

**RURAL EQUITABLE ECONOMIC GROWTH ACTIVITY**

**Contract No. 519-C-00-94-00154-00**

**Quarterly Performance Report QI-00**

**Submitted to:**

**United States Agency for International Development (USAID)**

**by:**

**Chemonics International Inc.**

**with**

***Instituto Interamericano de Cooperación para la Agricultura (IICA)***

**National Cooperative Business Association (NCBA)**

**World Council of Credit Unions (WOCCU)**

**April 2000**

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**QUARTERLY PERFORMANCE REPORT QI-00**

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Rural Equitable Economic Growth Activity  
Contract No. 519-C-00-94-00154-00

U.S. Agency for International Development  
Washington, D.C.

This work was supported by the U.S. Agency for International Development, through contract number 519-C-00-94-00154-00, the prime contractor for which is Chemonics International Inc., 1133 20<sup>th</sup> Street, Washington, D.C. 20036; Tel. (202) 955-3300.

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## ACRONYMS

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ACACU	<i>Asociación Cooperativa de Ahorro y Crédito Comunal de La Unión</i> (Credit Union)
ACAYCCOMAC	<i>Asociación Cooperativa de Ahorro y Crédito de los Empleados de Salud de Occidente</i> (Credit Union)
ACACYPAC	<i>Asociación Cooperativa de Ahorro y Crédito Comunal de Nueva Concepción</i> (Credit Union)
ACECENTA	<i>Asociación Cooperativa de Ahorro y Crédito de los Empleados de CENTA</i> (Credit Union)
ACEC	CRECER Artisans Cooperative
ACODJAR	<i>Asociación Cooperativa de Ahorro y Crédito "Dr. J.A. Ruíz"</i> (Credit Union)
ACOPADES	<i>Asociación Cooperativa de Paneleros de El Salvador</i> (Honey Producers Cooperative)
ADECPRO	<i>Asociación de Desarrollo Comunal El Progreso</i> (Association of communal Development)
APROAGRO	Society of Agropecuarian Producers of <i>Suchitoto</i>
ASID	Salvadoran Association for Integration and Development
BCIE	<i>Banco Centroamericano de Integración Económica</i> (Central American Bank for Economical Integration)
BFA	<i>Banco de Fomento Agropecuario</i> (Agricultural Development Bank)
BOLPROES	<i>Bolsa de Productos Agropecuarios de El Salvador</i> (Agricultural Commodity Exchange)
CAMAGRO	Agricultural and Agroindustry Chamber
CENDEPESCA	<i>Centro Nacional de Pesca</i> (National Center of Fishing Affairs)
CENTA	<i>Centro Nacional de Tecnología Agropecuaria</i> (National Center for Agricultural Technology)
CODEUSMI	<i>Comunidades para el Desarrollo</i> (Communities for Development)
COMIECO	<i>Comité Centroamericano de Ministros de Economía</i> (Central American Ministries of Economy Committee)

COMUS	<i>Comunidades Unidas de Usulután</i> (United Communities of Usulután)
CONFENACOA	<i>Confederación Nacional de Cooperativas Agropecuarias</i> (National Confederation of Agropecuarian Cooperatives)
CONSALCOOP	<i>Confederación Salvadoreña de Cooperativas</i> (Salvadoran Confederation of Cooperatives)
CORDES	El Salvador's Foundation for Communal Cooperation and Development
CRECER	Rural Equitable Economic Growth activity
DAA	<i>Departamento de Asociaciones Agropecuarias</i> (Agropecuarian Associations Department)
DGEA	<i>Dirección General de Economía Agropecuaria y Forestal</i> (Office of Vegetable and Animal Health)
DGRNR	<i>Dirección General de Recursos Naturales Renovables</i> (General Office of Recyclable Natural Resources)
DGSVA	<i>Dirección General de Sanidad Vegetal y Animal</i> (Office of Vegetable and Animal Health)
ENA	<i>Escuela Nacional de Agricultura</i> (National School of Agriculture)
FEDECACES	<i>Federación de Cooperativas de Ahorro y Crédito de El Salvador</i> (Federation of Savings and Loans Cooperatives of El Salvador)
FENACOAC	<i>Federación Nacional de Cooperativas de Ahorro y Crédito de Guatemala</i> (Federation of Savings and Loans Cooperatives of Guatemala)
IICA	Instituto Interamericano de Cooperación para la Agricultura (Inter-American Institute of Cooperation for Agriculture)
INSAFOCOOP	<i>Instituto Salvadoreño de Fomento Cooperativo</i> (Salvadoran Institute for Cooperatives Affiliation)
M&E	Monitoring and Evaluation
MAG	Ministerio de Agricultura y Ganadería (Ministry of Agriculture and Livestock)
MOJE	<i>Movimiento de Jóvenes Encuentristas</i> (Young People Movement)
NARE	Non-Agricultural Rural Enterprises
NCBA	National Cooperative Business Association

