irrigation Systems - Phase III (1,449)	Production	Jun-13	TF 2013-27	Ongoing	1,703	0
Greenhouses – El Maestro en Casa- Intibucá (1)	Production	Feb-13	TF 2013-28	Completed	0	1
Home Improvements Follow Up (1,000)	Nutrition	May-13	TF 2013-30	Ongoing	566	0
Improving Diet Diversity Through Access to Animal Protein (318)	Nutrition	May-13	TF 2013-31	Completed	318	0
Water Tanks & Latrines (380)	NRM/Disaster	May-13	TF 2013-32	Ongoing	265	0
Improving Diet Diversity Through Access to Animal Protein-Goats (13)	Nutrition	Jul-13	TF 2013-33	Completed	13	0
Solar Coffee Drier Technology-Phase II (600)	Production	Jun-13	TF 2013-34	Ongoing	582	0

Table 81. Small grants and subcontracts program

Activity	Area	Date	#	Status	HH Status 09/2014	Orgs/MSM Es Status 09/2014
Value added equipment (40)	MSME	Jul-13	TF 2013-35	Ongoing	0	17
Health & Nutrition Equipment and Training	Nutrition	Dec-13	TF 2013-36	Ongoing	460	0
Yellow Corn Harvest & Marketing Support	Production	Dec-13	TF 2013-37	Completed	0	3
Electronic Scales- PAG	Production	Dec-13	TF 2013-38	Completed	0	1
Production Manuals	Production	Mar-14	TF 2013-39	Ongoing	0	88
Road Rehabilitation & Box Culvert La Divisoria	NRM/Disaster	Aug-14	TF 2014-40	Approved	0	0
Local Disaster Mitigation Capacity Building	NRM/Disaster	Jul-14	TF 2014-41	Ongoing	0	0
Irrigation Systems - Phase IV (1,316)	Production	Aug-14	TF 2014-42	Ongoing	299	0
Access to Agricultural Equipment	Production	Sep-14	TF 2014-43	Ongoing	1	0
FHIA. Research and Development for Increased Productivity	Production	Nov-11	PF 2011-02	Ongoing	0	0
ICADE. Disaster Mitigation (EDAN) Training (90)	NRM/Disaster	Apr-12	PF 2012-02	Completed	310	0
UNITEC. MSME Formalization & Training (200)	MSME	May-12	PF 2012-03	Ongoing	128	0
Agroindustrias Del Corral. Cattle Production Program (40)	Production	Nov-12	PF 2012-04	Ongoing	6	0
Boncafe. Specialty Coffee Program (600)	Production	Nov-12	PF 2012-05	Ongoing	163	0
R&D for Nematode activity in drip irrigation systems and soil	Production	Nov-12	PF 2012-06	Completed	0	0
El Gourmet Katracho Promotional Cooking Events	Marketing	Aug-12	FPC 2012-01	Completed	109	0
Potable Water Studies for Two Communities - Santa Bárbara (Maxvin Trejo)	NRM/Disaster	Sep-12	FPC 2012-02	Completed	0	4
Potable Water Studies for Two Communities- Intibucá & Lempira (Rigoberto Sandoval Reinbold)	NRM/Disaster	Sep-12	FPC 2012-03	Completed	0	4
10 Mitigation Studies (Oscar Carbajal)	NRM/Disaster	Sep-12	FPC 2012-04	Completed	0	12
Legalization of Micro, Small and Medium Enterprises (MSMEs) (Bufete Eduardo Pinto Chinchilla) (81)	MSME	Jun-13	FPC 2013-06	Ongoing	0	0
El Gourmet Katracho Promotional Cooking Events- Part 2	Marketing	Sep-13	FPC 2013-07	Completed	290	0
Multidimensional Poverty Study by TECHO	Nutrition	Dec-13	FPC 2013-08	Completed	0	1

7.4. GENDER MAINSTREAMING

USAID-ACCESO continued to emphasize and implement its gender mainstreaming strategy. The gender strategy includes details on gender disaggregated indicators and data analysis, as well as for including women in technical training in the cultural context of Honduras. The strategy identifies the types of technical assistance, technologies, and crops that best address the constraints faced by women. Women clients were actively enrolled via women credit unions, credit programs designed for women, nutrition clients that became production clients, and through women's groups. Key activities include focusing crop selection on production of herbs that are easy to grow and require smaller areas of land for cultivation; production of garden-grown vegetables to generate food for the family; and fruit tree production. Good opportunities exist to increase women's involvement in the economy in animal production and off-farm and value-added microenterprises. Targeted technologies in production include drip irrigation and the introduction of low-cost greenhouses. Sowing, harvesting, and postharvest activities are also activities that provide women with labor opportunities. Selected gender related activities and numbers include:

- 20.5 percent of the project's client households are registered as women clients (6,990 clients). Note – these are not necessarily women headed households. These are the persons registered as receiving direct assistance from the project. The household can contain men, but they are not receiving assistance or are not the principal project client in the household. 95 percent of client household are “men and women” (not necessarily a “couple”), while 2 percent a women only and 3 percent are men only.
- 21,817 of the 60,875 individuals that have received project agricultural sector productivity or food security training are women (35.8 percent).
- Fintrac gender specialist carried out focus groups with client households to determine roles, responsibilities, division of labor and decision making for household expenses and investments.

Data for various indicators are given in Tables 82 to 90.

Table 82. Summary: Women Participation

Indicator	2014	
	%	Number
Clients as % of total	20.5%	6,990
Individuals trained as % of total	35.8%	21,817
Participants in trainings as % of total	31.7%	234,434
Access to finance as % of total loan value	11.1%	\$1,760,639
Access to finance as % of total number of loans	16.0%	2,133
Access to finance as % of total individuals with loans	17.0%	1,448
Area planted as % of total area	14%	9,719
Number of individual planting as % of total number	21%	7,084
Number of MSMEs accessing new market opportunities through a broker	16%	1,944
Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers	17%	910
Number of additional hectares under improved technologies or management practices	17%	3,620
Number of companies (including farms) that have made conservation-friendly changes in their business practices	19%	1,336

Table 83. Household and Household MSME Client Sex Breakdown

Department	# Female	% Female	# Male	% Male	Total
Copán	1,052	19.6%	4,323	80.4%	5,375
Intibucá	990	17.7%	4,593	82.3%	5,583
La Paz	1,786	31.6%	3,860	68.4%	5,646
Lempira	1,286	19.4%	5,349	80.6%	6,635
Ocotepeque	951	21.9%	3,385	78.1%	4,336
Santa Bárbara	925	14.3%	5,550	85.7%	6,475
Grand Total	6,990	20.5%	27,060	79.5%	34,050

Table 84. Summary of Individuals Trained by Activity Area by Sex (Accumulated to Sept. 2014)

Activity Area	# Females	% Female	# Males	% Male	Total
Nutrition & Health	6,981	84.4%	1,294	15.6%	8,275
Processing	2,109	73.7%	752	26.3%	2,861
Research/Other	72	52.9%	64	47.1%	136
Animal Production	1,663	34.0%	3,221	66.0%	4,884
Project	456	33.6%	902	66.4%	1,358
Business Skills	2,497	32.4%	5,204	67.6%	7,701
Disaster Mitigation	463	31.6%	1,004	68.4%	1,467
Finance / Credit	170	30.3%	391	69.7%	561
Information Technology	196	29.0%	479	71.0%	675
Natural Resources Management	812	26.4%	2,268	73.6%	3,080
Production	11,742	26.1%	33,249	73.9%	44,991
Renewable Energy	594	25.3%	1,756	74.7%	2,350
Market Information / Marketing	259	22.7%	883	77.3%	1,142
Postharvest	723	19.1%	3,067	80.9%	3,790
Certifications	351	19.0%	1,493	81.0%	1,844
Business Development Services	5	18.5%	22	81.5%	27
Forestry	110	17.5%	518	82.5%	628
Total	29,203	34.0%	56,567	66.0%	85,770

Only individuals with National ID numbers are included (60,875). Individuals can receive trainings in more than one area.

Table 85. Summary of Training Participants by Activity Area by Sex (Accumulated September 2014)

Activity Area	# Females	% Female	# Males	% Male	Total
Business Skills	13,528	34.1%	26,133	66%	39,661
Certifications Systems	672	18.6%	2,936	81%	3608
Health & Nutrition	83,806	93.2%	6,160	7%	89,966
Market Information	1,309	25.2%	3,884	75%	5,193
Natural Disasters Mgt.	1,978	32.3%	4,153	68%	6,131
Natural Resources Mgt.	3,023	26.8%	8,265	73%	11,288
Renewable Energy	1,696	19.3%	7,109	81%	8,805

Table 85. Summary of Training Participants by Activity Area by Sex (Accumulated September 2014)

Activity Area	# Females	% Female	# Males	% Male	Total
Postharvest	3,018	21.9%	10,792	78%	13,810
Processing	13,366	78.7%	3,609	21%	16,975
Production	110,351	20.5%	428,483	80%	538,834
Project	1,210	31.7%	2,606	68%	3,816
Other	477	19.9%	1,914	80%	2391
Total	234,434	31.7%	506,044	68%	740,478

Table 86. Loan Value By Department and Sex US\$ (Accumulated Sept. 2014)

Department	Female	Male	Total
Comayagua		15,401	15,401
Copán	316,845	2,816,212	3,133,057
Intibucá	298,841	2,160,924	2,459,765
La Paz	380,489	910,456	1,290,945
Lempira	310,659	2,052,702	2,363,361
Ocotepeque	324,554	3,045,079	3,369,633
Santa Bárbara	129,250	3,124,664	3,253,914
Total	1,760,639	14,125,439	15,886,078
% by sex	11.1%	88.9%	100.0%