NGO	Non-governmental organization
OAPA	<i>Oficina de Análisis de Políticas Agropecuarias</i> (Agricultural Policy Analysis Office)
ODE	<i>Oficina de Dirección Estratégica</i> (Strategic Direction Office)
PERLAS	<i>Protección, Estructura financiera, Rendimientos y costos, Liquidez, Activos improductivos, Señales expansivas</i> (Initials for financial indicators: Protection, Financial Structure, Performance and Costs, Liquidity, Inproductive Assets, Expansive Signals)
PREXA	Procesadora y Exportadora de Ajonjolí (Sesame Seed Refiner and Exporter)
RDC	Rural Development Committee
RAE	Rural Agricultural Enterprises component
RFE	Rural Financial Enterprises component
SAC	<i>Sociedad de Artesanos de CRECER</i> (Society of Artisans)
SCPM	<i>Sociedad Cooperativa Productos de Marañón</i> (Cashew Products Cooperative)
SES	<i>Sistema Económico-Social</i> (Socio-Economic System)
SIADES	<i>Sociedad de Ingenieros Agrónomos de El Salvador</i> (El Salvador's Association of Agronomical Engineers)
SO 1	Strategic Objective 1
SOCOPU	Society of Producer Cooperatives of Usulután
UCRAPROBEX	<i>Unión de Cooperativas de la Reforma Agraria Productoras, Beneficiadoras y Exportadoras</i> (Agrarian Reform Cooperatives Union of Producers, Millers, and Exporters)
UPREX	<i>Unión de Productores y Exportadores</i> (Producers and Exporters Union)
USAID	United States Agency for International Development
WOCCU	World Council of Credit Unions

**SECTION I**

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**RESULTS ACHIEVED DURING FIRST QUARTER, 2000**

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**RESULTS ACHIEVED DURING FIRST QUARTER, 2000**

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Contractor: Chemonics International  
Contract: 519-C-00-94-00154-00  
Reporting period: January 1, 2000 - March 31, 2000

### **Background**

The technical assistance contract under the Rural Equitable Economic Growth project (CRECER) (Contract No. 519-C-00-94-00154-00) began on September 29, 1995. The contract is being implemented by a consortium led by Chemonics International Inc., which includes the National Cooperative Business Association (NCBA), the World Council of Credit Unions (WOCCU), and the Inter-American Institute for Cooperation in Agriculture (IICA). The goal of the CRECER activity is to promote a more equitable distribution of economic development initiatives and to provide access to resources that benefit rural areas. This contributes to the reduction of rural poverty. CRECER provides targeted assistance to rural enterprises (financial, agricultural, and non-agricultural) to make them profitable, competitive, and sustainable. Assistance is specifically targeted to the enterprise's employees and management. These rural enterprises, in turn, provide targeted, cost-effective, and sustainable financial, technological, and marketing services to the rural poor. The overall result expected is "expanded equitable access to financial, technological and marketing services by the rural poor," to be carried out by "increased coverage of sustainable secondary organizations providing technology and marketing services" and "increased coverage of sustainable financial institutions in rural areas." A *necessary corollary* to this result is the modernization of the state through re-organization and simplification of government institutions and the promotion of a sound market-oriented macroeconomic policy regime. Of equal importance is the need for the government to coordinate and implement a national rural development and/or poverty reduction strategy. CRECER's activities directly support USAID/El Salvador's Strategic Objective Number 1 (SO 1), which calls for expanded access and economic opportunity for rural families in poverty.

The goal of the CRECER activity is to promote a more equitable distribution of economic development initiatives and to provide access to resources that benefit rural areas. This contributes to the reduction of rural poverty. CRECER provides targeted assistance to rural enterprises (financial, agricultural, and non-agricultural) to make them profitable, competitive, and sustainable. These rural enterprises, in turn, provide targeted, cost-effective, and sustainable financial, technological, and marketing services to the rural poor.

This report summarizes CRECER's progress to date on the End of Project Outputs as listed in the contract. It also summarizes CRECER's contribution to achieving the results set forward within USAID/El Salvador's Results package. Results are summarized for each of the project components (rural enterprises, rural financial enterprises and policy). First, progress is shown vis a vis the end of project outputs according to the contract, then CRECER's contribution to the Mission's Results Package are shown according to high, intermediate and base-level result.

Highlights from the past quarter include the following:

- Presentation of the Strategic Plan for the CENTA Western Region

As a result of the national CENTA forum, CRECER was asked to help the CENTA Western Region in preparing a strategic plan that would serve as a model for CENTA at the regional and national level. The plan was unveiled at a regional meeting of CENTA officials, producers and technicians.

- Presentation and Distribution of the Organic Coffee and Cashew Manuals

The final versions of the manuals to produce organic coffee and cashews were distributed at a formal ceremony during this quarter. Recognizing the importance of these manuals in advancing the development of the sector, the unveiling ceremony was attended by the Minister of Agriculture, the President of Congress, and several other international donors and dignitaries. After the formal unveiling of the manuals in San Salvador, the CRECER team traveled to Apaneca and San Miguel to formally present the manuals to the producers of coffee and cashews in these areas.