Table 87. Loan Number By Sex US\$ (Accumulated Sept. 2014)

SEX	# Loans	% of Loans
Male	10,968	83.7%
Female	2,133	16.3%
Total	13,101	

Table 88. Number of Clients with Credit by Sex (Accumulated Sept. 2014)

SEX	# Loans	% of Loans
Male	7,070	83.0%
Female	1,448	17.0%
Total	8,518	

Table 89. Planting Summary by Sex and Crop Category - Hectares (Accumulated Sept. 2014)

Crop Category	Female		Male		Total (Has)
	Hectares	% of Total	Hectares	% of Total	
Fruit trees	82	9.8%	754	90.2%	836
Coffee	3,434	13.2%	22,554	86.8%	25,988
Basic Grains	5,679	14.4%	33,862	85.6%	39,542
Horticulture	524	9.9%	4,782	90.1%	5,306
Total	9,719	13.6%	61,953	86.4%	71,672

Table 90. Planting Summary by Sex and Department - Hectares & # Clients (Accumulated Sept. 2014)

Row Labels	Female		Male		Total	
	# Clients	Hectares	# Clients	Hectares	# Clients	Hectares
Copán	1,025	1,675	4,270	11,986	5,295	13,661
Intibucá	961	1,019	4,378	7,375	5,339	8,394
La Paz	1,667	1,885	3,567	6,990	5,234	8,874
Lempira	1,535	2,062	5,318	11,938	6,853	14,000
Ocotepeque	942	1,417	3,369	8,936	4,311	10,353
Santa Bárbara	954	1,662	5,498	14,728	6,452	16,389
Grand Total	7,084	9,719	26,400	61,953	33,484	71,672
	21.2%	13.6%	78.8%	86.4%		

7.5. IFPRI

IFPRI has been contracted by USAID to carry out selected M&E activities and impact evaluations. As of September 2013, IFPRI has conducted the baseline survey (provided June 2013) and the midterm evaluation among USAID ACCESO client households (not provided). USAID-ACCESO's involvement with IFPRI has been as follows:

- Participation in an IFPRI presentation on baseline data.
- Comments provided on baseline data report.
- USAID-ACCESO client data provided when requested in 2012 and 2013.
- No communication or interaction during the current financial year.

7.6. COMMUNICATIONS

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

- Project participation in numerous exhibitions and trade events including coffee, fresh produce, gifts, renewable energy, finance, business fairs, and cooking demonstrations/product promotion.
- Participation in technical programs on the government TV channel, including corn production, pest and disease control and marketing.
- Preparation of project infographic posters.
- Preparation of short technical videos, promotional materials, and product catalogs.
- Publication of project activities in local newspapers and business magazines.
- Publication of project technical manuals.

- Participation in trade events including coffee and fresh produce markets; cooking demonstrations and product promotion; and business fairs.
- Preparation of five USAID-ACCESO snapshot (42 to date).

7.7. FIELD VISITS

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

Quarter 1:

- Various field visits from the Minister of Agriculture, including the USAID-ACCESO corn productivity competition in Copán, drip irrigation system inauguration in Intibucá.
- Various field visits with USAID/Honduras representatives, including the USAID-ACCESO corn productivity competition in La Paz, project activities in Lempira and Ocotepeque (including preparation for proposed visits from the Ambassador and AID Director), and project activities in La Paz (including for proposed visits from the WFP Director).

Quarter 2:

- Visit by the incoming Vice-President and Minister of Economic Development to project activities in production, marketing and nutrition in Intibucá.
- Signing of donor agreement for the new Dry Corridor Project at a USAID-ACCESO client farm in La Paz, including the President of Honduras, US Ambassador, and representatives from Canada, World Bank, European Union, and BCIE.
- Two field visits by World Bank and other donor representatives to USAID-ACCESO clients in La Paz as part of the Dry Corridor activities.
- Field visits in Intibucá and Lempira with WFP and CRS to demonstrate USAID-ACCESO activities with project CENs and nutrition with the aim involving them both in project activities.
- Field visit to Santa Barbara by students from Calvin College, USA.
- Routine field visits by USAID/Honduras representatives.

Quarter 3:

- Visit by the President of the Honduras, the Ambassador of the United States of America, the Ministers of Health and Education, and other high government officials. During the visit, a group of community health volunteers were recognized by the President and the Minister of Health for their outstanding performance in monitoring the nutritional status of children in their communities. Following the receipt of Certificates of Recognition issued by the President and the US Ambassador, Alex Cantarero, Marvin Martinez, Antonio Sanchez and Alejandra Aleman, all community health volunteers from San Pedro de Lomas commented: "We are very excited and emotional about this recognition. This is the first time anyone has recognized the work we do for the community, and it motivates us to continue working to improve the health of the children in our community. We now feel like people value us and are valuing the work that we do."
- Visit by the First Lady and Ministers of Economic Development, Agriculture, Education, and Health to a community in Intibucá to learn about USAID-ACCESO's approach to reducing poverty and improving child health.
- Visit by representatives of the US Congress, the US Ambassador, and USAID/Honduras representatives to project clients in Santa Bárbara.
- Visit by PMA Director and other representatives to La Paz to observe the operations of activities carried out with mothers and children in the Nutrition Training Centres.
- Visit by the US Ambassador and USAID/Honduras representatives to inaugurate an irrigation system in Intibucá.

- Visit by the USAID Director and the Vice Minister of Agriculture to inaugurate an irrigation system in Jesus de Otoro, Intibucá.
- Field visits by RIG Auditors and USAID representatives over a two week period to visit project clients and activities in all six departments.
- Routine field visits by USAID/Honduras representatives.

Quarter 4:

- Visit by the FTF Deputy Coordinator for Development, the US Ambassador, USAID Director, the Minister of Economic Development, Minister of Agriculture and others to health and nutrition and production activities in La Paz.

Selected Activities with other USAID and USAID-Related Projects

- Support to “USAID Climate-Smart Agriculture/Best Management Practices (CSA/BMPs) Workshop for the Latin America and Caribbean Region”; pre-visits and selection and preparation of field sites in Gracias, Lempira (workshop to be carried out in November 2014).
- FHIS: field tour to Intibucá and Santa Barbara for representatives of FHIS and USAID in preparation for FHIS renewable energy project.
- World Bank: field visit organized to project clients in La Paz for representatives of the World Bank as part of the Dry Corridor Activities.
- WFP: field visit organized for representatives of the WFP and FAO to project clients in La Paz and Intibucá.
- WFP: field visit organized for the WFP Director to project clients in La Paz.
- ACDI-VOCA: presentation of USAID-ACCESO in a “push-pull” webinar organized by the USAID-funded Leveraging Economic Opportunities Project in Washington DC.
- Tetratek: Support provided with meeting of project clients for the preparation of a study on resilience and climate change in Western Honduras.
- Lutheran World Relief: meetings on the GAPP project, Gender in Agriculture: from politics to practice, in Lempira.
- Horticultural Innovation Lab (HORT-CRSP): presentation at the annual meeting on USAID-ACCESO activities.
- Horticultural Innovation Lab (HORT-CRSP): support to North Carolina A&T State University on USAID-ACCESO client selection for trials with rainwater collection and storage.
- Horticultural Innovation Lab (HORT-CRSP): technical presentations made by USAID-ACCESO specialists in postharvest handling workshop held in association with EAP-Zamorano.
- ULAT: reviewed and tested training plan for the content on “*Child Nutrition with Emphasis on Children under two years of Age*”, one of several topics included in the “Manual for Implementation of the Strategy for Work with Individual Family and Community”, developed by ULAT. Several meetings were held between ULAT and USAID-ACCESO staff in the initial stage. Nevertheless, the lack of communication from ULAT prevented further involvement of USAID-ACCESO staff in completing the process and the final document was submitted without USAID-ACCESO review of the contents.
- ODEF: following up on requests from USAID to coordinate with ODEF given their involvement with USAID guarantee funds, three field trips were organized to Santa Barbara, Lempira and Intibucá (where ODEF has offices). USAID-ACCESO presented 7 household clients, 5 MSMEs and 3 rural village banks as possible clients. Overall, the interest rates charged are considered too high for agricultural operations and the clients too distant from ODEF offices. To date, ODEF has made 151 loans totaling \$180,942 to USAID-ACCESO clients (1.1 percent of the total value).
- CRS: coordination and collaboration to implement 4 Nutritional Training Centres in 4 communities in the municipalities of Jesus de Otoro and Intibucá.

Selected Activities with Government Ministries

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

SAG:

- Wide range of activities including training of SAG technicians, organization of the USAID-ACCESO consultative committee meetings, ad-hoc committee for approval of technical production manuals, Ministerial meetings regarding policy activities and rural village bank financing; visits by the Minister to USAID-ACCESO field activities,
- Donation of small scale drip irrigation systems to USAID-ACCESO clients.
- USAID-ACCESO applied for large scale overhead irrigation systems (5 hectares each) on behalf of project growers (Austrian donation); two were approved and are being installed.
- Meetings with the Minister and Vice Ministers of Agriculture on various policy-related activities, technical assistance delivery, cattle production and finance. Included a meeting with the President of Honduras on technical assistance services/delivery and finance.
- Visit with Vice Minister of Agriculture to sheep production facility to determine viability of establishing a outgrower program under USAID-ACCESO or future USAID projects.
- Meetings with The President and Vice President of BANADESA to define new procedures for the implementation of the Agricultural Insurance operated by BANADESA and for the development of new credit access mechanisms for small producers assisted by USAID-ACCESS with trust funds managed by BANADESA.
- Wide range of activities related with SENASA including: streamlined processes for the registration and operation of chicken slaughter houses; registration of poultry farms engaged in the production of poultry meat and eggs; simplification of export permit processes to regional markets for agriculture products; review of regulations for pesticides and related substances; veterinary medicines regulations to simplify administrative procedures and requirements.

Ministry of Health:

- The project continued to work closely with leaders and technicians from ministry of health facilities in target areas for the coordination of field activities related to delivery of a basic services package. During the reporting year, a total of 873 basic services packages were delivered in targeted communities. The majority of these services were provided in Copán while in Intibucá emphasis was on the delivery of Primary Health Care Services (PHCS) carried out through home visits.
- Coordination with Departmental Officers, health centers at the community level, and ULAT.

Secretaria de Desarrollo e Inclusión Social:

- Field visits to USAID-ACCESO client households and initial discussions on possible collaboration (with *Vida Mejor* project).

Secretaria de Industria y Comercio:

- Registration of MSMEs; legalization of rural village banks.

INFOP:

- Joint training activities in agricultural production and processing.

SEPLAN / FIDA Proyecto Horizontes del Norte:

- Meetings to access finance and support for 10 grower organizations assisted by USAID-ACCESO.

COPECO:

- Training events for CODELs.

Departamento de Egresos e Ingresos (DEI):

- Meetings to simplify procedures for presentation of RTN applications form for companies and individuals

Comisión Nacional de Banca y Seguros (CNBS)

- Meetings for the analysis and discussion of reforms to the Normative Evaluation and Classification of the Agricultural Loan Portfolio.

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

Municipal Governments

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

Copán	10
Intibucá	5
La Paz	18
Lempira	13
Ocatepeque	14
Santa Bárbara	20

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

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

Local NGO and Organizations

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

Other Activities

Invited presentations on USAID-ACCESO activities were made during the year at several events, including:

- UNAH: Congreso Uniendo las Piezas para el Desarrollo – “Estrategias novedosas para la erradicación de la pobreza en comunidades rurales”.
- Tufts University: support was provided to a PhD student to carry out a study on USAID-ACCESO activities and results. Field logistics and meetings with project clients and technicians were organized together with the provision of data sets.

8. ADMINISTRATIVE CONSTRAINTS

Most of the senior level technical and management team were in place within two weeks of project start-up. Contracts were developed in the first quarter, with the initial five subcontractors operating six of the 12 local field implementation teams by the end of the second quarter. In the third quarter, contract mechanisms were developed with six local NGOs for five local implementation teams. By the end of 2011, 11 of the 12 Community Technical Units (CTUs) were operational. The final CTU was finalized in January 2012.

Project staff turnover during the past year has been high. With relatively low salaries and low annual increases, in addition to the knowledge of an upcoming close-out date, it is difficult to retain staff; after they have been trained by the project, they are frequently taken up by other organizations who offer improved salaries and less work pressure to accomplish targets. During the reporting period, project management continued to work closely with department managers and subcontractors to identify reasons for staff turnover and ensure proper measures are put in place to address the issues. A total of 24 field staff had to be replaced over the fiscal year period.

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

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

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

9. PLANNED ACTIVITIES FOR NEXT REPORTING PERIOD

The project will begin close out activities during the upcoming quarter. Field activities being carried out under sub-contracts with the small NGOs and organizations will be stopped by mid-December 2014. All field activities being carried out by the main sub-contractors will be stopped at the end of January 2014. Some of the field technical, production and marketing activities will “continue as normal” as it is assumed that the new USAID funded activities (Mercado and ACS) will take over the technical assistance and training activities of the majority of current project clients.

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

- Initiate new and continue the development of existing market-led production programs in all six departments for high-value cash crops with high market potential, including potato, carrot, broccoli, cauliflower, peppers, garlic, Asian vegetables, plantain, onion, and cucumbers.
- Continue procurement and installation of irrigation infrastructure for producers in all six departments.
- Develop market-driven production programs to meet local and regional demand.
- Continue activities for planting, postharvest, and marketing of corn under contract with local processors.
- Continue training and technical assistance to coffee growers on basic production practices, with particular emphasis on harvest systems, processing, drying, and handling.
- Continue implementing technology investment fund small grants projects for productive infrastructure.
- Continue delivery of technical assistance to off-farm MSME's to improve efficiencies and reduce production cost.

Rural MSMEs access to new market opportunities increased

- Consolidate, formalize, and promote local farmers' fairs in existing locations in all six departments.
- Increase the number of local buyers working with USAID-ACCESO for increased market links and production programs.
- Continue to expand the local distributor and retail outlet network in local towns for MSME sales with off-farm value added products.
- Expand outgrower programs for local exporters and processors.
- Increase area under calendarized production programs for local market buyers.
- Increase project and client participation in national fresh produce and gift trade fairs.

Barriers to competitiveness of rural MSMEs reduced

- Documentation to formalize local market fairs.
- Continue with SAG on the standardization of technical production packages for selected crops, including cabbage and tomato.
- Expand implementation of project clients' access to financial products developed with input providers and exporters, including Del Campo Soluciones Agrícolas, CADELGA, Original Maya, DUWEST, and others.
- Continue training and technical assistance to first and second tier rural banks.

- Continue with the contracted research and development activities targeted to increase productivity for key crops.
- Continue and complete existing processes with SENASA and selected municipalities to develop and implement an “ordinance to comply with the regulations for the sale of agrochemicals with varying degrees of toxicity.”

Biodiversity and natural resources conserved

At the farm level

- Continue technical assistance in soil conservation, water resource management, wildlife preservation, pest and disease identification and control, and the safe use of pesticides.

At the municipal and community levels

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

Disaster vulnerability reduced

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

Renewable energy projects to be implemented during the next period

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

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

- Continue expanding the IEC strategy in targeted communities with emphasis on anemia prevention and management.
- Continue providing assistance to client households for family plots for increased food availability.
- Continue equipping and operations of Nutrition Training Centers.
- Continue operating 20 centers for management of acute malnutrition.
- Continue promoting family planning, reproductive risk, and quality maternal and child health practices through basic messages.
- Continue training events in food preparation and diet diversity to ensure nutrient uptake.
- Continue household visits to provide direct technical assistance to those families with children less than two years of age.

- Continue coordinating field activities with the health units to improve access to family planning methods.
- In collaboration with Ministry of Health and local service providers, develop and implement a plan to address the problem with anemia in children 6 to 23 months in project target area.

Gender mainstreaming

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

Project management and administrative activities

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

Monitoring and evaluation activities

- Preparation of all indicators progress results for the annual report.
- Preparation of N&H indicators results.
- Data entry on FTF Monitoring System.
- Preparation of advance project reports for subcontractors.
- Continue using tablets for EOH data collection from sampling clients.
- Continue registering trainees lists on CIRIS.
- Continue registering children monitoring results in CIRIS N&H based on AIN-C monthly meetings.
- Follow up to meetings with technical production staff to evaluate performance and data entry progress.
- Provide results reports to department and zone managers for performance evaluation and decision making.
- Preparation of inputs for monthly and quarterly reports.
- Update PMP monitor.

Small grants, subcontracts and alliances program

- Continue and complete close-out procedures and documentation for closed projects.
- Continue to implement updated Fintrac Subaward Guidelines in grants processes
- Continue the support and assistance in the procurement and distribution of services, equipment and supplies under the existing activities
- Continue the design and approval process for pending initiatives

ANNEX I. PERFORMANCE MONITORING PLAN

The PMP and work plan targets for each indicator is provided below, together with the overall status as of September 2014. These are separated by IRs and sub-IRs to be consistent with the quarterly and work plan formats. Note: data for selected indicators are collected on an ongoing basis while others are collected via annual surveys. Note: some corrections have been made to the previous PMP.

ACTIVITY	YEAR 1 (FY 2011) ACHIEVED Apr. 2011 to Sept. 2011	YEAR 2 (FY 2012) ACHIEVED Oct. 2011 to Sept. 2012	YEAR 3 (FY 2013) ACHIEVED Oct. 2012 to Sept. 2013	STATUS Sept. 2013	YEAR 4 TARGETS (Oct. 2013 to Sept. 2014)				Year 4 Target	Total END OF Year 4	LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 4 Target Breakdown		Previous Reported Status (06/2014)	Additional Reported for Previous Quarter	Current Quarter (09/2014)	Updated Status (09/2014)	
					Q1	Q2	Q3	Q4					Male	Female					
1	Program Administrative Activities																		
	Start-Up Activities																		
1.1	Key Personnel Fielded	done																done	
1.2	Grants Manual Submitted	1																done	
1.3	Project Intranet/Internet Sites Designed & Launched	2																done	
1.4	Vehicle/Equipment Procurement	cars/motorbikes																done	
1.5	Local Project Team Fielded	done				on-going	on-going											done	
1.6	Local staff trained in Fintrac implementation methodology	done				on-going												done	
1.7	Remaining team hired and fielded																	done	
	Communications & Reporting																		
1.8	Branding & Marking Plan Prepared & Submitted	1																done	
1.9	PERSUAP	1																done	
1.10	EMP		1		1													done	
1.11	Monthly Reports	6	12	12	30	3	3	3	3	12	42	46	Reports				36	3	42
1.12	Quarterly Reports	2	4	4	10	1	1	1	1	4	14	15	Reports				12	1	14
1.13	Annual Workplan	1	1	1	3	1				1	4	4	Workplans				4		4
1.14	Final Report											1	Reports						
1.15	Steering committee meetings		2		2	1			1	2	4	5	Meeting Minutes				3		3
2	Project Monitoring & Evaluation Activities																		
2.1	Fintrac M&E System (CIRIS) customized and installed	done																done	
2.2	Staff trained in M&E methodology and CIRIS	done																done	
2.3	M&E Plan / PMP Developed and Submitted	1										1	Plan					done	
2.4	Baseline Data on Program Clients Collected												Data					done	
2.6	Follow-up indicator data collected and verified												Data					on-going	
2.7	Performance Indicator Review		1	1	2	1				1	3	4						done	
2.8	Success Stories Produced and Disseminated	2	18	17	37	3	3	3	3	12	49	53	Publications				42	0	42
3	Small Grants Program																		
3.1	Technology Fund (households)		5,160	7,681	12,841	500	500	500	500	2,000	14,841	10,146					13,552	4,526	18,078
3.2	Nutrition / Health		4	7	11					0	11	10					13	-2	11
3.3	Disaster Mitigation / NRM		4	5	9					0	9	9					9	2	11
3.4	Renewable Energy	4	724	921	1,649	25	25	25	25	100	1,749	805					2,272	1,298	3,570
3.5	Number of grants awarded by community small grants mechanism		5,896	8,614	14,510	525	525	525	525	2,100	16,610	10,970					15,816	2,262	18,078