- Presentation of the Seasonal Price Index

During this quarter CRECER's policy component and rural enterprise component collaborated to produce a seasonal price index for vegetables. To verify the results presented in this index CRECER hosted an all day meeting to allow specialists from different disciplines to discuss and validate the information presented in the index. Producers, CENTA technicians, CRECER technicians and buyers from *La Tiendona* split into crop specific working groups to further examine the crop cycle and buying cycle and how these cycles relate to the prices of specific crops. One of the most useful results of this event was that the working sessions highlighted the awareness of the producers to the impact of seasonal changes on the price the product. This further served to highlight the need for producers to strategically plan their production in order to better serve the market and realize real income growth.

- Agribusiness management course II

Capitalizing on success of and demand for the first agribusiness management "*Diplomado*" (university accredited short course) last quarter the CRECER consortium launched a second "*Diplomado*" which began in late March and will continue through September. Building on the success of the first course and incorporating lessons learned into the new curriculum this second *Diplomado* will cover the same topics but will require fewer days of in-class training (though the days are now longer). Topics covered include: the development of agribusinesses, use of natural resources, marketing, accounting, technological innovations and the formulation of agricultural projects and business plans. Twenty-five CRECER participants from among producers and support organizations were chosen to attend the *Diplomado* course. A letter of participation was signed by both the student and the organization that s/he represented.

**A. RURAL ENTERPRISES COMPONENT**

**A1. Progress on Contract End of Project Outputs - First quarter, 2000**

CRECER End of Project Output (Contract)	Status
<p>An estimated 10,000 rural families will benefit. Measured by the number of rural families receiving marketing and other services from strengthened rural enterprises and organizations.</p>	<p>13,283 agricultural producers (organized in cooperatives or as individuals) heads of families are receiving services (processing, marketing and credit) from the rural agricultural enterprises assisted by CRECER. Of these 13,283 agricultural producers, 11,623 (88%) are affiliated to CRECER assisted organizations, the rest (12%) are affiliated to rural enterprises that use the services of the CRECER organizations.</p> <p>The non-agricultural component is assisting 191 families.</p>
<p>Thirty (30) member-owned organizations: fifteen (15) at the secondary level, including agroindustries, and fifteen (15) affiliated primary level organizations, producing diversified crops and delivering production, post-harvest handling, processing, and marketing services to their farmer members in a cost-effective manner.</p>	<p>CRECER has provided assistance to 38 member owned organizations: 20 are secondary level organizations, 14 are primary level organizations and four are third level organizations. As of this report, a former primary level organization (CORALAMA - La Marañonera) has been reclassified as an agro industry.</p>
<p>Eight (8) agricultural producer (commodity specific) groups receiving and/or delivering a range of production, marketing, technical and legal assistance, as well as policy advocacy on behalf of the growers.</p>	<p>CRECER technicians are currently providing support through planning, marketing, processing and research for the following commodities: coffee, cashew, sesame, corn, Lemon grass, and basic grains (corn, rice and grain sorghum). Lesser crops are honey, organic brown crude sugar and organic fertilizer. We are also pursuing research in cashews, rice and honey.</p>

CRECER End of Project Output (Contract)	Status
<p>Two (2) regional member-owned organizations are profitably providing services to their members, such as: input procurement and distribution, packing, storage, transport and marketing.</p>	<p>Work continues with the Western Regional Organization with a participation of five service organizations (<i>Asociación de Productores CRECER, ASID, ADECPRO</i> and two federations of <i>CONSALCOOP</i>), which are developing service activities (grain and agricultural supply sales). An expansion has taken place into the municipalities north of Sonsonate: Ahuachapán and Santa Ana formed departmental organizations which are projected to join with Sonsonate to form a truly regional organization. In the next quarter we will officially legalize these two new associations.</p> <p>The sister regional organization in Lempa Acahuapa or the ParaCentral region was consolidated and includes three groups: the Irrigation district of Lempa-Acahuapa, the producers affiliated to <i>CONSALCOOP</i> and <i>CONFENACOA</i>, and the <i>CORDES</i> coordinated group in the Bajo Lempa (<i>SES, IDES, and MES</i>).</p>
<p>Ten (10) small/medium sized non-farm enterprises created or expanded and operating profitably and creating employment opportunities in rural areas in light industry, commerce and the service sector.</p>	<p>54 small enterprises are working in two areas: Ilobasco and Nahuizalco with a variety of products sold through three cooperative owned stores. <i>ARTECRECER</i> in Ilobasco has opened a showroom and has begun to produce handicrafts in the name of the cooperative. The workshop for the cooperative, sponsored by a donation of capital equipment from <i>BCIE</i> has begun formal operations. Demonstrating synergy across components the workshop has begun to produce "PICKY" banks for credit unions associated with the rural financial enterprise component. At the end of March the General Assembly of Ilobasco met to present the operations plan for 2000, as well as the financial statements for 1999; last year the cooperative made \$970 in profits. The cooperative de San Carlos Lempa has added six new members to its registry. In the past quarter the cooperative has identified a showroom and has begun to participate in the covenants signed with international donors. The <i>MOJE</i> group has utilized the services of a <i>CRECER</i> specialist to improve the design of its handicrafts to make them more marketable.</p>

**A2. Progress on USAID/EI Salvador's Results Package Indicators - First quarter, 2000**

A summary of CRECER's contribution to the USAID/EI Salvador Results package follows. Note: figures are from balances as of December 1999.

**USAID Mission Strategic Objective No. 1**

<b>USAID/EI Salvador Result No. 3: Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor.</b>	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Result</b>
Number of male and female direct beneficiaries receiving services (i.e. management, agricultural technical assistance, bulk input supply, processing or produce marketing).	CRECER currently serves 13,283 direct beneficiaries in the agricultural sector (of which over 9,115 or 31% are women). In non-agricultural enterprises there are 91 business owners (67 men and 24 women) and 191 additional families (121 men and 70 women) that benefit from CRECER assistance.

<b>Intermediate Result: Increased Coverage of Sustainable Secondary Organizations providing Technology and Marketing</b>	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Result</b>
Number of secondary organizations providing services (i.e. management, agricultural technical assistance, bulk input supply, processing or produce marketing)	20 secondary level organizations (11 service and 9 agroindustries) and 4 third level organizations (CONSALCOOP and CONFENACOA) have been assisted by CRECER in different aspects of agribusiness management and are providing services to their members or customers.
Number of secondary organizations which reach sustainability providing services	Of the 20 secondary level organizations assisted, 11 are reporting accounting information (55%). Of the 11 organizations reporting, 3 have reached economic sustainability (27%) during 1999.  In the non-agricultural sector, as of the end of the year 1999, the Ilobasco cooperative shows a positive, albeit low, indicator of sustainability at 1.04.

Base level results achieved to date under the project follow. These correspond to USAID/EI Salvador's Results Package 3.

<b>Base-level Result :</b> Increased Affiliation of Producers to Primary Organizations	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Base-Level Result</b>
Number of producers actively affiliated to cooperatives and producer associations.	<p>11,623 producers are actively affiliated with the cooperatives and associations served by CRECER. There are a total of 1,660 individual producers that are not affiliated but have used services from the enterprises attended by CRECER. The principle activity are pass through functions: use of coffee mills, purchase or marketing of agricultural products, etc.</p> <p>In the non-agricultural sector, 81 CRECER assisted businesses are affiliated to cooperatives and 10 persons are affiliated to a solidarity group.</p>

<b>Base-Level Result:</b> Improved Sustainability of Primary Level Organization Through Stable Management.	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Base-Level Result</b>
Number of primary level organizations that reach sustainability.	Of the 14 first level organizations served, 6 (43%) are reporting accounting data. Of these 6 institutions, 4 (67%) have reached economic sustainability during 1999. This is a direct result of reducing administrative costs.

<b>Base-Level Result :</b> Increased value of product marketed by primary organizations	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Base-Level Result</b>
\$ value of product marketed by primary organization	CRECER-assisted primary agricultural organizations have marketed an accumulated of \$1,175,698. During this period there was an increase of \$19,274. In the non-agricultural enterprises: product marketed during this period by individual micro-enterprises was US\$18,657 and through their stores, US\$3,040.43.
\$ value of product marketed through secondary organizations	CRECER-assisted secondary organizations (total value of product marketed by affiliated primary level organizations as well as other non-affiliated rural enterprises that only use their marketing services) have marketed an accumulated total of \$4,172,225 - an increase of \$517,869.
Area (in hectares) under cultivation adopting technology.	Total area (5,369 hectares) has remained constant during this reporting period.

**A3. CRECER Indicators:**

<b>CRECER's Internal Project Impact Indicators - Rural Enterprise Component</b>	
<b>Internal Indicator</b>	<b>Status</b>
Financial rehabilitation of rural enterprises is one of the successes of CRECER. Through the use of targeted studies, we will demonstrate the technical and financial viability of the enterprises.	CRECER has completed the negotiation process for bank and agrarian debt with the cooperatives assisted by CRECER.

<b>CRECER's Internal Project Impact Indicators - Non-Agricultural Rural Enterprise Component</b>	
<b>Internal Indicator</b>	<b>Status</b>
Financial rehabilitation of non-agricultural rural enterprises is one of the successes of CRECER. Increased profit margins through volume sales and new market development.  Attention to other market segments	Installation of the BCIE financed workshops has reduced production costs, allowing the cooperatives to increase their profit margins.  The training and design assistance given to the artisans has resulted in the production of new handicrafts which can be marketed to more affluent buyers who demand quality and creative products.

#### **A4. Problems encountered**

For the non-agricultural enterprise component, the slow economy continues to lower sales of Artisan products. The major problem continues to be one of attitude - how to change artisan/hobby producers into producers with a business vision.

In relation to the agricultural enterprise component, one of the essential aspects in achieving CRECER's objectives has been the coordination with "Support Organizations." The crisis situation that is affecting the agricultural sector is reflected in the institutions (governmental and non-governmental, alike) with whom CRECER has not only had to coordinate but in many instances strengthen them and assist them in developing a business focus in their actions. In addition, the lack of available financing has significantly impacted CRECER assisted businesses, necessitating a reduction in economic/business ventures.