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	YEAR 3 (FY 2013)	STATUS	YEAR 4 TARGETS (Oct. 2013 to Sept. 2014)				Year 4 Target	Total END OF Year 4	LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 4 Target Breakdown		Previous Reported Status (06/2014)	Additional Reported for Previous Quarter	Current Quarter (09/2014)	Updated Status (09/2014)	
	ACHIEVED Apr. 2011 to Sept. 2011	ACHIEVED Oct. 2011 to Sept. 2012	ACHIEVED Oct. 2012 to Sept. 2013		Sept. 2013	Q1	Q2	Q3					Q4	Male					Female
High Level Targets																			
GOAL: Increased Rural Household Incomes																			
PIRS # 1	Number of households living in poverty moved above the poverty line	1,183	1,053	2,236						27,550		30,000	Households	22,040	5,510	2,236		3,783	3,783
PIRS # 2	Number of rural households living in extreme poverty moved above the poverty line ¹	834	796	1,630						17,550		18,000	Households	14,040	3,510	1,630		2,975	2,975
PIRS # 3	Value of new net income of participant rural farmers and MSMEs	7.100	-6.937	0.163						66.55		73.95	US\$ Million	59.90	6.66	0.163		-6.725	-6.557
	Value of new net income of participant rural farmers and MSMEs (EXCLUDING COFFEE)	4.108	3.747	7.855									US\$ Million					11.804	19.659
PIRS # 4	Number of jobs attributed to FTF implementation	2,332	243	2,575						9,383		10,425	FTEs	7,506	1,877	2,575		354	2,928
Increased Agricultural Productivity																			
PIRS # 5	Value of incremental sales (collected at farm/firm level) attributed to FTF implementation	12.400	-4.388	8.012						120.28		133.65	US\$ Million	108.25	12.03	8.012		0.773	8.791
	Value of incremental sales (collected at farm/firm level) attributed to FTF implementation (EXCLUDING COFFEE)	6.419	6.602	13.021									US\$ Million					24.820	37.840
IR 2.1: RURAL MICRO, SMALL, AND MEDIUM ENTERPRISE (MSME) GROWTH INCREASED																			
Sub-IR 2.1.1: RURAL MSMEs' ACCESS TO INPUTS, PRACTICES, AND TECHNOLOGY FOR MARKET PARTICIPATION IMPROVED																			
Implementation of updated production technologies (on-farm and off-farm)																			
WP # 1	Number of individuals who have received USG supported short-term agricultural sector productivity or food security training	7,723	15,671	21,110	44,504	2,500	3,250	3,250	1,000	10,000	54,504	55,500	Individuals	8,066	1,935	52,707	0	8,168	60,875
WP # 2	Number of extension visits to program beneficiaries	13,571	134,840	267,955	416,366	25,000	29,500	29,500	28,000	112,000	528,366	378,400	Extension Visits			564,470	83,953	81,818	730,241
WP # 12	Number of technical materials produced (bulletins, manuals, presentations and tools)	63	142	50	255	2	2	2	2	8	263	225	Technical materials			308	0	14	322
WP # 10	Number of MSMEs (off-farm and processing) assisted by project	285	417	132	834	0	0	0	0	0	834	805	MSMEs	0	0	801	0	-68	733
PIRS # 6	Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation	0.079	3.018	4.451	7.548	2.50	2.75	2.75	2.81	10.81	18.36	21.60	New private sector investment (Millions)			9.815	7.323	3.957	21.095
WP # 11	Number of female individuals in training activities	2,202	5,729	5,711	13,642	200	200	200	200	800	14,442	8,300	Female Individuals			17,069	0	4,748	21,817
PIRS # 7	Number of farmers and others who have applied new technologies or management practices as a result of USG assistance		4,592	14,270	18,862	1,000	750	750	750	3,250	22,112	22,050	MSMEs	2,600	650	18,862		6,638	25,500
Private sector alliances and integration of private sector equipment, input and service providers																			
PIRS # 30	Number of organizations / companies providing business development / extension services to MSMEs	0	78	110	188	50	50	79	75	254	442	465	organizations / companies providing services to MSMEs			196	0	265	461
PIRS # 32	Number of public-private partnerships formed	3	23	15	41	6	8	8	2	24	65	65	PPP formed			46	4	1	51
PIRS # 33	Number of private sector alliances developed	merged to PIRS # 32											PSA's Formed						
Grower organization and the development of market driven production programs																			
PIRS # 31	Number of producers organizations, water users associations, trade and business associations, and community-based organizations (CBOs) receiving USG assistance	40	150	31	221	0	0	0	0	0	221	210	Organizations / associations / CBOs receiving assistance			235		505	740
WP # 3	Number of small farmer associations formally established as businesses		0	118	118	0	0	0	0	0	118	55	Associations formally established as businesses			134		30	164

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	YEAR 3 (FY 2013)	STATUS	YEAR 4 TARGETS (Oct. 2013 to Sept. 2014)				Year 4 Target	Total END OF Year 4	LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 4 Target Breakdown		Previous Reported Status (06/2014)	Additional Reported for Previous Quarter	Current Quarter (09/2014)	Updated Status (09/2014)	Responsible	
	ACHIEVED	ACHIEVED	ACHIEVED										Male	Female						
	Apr. 2011 to Sept. 2011	Oct. 2011 to Sept. 2012	Oct. 2012 to Sept. 2013		Sept. 2013	Q1	Q2	Q3					Q4							
SUB-IR 2.1.2: RURAL MSMEs' ACCESS TO NEW MARKET OPPORTUNITIES INCREASED																				
Development of buyer linkages and logistics																				
WP #4	Number of MSMEs accessing new market opportunities through a broker	35	1,403	5,486	6,924	750	750	1,000	1,000	3,500	10,424	10,932	MSMEs	3,150	350	6,924		4,880	11,804	Marketing
PIRS # 12	Number of brokers providing market linkages to MSMEs	10	19	41	70	100	100	100	100	400	470	500	Brokers providing market linkages to MSMEs			70		288	358	Marketing
WP #6	Number of market surveys conducted	1	5	3	9	0	1	1	1	3	12	24	Market Surveys			12		0	12	Fintrac HO
Production and systems implementation to meet buyers quality standards																				
WP #5	Number of MSMEs that have entered formal preferred supplier or contract agreements with brokers		550	1,521	2,071	100	300	350	175	925	2,996	2,996	MSMEs	786	139	2,071		9,473	11,544	Marketing
Implementation of business certification programs																				
PIRS # 13	Number of MSMEs that have been verified to meet market standards for their products	35	882	836	1,753	75	75	50	47	247	2,000	2,000	MSMEs			1,753		21,344	23,097	Marketing and Postharvest/Certification Teams
SUB-IR 2.1.3: BARRIERS TO COMPETITIVENESS OF RURAL MSMEs REDUCED																				
Increased access to finance																				
PIRS # 14	Number of MSMEs accessing market-based financing as the result of USG assistance	315	1,577	2,826	4,718	25	25	25	25	100	4,818	4,314	MSMEs accessing finance	80	20	5,175	0	3,343	8,518	Business Skills/Finance
PIRS # 15	Value of Agricultural and Rural Loans made to MSMEs	0.200	1,554	6,072	7,826	0.25	0.25	0.25	0.25	1.00	8.83	6.33	Value of loans (millions)	0.80	0.20	8.425	0.000	7.461	15.886	Business Skills/Finance
PIRS # 11	Number of MSMEs implementing sound business management practices		695	4,498	5,193	500	750	1,250	750	3,250	8,443	8,482	MSMEs	2,600	650	5,193		8,762	13,955	Business Skills/Finance
PIRS # 16	Number of value chain / sector constraints identified and resolved		1	16	17	5	5	7	6	23	40	40	Constraints			23		9	32	Policy Specialist/COP/DCOPs
PIRS # 17	Number of policy reforms, regulations, administrative procedures passed for which implementation has begun with USG assistance	1	2	2	5						5	4	Policies, regulations or administrative procedures passed			6		0	6	Policy Specialist/COP/DCOPs
PIRS # GNDR.2	Proportion of female participants in USG-assisted programs designed to increase access to productive economic resources (ADDED FY 2012-2013)			17.4%	17.4%					19%	19%	20%	Percentage			17.8%			17.0%	ACCESO Team
Applied research and development programs developed																				
xx	R&D projects and Activities identified	1	8	2	11					0	11					11			11	Grants Manager, Production, and DCOP
IR 2.2: Honduran Biodiversity and Natural Resources Conserved and IR 2.3: CAPACITY TO ADAPT AND MITIGATE CLIMATE CHANGE STRENGTHENED																				
Implementation of NRM practices on farm																				
PIRS # 8	Number of additional hectares under improved technologies or management practices as a result of USG assistance		8,321	7,694	16,014	0	0	0	0	0	16,014	14,904	Hectares	0	0	16,014		11,215	27,229	Production Team
PIRS # 10	Number of companies (including farms) that have made conservation-friendly changes in their business practices	0	356	350	707	2,500	3,500	5,000	2,500	13,500	14,207	22,050	Companies (including farms)	12,150	1,350	707		6,194	6,901	NRM Team
Implementation of NRM practices at community and municipality levels																				
PIRS # 9	Number of Local Municipal Governments effectively implementing natural resource management policies		7	24	31	0	0	0	0	0	31	20	Local Municipal Governments			33		3	36	NRM Team