In addition these problems, in the last few quarters CRECER has been forced to discontinue assistance to some of the organizations previously participating in the project. The reasons for discontinuing the participation of these organizations varies, however two common themes are poor financial management and lack of willingness to implement CRECER directed recommendations. As a result, and in this quarter in particular, several more organizations have ceased participation in our project. The organization are listed in the following chart:

<b>Cancellation of participatory agreements</b>	
<b>Organization</b>	<b>Principal cause</b>
<ul style="list-style-type: none"> <li>• Society of Cashew Producer's Cooperatives</li> <li>• All primary organizations affiliated to the Society of cashew Cooperatives</li> <li>• United Communities of Usulután y San Miguel (CODEUSMI), Society of Producer Cooperatives of Usulután</li> <li>• All of the first level organizations affiliated to CODEUSMI as well as those affiliated to SOCOPU</li> <li>• PREXA - Processor and Exporter of Sesame</li> <li>• Association of Agricultural Producers (APROAGRO)</li> <li>• Cooperative Society <i>El Castaño</i></li> <li>• All the first-story organizations affiliated to SES); as well as those affiliated to UPREX</li> </ul>	<ul style="list-style-type: none"> <li>• Unwillingness of other donor agency to coordinate with CRECER</li> <li>• The cancellation of the agreement with the Society also obligated the cancellation of agreements with members organizations. The exception is CORALAMA which was re-classified as an agro industry.</li> <li>• Due to little economic activity they have experienced financing problems.</li> <li>• The cancellation of the agreement with CODEUSMI obliged CRECER to cancel the agreements with member organization</li> <li>• Due to the insurmountable financial problems and the lack of interest on the part of BFA to respond to these problems, the majority owner (CONFRAS) decided to liquidate the organization.</li> <li>• Due to little economic activity they have experienced financing problems.</li> <li>• The directors of the organization have limited interest in implementing the changes recommended by CRECER technicians.</li> <li>• The project is concentrating its final efforts on second story organizations and regional service organizations.</li> </ul>
<ul style="list-style-type: none"> <li>• Hammock producers of Concepción Quezaltepeque</li> <li>• Pre cooperative of woodworking and reed furniture makers</li> </ul>	<ul style="list-style-type: none"> <li>• The lack of business vision and the continued stubbornness to maintain unhealthy traditional business practices and unwillingness to accept recommended changes caused CRECER to cancel its agreements with these two organizations during this period.</li> </ul>

## **B. RURAL FINANCIAL ENTERPRISES**

### **B1. Progress on Contract End of Project Outputs - First Quarter, 2000**

The Rural Financial Enterprise component of CRECER has been very successful in achieving contract targets. During the life of the project CRECER has provided assistance to 13 credit unions. As discussed and agreed with the project officer, Ms. Roxana Blanco, at the end of December 1999 assistance to two of the credit unions was discontinued as a result of their lack of dedication to CRECER principles and methodologies. Accordingly, the data presented below (and here forth) will include recent quarterly activities for the 11 remaining credit unions and year-end 1999 data for the two credit unions which no longer participate in the project.

Our goal is to include in our quarterly reports complete and up to date figures. However, we are having difficulty doing so for two main reasons:

1. *Change in methodology at the end of 1999.* Previously our quarterly reports were produced with data from the prior quarter, meaning that in March we were submitting information from the previous December, in June we were submitting information from March, etc., etc. Beginning in September 1999 this methodology was changed so that we could provide more up to date information, meaning that in the September quarterly report we could provide financial information through September not June. The genesis for this change was that we wanted to reform our reporting system so that the final report (which quantifies technical activities through June 2000) would include data for June 2000 and not March 2000.

However, in changing the methodology we have realized that it still takes between 30 and 40 days to collect and process the information from the credit unions. Under normal circumstances the credit unions close their accounting periods during the first 20 days of the month, then they generate the PERLAS and other reports during the next 10-15 days and submit the information required to CRECER. Thus, it is impossible for us to prepare the quarterly report with accurate figures in less than 30 to 40 days after the end of the period. Accordingly the next quarterly report will not be submitted until the first week of August 2000.

2. *Change in Information Systems for some credit unions.* At the end of 1999 all the credit unions had begun to adjust their MIS systems in order to prepare for the Y2K problem. During this process some changed their hardware, others changed their networks and still others made changes to their complete technology platform.

The credit unions that began this laborious process at the end of 1999 are still experiencing difficulties in collecting and processing data for many reasons, including changes to their servers, transfers in databases from one machine to another, or simply, because of the need to continue to test and adjust the systems before they can produce final financial statements and close the books for 1999.

The only credit union that still is having difficulties with respect to closing its accounting period for 1999 is Cooperativa Financiera Dinamica (ACCOVI R.L.), because the MIS service provider has not completed the assignment in accordance with the time frame established. This credit union has committed to submit its 1999 final financial statements by May 9, 2000 and has promised to normalize the situation prior to the end of June 2000.