ACTIVITY	YEAR 1 (FY 2011)	YEAR 2 (FY 2012)	YEAR 3 (FY 2013)	STATUS	YEAR 4 TARGETS (Oct. 2013 to Sept. 2014)				Year 4 Target	Total END OF Year 4	LOP (Feb. 2015)	DELIVERABLE / UNITS	Year 4 Target Breakdown		Previous Reported Status (06/2014)	Additional Reported for Previous Quarter	Current Quarter (09/2014)	Updated Status (09/2014)	
	ACHIEVED Apr. 2011 to Sept. 2011	ACHIEVED Oct. 2011 to Sept. 2012	ACHIEVED Oct. 2012 to Sept. 2013		Sept. 2013	Q1	Q2	Q3					Q4	Male					Female
SUB-IR 2.3.3: DISASTER VULNERABILITY REDUCED																			
Development and Implementation of disaster mitigation plans and systems																			
PIRS # 28		11	50	61	0	0	0	0	0	61	40	Communities with adequate disaster prevention and mitigation capacity			61		0	61	
Installation of renewable energy technologies																			
PIRS # 29	Number of rural micro-generation clean/renewable energy projects established	4	724	921	1,649	25	25	25	25	100	1,749	805	Projects established			2,272		1,298	3,570
IR 4.1: USE OF QUALITY MATERNAL AND CHILD HEALTH AND FAMILY PLANNING SERVICES INCREASED																			
PIRS # 18	Prevalence of households with moderate to severe hunger											-20%	% reduction from baseline						n/a
PIRS # 19	Prevalence of underweight children under 5		33.8%	-33.8%	33.8%				-5%	-5%		-20%	% reduction from baseline	-5.0%	-5.0%	-37.1%		-56.4%	-56.4%
PIRS # 20	Prevalence of stunted children under 5											-20%	% reduction from baseline			-24.2%		-23.8%	-23.8%
PIRS # 21	Percent of children 6-23 months that received a Minimum Acceptable Diet								30%		30%		% increase over baseline					n/a	-4.8%
PIRS # 22	Prevalence of exclusive breast feeding of children under 6 months		4.50%	2.83%	2.83%				5%	5%		20%	% increase over baseline			2.83%		-9.95%	-9.9%
PIRS # 23	Prevalence of anaemia among women of reproductive age			-0.43%								-5%	% reduction from baseline			-0.43%		-18.21%	-18.2%
PIRS # 24	Prevalence of anaemia in children 5 - 59 months			7.38%								-10%	% reduction from baseline			7.4%		29.3%	29.3%
PIRS # 25	Women's dietary diversity: mean number of food groups consumed by women of reproductive age			4.28%						20%		30%	% Change in HDDS			4.28%		20.5%	20.5%
PIRS # 26	Number of health facilities with established capacity to manage acute under-nutrition (REMOVED for FY 2012-2013)											20	Health Facilities						20
PIRS # 27	Modern contraceptive prevalence rate		11.24%	103.64%	103.60%					2.5%		10%	% Increase over baseline	2.5%	2.5%	103.60%		150.22%	150.2%
WP # 8	Percentage of children less than two years old with two consecutive low monthly measurements		9.7%	10.9%	10.9%								%			11.6%		10.3%	10.3%
WP # 9	Percentage of mothers utilizing improved feeding practices																	n/a	n/a
IND-3.1.9-1	Number of people trained in child health and nutrition through USG-supported programs (New 03/2014)												Individuals - new indicator starting 03/2014			78,451		10,853	89,304
IND-3.1.9-15	Number of children under five reached by USG-supported nutrition programs (new 03/2014)												Individuals - new indicator starting 03/2014			7,518		263	7,781

ANNEX II. SNAPSHOTS & MONTHLY SUMMARIES



USAID | ACCESO
FROM THE AMERICAN PEOPLE

Monthly Bulletin July 2014

HIGHLIGHTS

- USAID-ACCESO is assisting 34,495 households in the most vulnerable communities in western Honduras, promoting production technologies and practices to increase incomes and improve the overall quality of life. The project is benefitting 183,358 people – 89 percent of whom live in poverty and extreme poverty conditions – through technical assistance and training in production, value-added processing, natural resource management, renewable technologies, disaster mitigation, and nutrition and health.
- This month, 386 new hectares were planted reaching a total of 66,164 hectares under project technical assistance, including: 24,548 hectares of coffee, 36,219 of basic grains, and 5,397 of fruit and horticulture crops. The crops with the highest planting area this month were: maize, bean, coffee, potatoes, cabbage, pepper, and papaya.
- USAID-ACCESO participated in Wal-Mart's annual fair, hosting a stand with information for producers and other participants on successful technologies and inputs promoted by the project, as well as the distribution of production manuals for maize and beans. The project's nutrition handbook was also distributed to more than 290 producers participating in the event. COPRAUL, a collection center in Ocotepeque whose producers are all USAID-ACCESO clients, was a winner at the event.
- The buying and export manager for OLAM, an international coffee exporter, visited producers in La Paz and Santa Bárbara to discuss local and international sales opportunities. Representatives from FHIS and USAID visited renewable energy projects in Santa Bárbara and Intibucá to discuss potential expansion of these projects.



All fotos by Fintrac Inc.

Access to technical expertise: a grower shows off her high-value squash crop, which she has diversified to from corn thanks to Project support. Santa Fe, Jesús de Otoro, Intibucá.



Access to technical expertise: Farmers receive training in basic practices for maize, including plant spacing and fertilizer application. Gualcinse, Valladolid, Lempira.

USAID-ACCESO client households, beneficiaries and other clients, July 2014

Department	Household clients	Beneficiaries	Other clients *
Copán	5,412	23,773	1,573
Intibucá	5,620	36,937	1,396
La Paz	5,712	27,298	1,060
Lempira	6,664	44,602	1,996
Ocotepeque	4,392	24,756	930
Santa Bárbara	6,695	25,993	1,746
Other	0	0	775
TOTAL	34,495	183,358	9,476

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

About USAID-ACCESO

USAID-ACCESO is a four-year initiative funded by the people and government of the United States of America through the US Agency for International Development (USAID). This project is part of the global Feed the Future initiative of the US government and the main investment by USAID in Honduras.

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



Access to technical expertise: A small-scale coffee producer in Santa Barbara receives training in pest and disease identification and drip irrigation.

VALUE ADDITION

USAID-ACCESO processing specialists continued working with communities to create new products from locally available resources to generate off-farm employment opportunities. This month, 430 participants attended 52 training events during which they learned good manufacturing and processing practices, including those for processing fruit and vegetables, as well as techniques to produce new dairy and baked goods.

Forestry specialists conducted 192 technical assistance visits in sustainable forestry management and wood processing practices. Six training events for 47 participants were held this month.



Access to markets: OLAM buyers visit coffee producers in La Paz to discuss requirements and opportunities for export.

TECHNICAL ASSISTANCE

USAID-ACCESO carried out 27,174 technical assistance visits this month. Of these, 21,900 (70 percent) strengthened farmers' knowledge in agricultural production topics including basic practices for coffee and horticulture crops; soil preparation and management; pest, disease, and weed identification and control; transplant and planting; fertilization program management; nutrient balance; adequate and safe use of agrochemicals; soil conservation; and contour plowing.

2,948 technical assistance visits focused on childhood nutrition and improving personal and home hygiene, particularly during pregnancy; 1,294 on processing; 1,558 on business skills including production logs and reducing costs. 1,006 technical assistance visits in animal production focused on poultry farming and livestock management; 456 visits focused on natural resource management; and 438 on postharvest handling and certifications.



Access to technical expertise: A project postharvest specialist trains smallholder lettuce farmer in proper harvesting techniques. Guangololo, Azacualpa, Intibucá.

ACCESS TO MARKETS

This month, marketing specialists continued exploring options for exporting passion fruit pulp. They visited La Paz and Santa Bárbara to establish links between coffee producer groups and international exporter OLAM.

The project organized 248 technical assistance visits that facilitated sharing market information, logistical details, transportation coordination, and sanitary requirements for export.



Access to better nutrition and health: Mothers learn to prepare foods high in vitamins and minerals with guidance from nutrition specialists. San Pedro de Lomas, Intibucá.

NUTRITION AND HEALTH

The nutrition and health team held 265 training events, giving 4,182 parents the opportunity to strengthen basic nutrition and health practices. This month, 1,019 participants received training in the importance of closely monitoring their children’s nutritional status, especially their weight; 1,669 received training in family planning and optimal spacing of pregnancies (two years between pregnancies) to contribute to a better quality of life. 422 participants learned about nutritious food preparation and practiced recipes for natural juices, rice with vegetables, fortified tortillas, bean soup, and other vitamin-rich recipes made from low-cost and accessible ingredients. 698 participants learned “healthy household” practices: the concept of establishing healthy and safe norms within the home to prevent diseases and improve hygiene practices.