In addition to ACCOVI, other credit unions are also having difficulties in submitting information as a result of a change in MIS. These credit unions are: C.F. Nuevo Siglo, C.F. Uno, C.F. and C.F. Unidad. The credit union with the biggest reported problems is Uno, but it has promised to submit information for March 2000 no later than May 19, 2000. At the end of May we will be able to resubmit our quarterly report with information for all eleven credit unions currently participating in the project: ten of which will be reporting data through March 2000 and one with data from December 1999.

*Section I: Results Achieved during First Quarter, 2000*

The following chart notes the status of the information by credit union. The remainder of the financial and other indicators provided in this report are based on this information. The data includes all thirteen (13) credit unions with which the project has worked, consolidating data despite the different dates from which the information was reported.

Credit Union	Latest Information	Observations
C.F. Progreso (ACACYPAC)	March 31, 2000	
C.F. Unión (ACACU)	March 31, 2000	
C.F. Sihuathuacán (SIHUACOOP)	March 31, 2000	
C.F. Principal (ACACSEMERSA)	March 31, 2000	
C.F. Unica (ACOCOMET)	March 31, 2000	
C.F. Favorita (ACOPACO)	March 31, 2000	
C.F. Solidez Total (ACECENTA)	March 31, 2000	
C.F. Uno (COOP-UNO)	December 31, 1999	Delay is a result of change in MIS. Data for March 2000 will be available by May 19, 2000
C.F. Nuevo Siglo (ACAYCCOMAC)	December 31, 1999	Delay is a result of change in MIS. Data for March 2000 will be available by May 12, 2000
C.F. Unidad (ACODJAR)	December 31, 1999	Delay is a result of change in MIS. Data for March 2000 will be available by May 12, 2000
C.F. Avance (ACACESPSA)	December 31, 1999	Discontinued from project support.
C.F. El Esfuerzo (ACACME)	December 31, 1999	Discontinued from project support.
C. F Dinámica (ACCOVI)	September 30, 1999	Delay is a result of change in MIS. Data for December 1999 will be available by May 9, 2000

CRECER End of Project Output (Contract)	Status
A minimum of 20,000 rural clients served.	73,487 clients (members, youth members and third party savers) are being served by CRECER-assisted credit unions. This figure comes from the total reported in the USAID indicators. Of the 13 credit unions supported by CRECER, this figure includes data from 7 credit unions during the period ending March 31, 2000.

CRECER End of Project Output (Contract)	Status
<p>Fifteen (15) credit unions and 1 or 2 NGOs institutionally strengthened and providing competitively-priced financial services (savings and loans).</p>	<p>CRECER is working with 13 credit unions and 2 NGOs, in addition to providing institutional support to FEDECACES; 2 branch offices and 4 credit unions agencies. An additional 15 credit unions affiliated to FEDECACES but not yet eligible for direct CRECER assistance have adopted, to a certain degree, the methodology, financial discipline, and structural changes promoted by CRECER.</p>
<p>A minimum of \$4.0 million in new local savings will be mobilized and used to finance lending at market rates of interest for agriculture and small and medium-scale rural enterprise by the end of the project.</p>	<p>As of Mar. 31, 2000 there was \$22.47 million dollars in savings, an increase of \$16.97 million dollars since 31, 1995 spread among passbook accounts, certificate of deposit and youth programs, all of which receive competitive market interest rates.</p> <p>Savings as of Dec. 31, 1995     \$ 5.5 million  as of March 31, 2000     \$22.47 million  increase of                     \$ 16.97 million</p>
<p>An accumulated total of 80% (\$3.2 million) of savings accumulated will be relent to finance farming and related rural industries, commerce, micro and small-scale enterprise, housing and other rural household needs over the life-of-the-project through participating credit unions and non-governmental organizations.</p>	<p>The net loan portfolio has increased to \$ 28.49 million (an increase of \$13.29 million financed through savings and member shares).</p> <p>Loans as of Dec. 31, 1995     \$15.2 million  as of March 31, 2000     \$28.49  increase of                     \$13.29</p>
<p>Legal and regulatory change leading to an improved environment for rural financial institutions and a stronger set of regulatory mechanisms that will govern both savings and lending services.</p>	<p>The new Law for financial intermediaries was passed and published in the <i>Diario Oficial</i> on March 31, 2000.</p>
<p>Review and summarize existing or proposed legislation in other countries that governs alternative, non-bank financial intermediaries, such as banks for micro and small businesses, village and/or rural banks, etc.</p> <p>Analyze the requirements for loan agreement enforcement and foreclosure and recommendations on measures to streamline and simplify procedures for creditors, while still protecting the rights of borrowers. Draft modifications to the current laws.</p> <p>Recommend supervisory mechanisms and authorities that could be established to oversee operations and protect depositors and shareholders of non-bank intermediaries.</p>	<p>CRECER, FEDECACES and WOCCU home office are closely monitoring credit union activities within the regulatory, legislative, and supervisory offices of Latin-American countries. Meetings have been held with Superintendent's office to explain the CRECER project, the PERLAS system and FEDECACES credit unions. David Richardson made two visits to El Salvador to explain the PERLAS system (which has been adopted by the superintendency in Bolivia) to technicians from the Superintendent's office. Adrián Rodríguez and William Durán, from the Superintendent's office made a trip to Ecuador to visit the superintendent and also to attend a meeting on fusion of credit unions and to have frank discussions on how the system should work in El Salvador. Adrián Rodríguez participated in a meeting in Costa Rica to explain PERLAS to the Costa Rica banking system.</p>

**B2. Progress on USAID/El Salvador's Results Package Indicators - First Quarter, 2000.**

The Rural Financial Enterprises component of CRECER has made an excellent contribution to meet the targets associated with many of the Mission's results package indicators and as shown by the charts below, has been very successful in expanding the access of the rural poor to financial services. The data in the following table is as of March 31, 2000, with seven credit unions reporting as of March 31, five credit unions reporting as of December 31, 1999 and one reporting as of September 30, 1999.

<b>USAID/El Salvador Result No. 3: Expanded Equitable Access to Financial, Technological and Marketing Services by the Rural Poor.</b>	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Result</b>
Number of active borrowers	13,276 men (46.68%) 15,163 women (53.32%) 28,439 total active borrowers
Number of depositors	32,490 men (45.41%) 39,061 women (54.59%) 71,551 total depositors
Number of loans under US\$ 300	6,079 men (39.12%) 9,460 women (60.88%) 15,539 total number of loans under US\$300

<b>Intermediate Result: Increased Coverage of Sustainable Financial Institutions in Rural Areas</b>	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Intermediate Result</b>
Number of financially sustainable institutions	As of Mar. 31, 2000 seven CRECER-assisted credit unions are currently "financially sustainable," 3 are between 75% and 99% sustainable, 1 is between 50% and 74.9% and 2 are below 50%. Sustainability is based on: Reserve levels Level of institutional capital Economic results
Number of agencies/branches serving rural clients	At project start up there were two branch offices in rural areas, to date there are now six offices in La Unión, San Miguel, Cojutepeque, Ahuachapán and Chalchuapa; and there are two branches in Metapan and Santa Ana.

<b>Base-level Result :</b> Improved financial performance of micro finance institutions serving the rural poor	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Base-Level Result</b>
Number of institutions operationally sustainable	The 13 participating institutions are operationally sustainable.
Percent of delinquent portfolio over 30 days (include portfolio size)	13.79% (\$4.1 million) of the US\$29.74 million gross portfolio is delinquent by over 30 days. This is slightly above the industry target, but within reason.

<b>Base-level Result:</b> Increased capital mobilized for rural lending	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Base-Level Result</b>
Growth in savings accounts (US dollars)	As of March 31, 2000, CRECER-related interventions have resulted in a growth in savings in the last four years within the participating institutions of \$16.97 million (208%) from \$5.5 million to \$22.47 million.  Savings as of Dec. 31, 1995    \$ 5.5 million as of March 31, 2000    \$22.47 increase of                    \$16.97
Number of NGOs obtaining commercial bank funds	One NGO, UCRAPROBEX, has obtained funds from commercial banks and is classified as an "A" customer. (Technical assistance has been provided in financial analysis and control of portfolio delinquency.)

<b>Base-level Result: Secure rural savings mechanisms expanded</b>	
<b>USAID Indicator</b>	<b>CRECER's Contribution to Base-Level Result</b>
Number of secure savings institutions offering services to rural clients. Increased value of product.	All participating credit unions (13) have a signed agreement with FEDECACES for 10% reserve requirements, and have indicators of patrimony solvency (capital shares plus institutional reserves) that are between 10.54 and 54.65% of total assets of the credit unions.

<b>Base Level result:</b> Improved legal & regulatory environment promoting access to financial services by the poor.	
<b>USAID Indicator</b>	<b>Status</b>
Number of improved statutes of financial institutions	The credit unions are beginning to revise their statutes as a result of and taking into consideration the passage of the new law for intermediary financial institutions on March 31, 2000.

**B3. CRECER Indicators:**

We reported CRECER's progress vis a vis both the CRECER contract and the Mission's Indicators in the preceding sections. While impressive, the project has achieved much that has simply not been reflected by those indicators. This section of the quarterly report details the project's accomplishments according to these "CRECER Indicators." As before, not all the merits of this progress should be attributed to the project's activities.