ANIMAL PRODUCTION

USAID-ACCESO animal production specialists are training livestock farmers in various aspects of good livestock management, including improving their animals’ productivity, reducing production costs, opening access to new markets, and, in some cases, diversifying into new income sources. In July, clients in La Paz, Copan, and Ocotepeque continued planting feed grass to ensure a constant supply of pasture for their animals. In Copan, five additional families received five steers each for fattening through the alliance with El Corral, bringing the total number of families supplying this market to 15. The project continues to assist in management of tilapia, poultry, dairy and breeding cattle, and goats and pigs.

The project held 1,006 technical assistance visits in animal production and management this month.



Access to off-farm business opportunities: Small dairy processing businesses receive technical assistance to help them ensure quality, diversify their product offerings, and access new markets. La Esperanza, San Jerónimo, Copán.

Trainings – July 2014

Area	Participants	Events
Renewable Energy	147	28
Business Skills / Finance	900	110
Market Information	271	18
Natural Resources Management and Disaster Mitigation	354	24
Nutrition and Health	4,182	265
Postharvest and Certifications	422	47
Processing and Added Value	430	52
Production	17,604	2,402
TOTAL	24,310	2,946

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FROM THE AMERICAN PEOPLE

Monthly Bulletin August 2014

HIGHLIGHTS

- USAID-ACCESO is assisting 34,477 households in the most vulnerable communities in western Honduras, promoting production technologies and practices to increase incomes and improve the overall quality of life. The project is benefitting 183,247 people – 89 percent of whom live in poverty and extreme poverty conditions – through technical assistance and training in production, value-added processing, natural resource management, renewable technologies, disaster mitigation, and nutrition and health.
- This month, 459 new hectares were planted reaching a total of 68,458 hectares under project technical assistance, including: 25,162 hectares of coffee, 37,579 of basic grains, and 5,717 of fruit and horticulture crops. The crops with the highest planting area this month were: coffee, maize, bean, potato, plantain, tomato, allspice, carrot, and cabbage.
- In August, the project continued activities under the partnership with ANAVIH. Thirty-five poultry producers from Santa Barbara, Copan, and Lempira met with representatives of ANAVIH to learn about the advantages to and requirements for partnering with ANAVIH. At the end of the day 16 of the 35 producers began the process of association.
- Under the ANAVIH agreement, weekly delivery of eggs continued to schools and nutrition training centers in Santa Barbara, Copan, Intibucá, Lempira and Ocotepeque, benefiting 627 children under 2 years and 636 preschool and school-age children. In November 2014, ANAVIH studies will conduct complete blood and cholesterol testing among the target population, in order to determine whether to extend the initiative to other communities to further expand the project's reach and impact.



Photos by Fintrac Inc.
 Access to technical expertise: A maize producer displays good agricultural practices under use, including plant spacing, and fertilization. Concepción del Norte, Santa Bárbara.



Access to technology: Farmers are using new technologies such as these automated water filtration and pumping systems to irrigate high-value crops. Guise, La Esperanza, Intibucá.

USAID-ACCESO client households, beneficiaries and other clients, August 2014			
Departament	Household clients	Beneficiaries	Other Clients*
Copán	5,415	23,793	1,643
Intibucá	5,622	36,952	1,427
La Paz	5,708	27,280	1,119
Lempira	6,679	44,610	2,103
Ocotepeque	4,393	24,762	1,018
Santa Bárbara	6,660	25,850	1,764
Others	0	0	798
TOTAL	34,477	183,247	9,872

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

About USAID-ACCESO

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



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Access to technical expertise: Crop rotation of corn and bean using basic technologies. Cabañas, La Paz.

TECHNICAL ASSISTANCE

USAID-ACCESO carried out 25,844 technical assistance visits this month. Of these, 18,027 (70 percent) strengthened farmers' knowledge in agricultural production topics including basic practices for coffee and horticulture crops; soil preparation and management; pest, disease, and weed identification and control; transplant and planting; fertilization program management; nutrient balance; adequate and safe use of agrochemicals; soil conservation; and contour plowing.

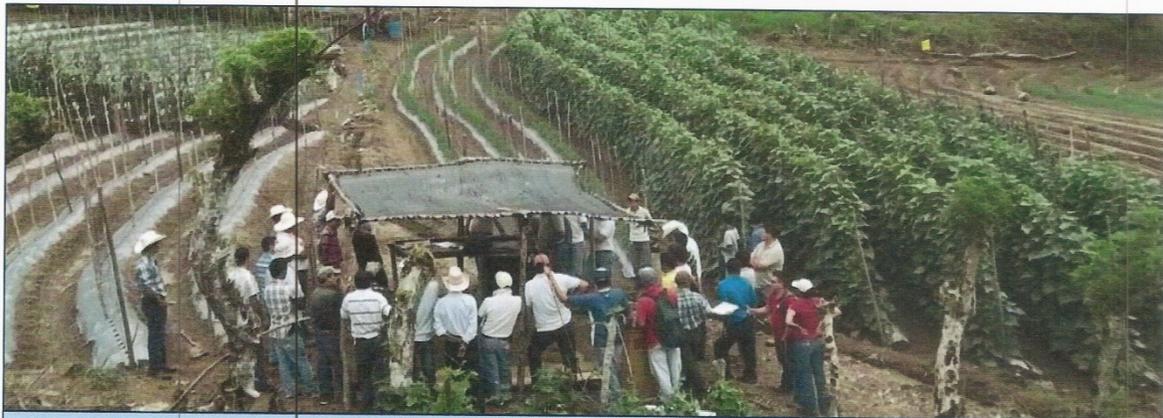
2,191 technical assistance visits focused on childhood nutrition and improving personal and home hygiene, particularly during pregnancy; 1,330 on processing; 1,484 on business skills including production logs and reducing costs. 1,006 technical assistance visits in animal production focused on poultry farming and livestock management; 662 visits focused on natural resource management; and 727 on postharvest handling and certifications.

VALUE ADDITION

USAID-ACCESO processing specialists continued working with communities to create new products from locally available resources to generate off-farm employment opportunities. This month, 413 participants attended 55 training events during which they learned good manufacturing and processing practices, including those for processing fruit and vegetables, as well as techniques to produce new dairy and baked goods. Forestry specialists conducted 248 technical assistance visits in sustainable forestry management and wood processing practices. Ten training events for 90 participants were held this month.

ACCESS TO MARKETS

This month, project clients sent the first containers of passion fruit concentrate to Europe through a marketing alliance with ALPROSA. Agreements with two exporters resulted in initial planting of chilies and chia. The number of products for weekly delivery to La Colonia rose from 6 to 14 this month thanks to continued negotiations.



Access to infrastructure: A new irrigation system will irrigate 10 hectares of cucumber, tomato and bean in La Elencia, Florida, Copán.



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Access to better health and nutrition: Mothers learn to prepare foods with high nutritional value, Intibucá.

NUTRITION AND HEALTH

The nutrition and health team held 234 training events, giving 3,260 parents the opportunity to strengthen basic nutrition and health practices. This month, 732 participants received training in the importance of closely monitoring their children's nutritional status, especially their weight; 1,442 received training in family planning and optimal spacing of pregnancies (two years between pregnancies) to contribute to a better quality of life for both mother and child. 335 participants learned about nutritious food preparation and practiced recipes for natural juices, rice with vegetables, fortified tortillas, bean soup, and other vitamin-rich recipes made from low-cost and accessible ingredients. 654 participants learned "healthy household" practices: the concept of establishing healthy and safe norms within the home to prevent diseases and improve hygiene practices.

ANIMAL PRODUCTION

USAID-ACCESO animal production specialists are training livestock farmers in various aspects of good livestock management, including improving their animals' productivity, reducing production costs, opening access to new markets, and, in some cases, diversifying into new income sources. In August, household clients continued planting feed pasture to ensure a constant supply of food for their animals. The project continues to assist in management of tilapia, poultry, dairy and breeding cattle, and goats and pigs.

The project held 1,006 technical assistance visits in animal production and management this month. Through 93 events 726 participants improved their understanding of proper animal management, particularly with regard to feed and nutrition.



Access to new business opportunities: Women receive training in milk processing techniques in order to develop off-farm sources of income. Azacualpa, Santa Bárbara.

Training – August 2014		
Area	Participants	Events
Renewable Energy	267	33
Business and Finance Skills	1,154	108
Market Information	69	8
Natural Resource Management and Disaster Mitigation	377	36
Nutrition and Health	3,260	234
Postharvest and Certification	751	51
Processing and Added Value	413	55
Production	16,933	2,179
TOTALS	23,224	2,704

71% of participants are male and 29 percent female.

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Monthly Bulletin *September 2014*

HIGHLIGHTS

- USAID-ACCESO is assisting 34,050 households in the most vulnerable communities in western Honduras, promoting production technologies and practices to increase incomes and improve the overall quality of life. The project is benefitting 181,288 people – 89 percent of whom live in poverty and extreme poverty conditions – through technical assistance and training in production, value-added processing, natural resource management, renewable technologies, disaster mitigation, and nutrition and health.
- This month, 1,363 new hectares were planted reaching a total of 71,672 hectares under project technical assistance, including: 25,988 hectares of coffee, 39,542 of basic grains, and 6,142 of fruit and horticulture crops. The crops with the highest planting area this month were: bean, coffee, maize, zucchini, potato, plantain, tomato, cabbage, and allspice.
- USAID-ACCESO continued installing water systems in select communities in order to ensure potable water and year round production. In September, the project inaugurated two potable water systems in Azacualpa and Llano Alegre, Santa Elena in the department of La Paz, and two irrigation systems in Chinquilla, Colinas, Santa Barbara and Buenos Aires, Opatoro, La Paz.
- Visits this month included those by the US Ambassador, representatives from USAID/Honduras and USAID/Washington, and the Ministers of Economic Development and Agriculture to nutrition and production sites in La Paz. Two organizers from USAID/Washington's Climate Smart Agriculture Practices bureau visited Gracias, Lempira to see sites where project clients are applying these practices.



Access to technical expertise: A corn producer has started diversifying his plantings to include radish, which were planted using good agriculture practices; Mejocote, Lempira.



Access to technical expertise: A smallholder bean farmer shows off her healthy crop planted using good agricultural practices; San Manuel de Colohete, Lempira.

USAID-ACCESO client households, beneficiaries and other clients, September 2014

Department	Household clients	Beneficiaries	Other Clients*
Copán	5,375	23,651	1,702
Intibucá	5,583	36,804	1,554
La Paz	5,646	27,013	1,259
Lempira	6,635	44,448	2,164
Ocotepeque	4,336	24,432	1,144
Santa Bárbara	6,475	24,940	1,813
Others	0	0	837
TOTAL	34,050	181,288	10,473

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

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



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Access to markets: Farmers grade harvested chilies produced under contract with a processor; Azacualpa, Santa Bárbara.

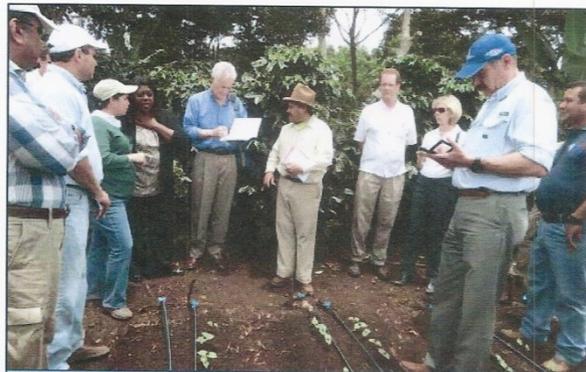
TECHNICAL ASSISTANCE

USAID-ACCESO carried out 23,861 technical assistance visits this month. Of these, 16,934 (71 percent) strengthened farmers' knowledge in agricultural production topics including basic practices for coffee and horticulture crops; soil preparation and management; pest, disease, and weed identification and control; transplant and planting; fertilization program management; nutrient balance; adequate and safe use of agrochemicals; soil conservation; and contour plowing.

1,895 technical assistance visits focused on childhood nutrition and improving personal and home hygiene, particularly during pregnancy; 1,073 on processing; 1,334 on business skills including production logs and reducing costs. 1,255 technical assistance visits in animal production focused on poultry farming and livestock management; 651 visits focused on natural resource management and disaster mitigation and prevention; and 445 on postharvest handling and certifications.

VALUE ADDITION

USAID-ACCESO processing specialists continued working with communities to create new products from locally available resources to generate off-farm employment opportunities. This month, 257 participants attended 28 training events during which they learned good manufacturing and processing practices, including those for processing fruit and vegetables, dairy products, and others.



Access to recognition: The US Ambassador, representatives from USAID/Honduras and Washington, and the Ministers of Economic Development and Agriculture visit ACCESO producers; Cabañas, La Paz.



Access to technology: A "cold room" made of charcoal keeps harvested products cool on-farm; Mejojote, Lempira.

ACCESS TO MARKETS

This month, marketing specialists continued activities to identify new markets. They contacted new buyers including Los Andes supermarket and Grupo Intur. Discussions with Los Andes are underway for the sale of 27 different horticulture products, and Grupo Intur is considering purchasing potato, onion, lettuce, and tomato. These discussions will continue next month.

The project organized 58 technical assistance visits that facilitated sharing market information, logistical details, transportation coordination, and sanitary requirements for export.



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Access to potable water: Inauguration of potable water system in Azacualpa, Santa Elena, La Paz.

NUTRITION AND HEALTH

The nutrition and health team held 239 training events, giving 3,411 parents the opportunity to strengthen basic nutrition and health practices. This month, 794 participants received training in the importance of closely monitoring their children’s nutritional status, especially their weight; 1,571 received training in family planning and optimal spacing of pregnancies (two years between pregnancies) to contribute to a better quality of life. 335 participants learned about nutritious food preparation and practiced recipes for natural juices, rice with vegetables, fortified tortillas, bean soup, and other vitamin-rich recipes made from low-cost and accessible ingredients. 642 participants learned “healthy household” practices: the concept of establishing healthy and safe norms within the home to prevent diseases and improve hygiene practices.

ANIMAL PRODUCTION

USAID-ACCESO animal production specialists are providing training and technical assistance to livestock farmers to improve their animals’ productivity, reduce costs, open access to new markets, and, in some cases, diversify into new income sources. In September, the project continued to assist in management of tilapia, poultry, dairy and breeding cattle, and goats and pigs.

The project held 1,006 technical assistance visits in animal production and management this month focused on good livestock and poultry management. 123 events provided 1,079 participants the opportunity to improve their understanding of animal management, commercialization requirements, and fodder preparation.



Access to finance: Rural community banks receive training to improve their existing credit services and to offer new services such as input sales and grain pledging, which contribute to increased net incomes; Caja Rural Medalla Milagrosa, Intibucá.

Trainings – September 2014

Area	Participants	Events
Renewable Energy	175	22
Business Skills / Finance	462	42
Market Information	193	13
Natural Resources Management and Disaster Mitigation	479	25
Nutrition and Health	3,411	239
Postharvest and Certifications	384	49
Processing and Added Value	257	28
Production	16,370	2,118
TOTAL	21,731	2,536

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SNAPSHOT

Farmer Field Visits Motivate Producers

USAID-ACCESO promotes the exchange of experiences among farmers who want to implement good production practices.



Photo by Fintrac Inc.

Johnny Molina, producer of corn, coffee and fruit in the community of Santa Ana, Santa Barbara department.

"I did everything the technician told me...I never had a cornfield like this. I feel so motivated because I'm learning a lot."

Johnny Molina

Rural Honduran farmers are often hindered by little technical knowledge and lack of access to financial resources and agricultural inputs, resulting in low yields and poor quality. Most farmers focus on one crop, generally corn or coffee, which makes them especially susceptible to price fluctuations, changes in market demand or pests and diseases.

USAID-ACCESO is working with smallholder farmers in western Honduras to introduce improved production practices and high-quality inputs. To increase buy-in, project specialists are taking small groups of producers to visit other ACCESO-supported farmers who have already seen vast improvements in their production. These field visits help motivate the new farmers to follow project recommendations.

Johnny Molina, of Santa Ana, Santa Barbara, was one of the farmers to make the field visits and, subsequently, begin planting corn, coffee, onions, chile, and passion fruit using many of the good agricultural practices he observed during the visits.

Before working with the project, Molina planted 0.7 hectares of corn that yielded 14 quintals, earning him only \$183. With the implementation of good practices such as land preparation, seed selection, plant spacing, fertilizer application, and weed control, he increased his yields by 875 percent, harvesting 123 quintals worth \$1,600.

"I used to only fertilize my corn sometimes," Molina said. "I did everything the technician told me...and now there is a big difference...I never had a cornfield like this, I feel so motivated because I'm learning a lot."

Molina plans to invest his net income of \$1,250 in additional inputs to expand his passion fruit and coffee production. He also wants to purchase better school supplies for his children and make some home improvements.

Field visits between producers have been implemented since USAID-ACCESO began in 2011; they provide essential support between producers in similar situations and locations. The visits confirm that project-promoted activities are reaping impressive results for small-scale farmers, translating directly to more nutritious food on the table and extra money in pockets.

USAID-ACCESO is currently working with 34,754 households on production and postharvest practices, introduction of new crops, and market linkages. Diversifying from traditional crops such as coffee and maize into high-value horticulture production provides new revenue opportunities, promotes economic growth and long-term sustainability, and helps improve food security and nutrition by introducing new and healthier fruits and vegetables into diets.



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SNAPSHOT

Potato Association Sells to Leading Supermarket

USAID-ACCESO provides technical assistance to groups of farmers to increase income and market shares.

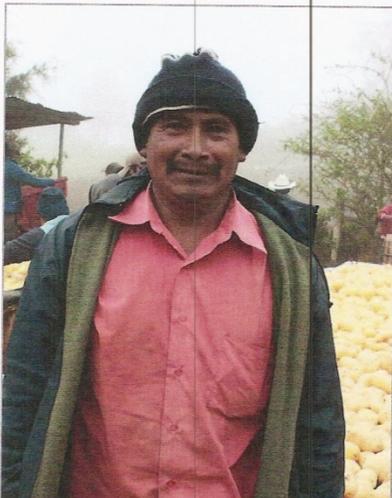


Photo by Fintrac Inc.

Pánfilo Meza, leader of the El Rodeo potato association, prepares to wash his harvested potatoes for sale to a national supermarket chain.

“We used to work the traditional way, now our harvest is different: the potatoes are bigger and better quality.”

Pánfilo Meza, Potato Producer

In the department of Intibucá, Honduras, potato production is one of the main sources of income for many families, but most are not producing up to their potential. USAID-ACCESO is working with potato farmers to enhance production through continuous on-farm training and technical assistance.

Working with small groups of farmers, project technicians introduce activities such as soil preparation, raised beds, drip irrigation systems, and calendarized planting programs in which each farmer plants and harvests 0.35 hectares every week to ensure a constant supply for the market.

Postharvest specialists also teach farmers best practices for efficient product handling, classification, washing, and packing to ensure the harvested crop meets quality standards for formal markets.

Since 2011, USAID-ACCESO has supported a potato production association in the community of El Rodeo (*Asociativa de Campesinos de Producción El Rodeo*). This group has 25 members and is led by Panfilo Meza.

Before working with the project, the farmers planted their potatoes using traditional methods that did not take into account plant spacing or proper fertilizer application, but since incorporating the good agricultural practices they learned from USAID-ACCESO, they have increased their average yields by 230 percent.

“With the technical assistance from USAID-ACCESO, our [harvest] is different: the potatoes are bigger and better quality. We know can sell to supermarkets and earn more money,” Meza said.

Access to markets is a huge obstacle for smallholder farmers; most of them sell to middlemen at consistently low prices. Before forming the association, the producers sold to individual brokers at around \$0.43 per kilogram; they are earning more than double at \$0.97 per kilogram by selling to national supermarket chains, including Hortifruti y La Colonia.

With the additional income, Meza said that farmers can now pay for their children’s education, transportation, and health care. They are also exploring opportunities to invest in new crops to diversify their production.

USAID-ACCESO supports farmers through technical assistance, specifically in the implementation of good agricultural practices and calendarized planting programs to help them establish concrete relationships with local, regional, and international buyers, ensuring a reliable source of income.



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SNAPSHOT

Drip Irrigation Transforms Coffee Production

USAID-ACCESO provides technical assistance in the implementation of good practices for planting and harvesting coffee.



Photo by Fintrac Inc.

German Rivera installed a drip irrigation system on his small coffee plot in Jilote, Santa Barbara. Thanks to this and other good agricultural practices, Rivera is earning the same amount of revenue as producers with plots 10 times bigger.

“What I obtained before was very little and I invested always more; the technician showed me that first I had to plant in beds and install an irrigation system.”

German Rivera, Coffee Producer

Coffee is one of Honduras' most important economic and social agricultural crops, accounting for more than 20 percent of jobs in rural areas, both through direct cultivation and indirect employment from processing and transportation. But the industry has faced many difficulties because of plantation mismanagement and an outbreak of the coffee leaf rust disease.

USAID-ACCESO production specialists are providing technical assistance to coffee farmers, particularly with use of basic production practices to increase yields and revenue. Some growers have now taken this further and have installed drip irrigation technology. Constant access to water allows continuous production, not only for coffee crops, but also for new high-value crops such as tomatoes.

For German Rivera, the installation of a drip irrigation system has drastically improved his coffee production. Drip irrigation saves water by controlling the amount of water applied directly to the plants, and uses only that needed by the plants. Rivera also received technical assistance and training from production specialists who taught him to plant his coffee at the right density and in raised beds to maximize the benefits of the irrigation and fertigation systems.

Before project intervention, Rivera only harvested tomato on 0.13 hectares of land and earned less than \$600. “I harvested very little before and I always invested more [with no results], but the technician showed me that first I had to plant in beds,” he said.

With support from USAID-ACCESO and the new drip irrigation and fertilization system, Rivera yielded 17 quintals worth \$1,200 from his small two-year old coffee plot – the same amount other farmer's yield from plots nearly 10 times in size.

Next year looks to be even more productive: “I will yield at least 22 quintals from the 0.13 hectares, which will help me develop the property and expand into new crops,” he said.

With the implementation of good agricultural practices such as fertilization, soil preparation, raised beds, and drip irrigation, farmers and their families earn more money and can access healthier food. Rivera can also prevent and overcome problems caused by pests, diseases, and even climate change, which have affected coffee growers across the region.

USAID-ACCESO specialists continue to work with small-scale coffee producers in rural communities, promoting basic coffee and cultural practices that prevent disease and ensure food security for more than 30,000 households in western Honduras.



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SNAPSHOT

Farmer-Owned and Operated Rural Banks Open Doors

With legal registration of rural village banks, Honduran producers are expanding economic opportunities in rural communities.

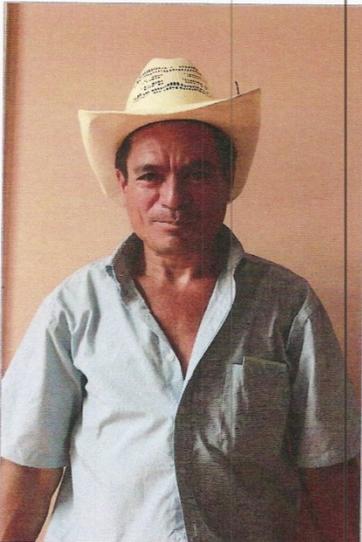


Photo by Fintrac Inc.

Rigoberto Enamorado is now the president of the Caja de Credito Sociedad Unida Familiar Las Crucitas, Santa Bárbara with 19 members.

“With our savings we are going to buy our own land and stop renting.”

Rigoberto Enamorado, agricultural producer

The majority of Honduran farmers have difficulty accessing credit because they lack the collateral that banks require to guarantee a loan. Often the only guarantee available is their own crop, which is generally an unattractive option to both the banks and the farmers – who are at risk of not covering the loan because of unexpected weather, disease outbreaks or market price fluctuations.

Therefore investing in expanding their own production activities is often seen as an unreachable goal for many rural smallholders. To facilitate access to credit, USAID-ACCESO specialists are assisting producer groups in existing or new rural village credit and savings banks obtain the legal registration documents. As an official “*caja rural*,” farmers can apply for funds at a national bank and negotiate official contracts with formal buyers.

Rigoberto Enamorado is part of a group of farmers growing tomato and coffee in Las Crucitas, Santa Bárbara. With the help of USAID-ACCESO specialists, the group formed the *Caja de Crédito Sociedad Unida Familiar, Las Crucitas* in September 2012. The 19 members started in September 2012 with \$252 in capital generated from crop sales and member contributions.

With total savings now up to \$4,300, the group is working to raise more capital and is participating in training activities to improve their accounting and management practices. Their ultimate goal is to purchase the plot they currently rent. Some of the farmers had tried taking out small loans from local banks, but they were denied because of lack of collateral.

“We have support from the project technicians, they are helping with the production technology and the business operations; with our savings we are going to buy our own land and stop renting,” said Rigoberto Enamorado.

Rural banks have the added benefit of serving as safety nets for families and communities. Many allow members to take out small personal loans from a special fund to cover unexpected health costs through a promissory note and contract. Loans to project clients from rural banks total \$755,534, with an average loan size of \$416; loans to women make up 20 percent of the value and 24 percent of the volume. As of December 2013, USAID-ACCESO has assisted 4,817 clients obtain 6,905 loans totaling US\$8.68 million from more than 250 sources – rural village banks make up 11.5 percent of the total loan value.

USAID-ACCESO has worked with 44 rural banks in Lempira and Santa Barbara in legalization and training activities for 388 people, including 132 women. Across the six departments supported by the project, a total of 128 rural banks have been legally registered with the help of USAID-ACCESO and 113 more are in various stages of the process.



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SNAPSHOT

Supporting National Strategy to Combat Coffee Rust

With support from USAID-ACCESO and IHCAFE, coffee producers have an opportunity to combat coffee leaf rust and diversify into other crops.

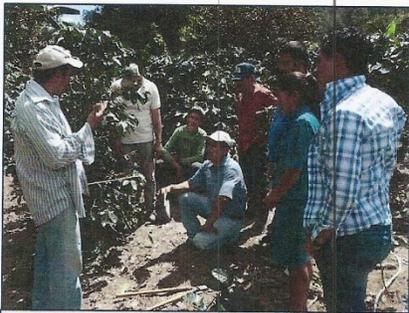


Photo by Fintrac Inc.

Project technical specialists provide training to a group of coffee farmers on the basic production practices that minimize the potential problems with pests and diseases, including rust.

USAID-ACCESO support to coffee farmers includes:

- **Basic production practices**
- **Crop diversification**
- **Improved harvesting and drying**
- **Buyer linkages**

The majority of coffee production in Honduras is carried out on a small scale, with 73 percent of all producers harvesting about 13 quintals per manzana (0.7 hectares). These smallholder farmers have little to no access to basic technologies and are especially susceptible to problems of pests, diseases, and price fluctuations.

In 2012, the country detected the first outbreaks of *la roya*, a coffee leaf rust disease, which is associated with poor crop management and accentuated by climate change. Coffee harvests in the 2012/2013 season were severely affected by rust, and together with negative international price fluctuations, resulted in a significant reduction in producer incomes and employment opportunities in rural areas. Food security, rural families' well-being, and the overall rural economies also suffered.

The impact of rust on coffee production was estimated at 1.63 million quintals, dropping from 7.3 million quintals in the 2011/2012 season to 5.7 million in the 2012/2013 season. Total revenue lost last year is estimated at \$177 million from production and \$48 million in lost wages.

Coffee farming represents the main source of income for many rural families and is the main driver of many rural economies. To assist in recuperating from the effects of the 2012/2013 season, the Honduran Coffee Institute (IHCAFE), with the support of USAID-ACCESO and other public and private sector organizations, has implemented the "Plan Nacional de Apoyo Integral a las Familias Productoras de Café Afectadas por la Roya."

With the implementation of the plan, participating institutions aim to reduce the vulnerability of coffee-producing families, minimize pest and disease problems in the short term, improve crop management and production efficiency over the medium term, and replant using basic production practices and rust tolerant varieties for the long term.

Support from USAID-ACCESO is being provided through ongoing technical assistance and training to more than 16,000 coffee producers with 18,000 hectares of production in western Honduras. Farmers are learning how to implement basic coffee production practices, pruning and shade management, liming, and improved fertilization application. With these basic practices, growers are increasing productivity from an average of 13 to 24 quintals per manzana. Improved harvesting system and adding value through drying are also helping increased family incomes.

To reduce risks from mono-cropping and to diversify income sources, USAID-ACCESO is also providing technical assistance and training to improve the yields of basic grains and to diversify into small-scale production of vegetables, fruit trees, timber trees, and livestock. USAID-ACCESO has also promoted the registration of the project farmers with IHCAFE, which allows them to access credit for coffee inputs and other benefits.



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