<b>Internal Project Indicators</b>	
<b>CRECER Indicator</b>	<b>STATUS</b>
% of delinquent accounts over one year that have been purged.	8.68% of delinquent accounts over one year have been purged and 46.25% of the purged funds have been recovered.
Increase in reserves to cover delinquent accounts - from December 1995 through March 31, 2000.	Since CRECER began to work with the credit unions, eleven credit unions have provisioned 100% for their delinquent loans over 12 months; regarding write-offs, six are at 35% compliance and eight complied 100% with writing off delinquent loans over 12 months
Decrease of dependence on external loans - from December 1995 through March 2000.	Participating credit unions have lowered their dependence on external loans by 27.71% from \$3.085 million in 1995 to \$ 2.230 million as of March 31, 2000 (a decrease of \$855,000).
Recovery of bad debt write offs.	Of the total of \$2,581,571 of bad debt that was written off, \$1,194,056 or 46.25% has been recovered, as of March 2000.
Amount and number of loans made through March 2000	\$13.89 million dollars in 13,276 loans to men \$15.85 million dollars in 15,163 loans to women \$29.74 million dollars through a total of 28,439 loans.
Creation of a reserve fund for savings at the normal prudent levels as stipulated by the regulatory authorities.	All credit unions have an agreement with FEDECACES to comply with this reserve requirement.

### **C. SECTORIAL POLICY SUPPORT**

The Rural Development Committee (RDC) is working in two areas of interest with the Ministry of Agriculture: rural financial services and trade policy. The CRECER's Sectoral Policy team is preparing a report on rural finance, along with other RDC members. A preliminary version of this report is available, and a validation process has begun prior to presenting the final proposal to the Minister of Agriculture. To date, oral presentations have been made to the RDC members, and to the financial sector (BMI, FUNDAMICRO, CONAMYPE, and CENTROMYPE).

Regarding trade policy, the Policy team has been working on preparing several reports with sectoral significance. Specifically,

- CRECER organized a seminar to validate the draft report on seasonal indexes for vegetables. This information obtained from the working session is being incorporated into the report.
- The draft report outlining an agricultural policy matrix (MAP) is nearly finished, and will be handed out to the Ministry of Agriculture next quarter.
- A preliminary version of the report about the multiplier effect of employment generated by the agricultural sector is also available. This report updates last year's version which revalued the contribution of the agricultural sector to the Salvadoran economy. The report was prepared with input from the BCR input-output matrix.
- Manuals on cultivating organic coffee and organic cashews were finalized and distributed at seminars in the central, west and eastern regions.

In addition to these reports, the CRECER team developed terms of reference (TORs) for two consultancies: 1) the establishment of a private firm to efficiently use the Banco de Fomento Agropecuario (BFA) storage facilities; and (2) agricultural marketing study. The TORs have been vetted with various stakeholders (CRECER, BOLPROES, MAG, and IICA).

Progress towards contractual outputs is summarized in section C1 below. Section C2 shows the contributions of CRECER's policy component to USAID/El Salvador's result No. 5 via its intermediate and base results. A summary of the component's most important activities undertaken during the reporting period is provided in section D.

**C1. Progress towards end of project outputs**

CRECER End of Project Outputs (Contract)	Progress
<p>Sectoral policy environment in agriculture and rural industry that is conducive to increased investment, leading to employment and income gains for a minimum of 153,000 rural households.</p>	<p>The sectoral policies continue improving and gaining more transparency and stability since reforms are taking place based on technical analysis rather than pressures from interested groups. The idea of reaching an uniform import tariff was presented to officials from MAG and the Ministry of Economy and it is currently being discussed at the Central American Ministries of Economy Committee (COMIECO). The Salvadoran proposal presented at the end of 1999, focuses a harmonized foreign trade tax, based on an uniform import tariff for Central American countries in order to protect agricultural products, and their sub-sectors. At present, there has not been reaction from the rest of Central American countries. The agricultural policy is being written by the Ministry of Agriculture with the help of various organizations. Trade policy will be part of the macroeconomic section of such document. Trade policy will state that El Salvador will be leading the efforts to harmonize a foreign trade tax for agricultural products.</p>
<p>A policy dialogue decision making process is established that encourages broad discussion of policy issues of importance to the rural poor. Local, regional and national discussions are held, whereby representatives of the public and private sectors meet and debate issues in an open and participatory manner.</p>	<p>The Rural Development Committee (CDR), of which CRECER is a member continues as the leading organization in rural development and poverty reduction. At the same time, OAPA continues increasing its credibility as an analytical unit within MAG. OAPA economists collaborated to produce two reports to be published by the CDR, i.e., rural financial services, and poverty reduction strategy fora results.</p>
<p>Rural poverty reduction strategy developed.</p>	<p>An awareness of the rural poverty situation among government officials and key economic agents has improved through dialogue with diverse sectors of the economy. The elected President and his team of advisors and government officials continue openly expressing that combating poverty and promoting rural development is a priority action for the present administration.</p>

CRECER End of Project Outputs (Contract)	Progress
Ministry of Agriculture skilled at maintaining stable sectoral policy, regulatory, and legal framework.	OAPA continues to be the policy analysis and policy advocacy unit within MAG. OAPA changed its name at the end of 1999 to Strategic Direction Office ( <i>Oficina de Dirección Estratégica</i> , ODE), with the mission of advising high level officers (Minister and Viceminister) and to guide all MAG's offices in the formulation, implementation, and monitoring of all agricultural development strategies. Through OAPA/ODE, CRECER has had the opportunity to improve the analytical and technical capacity of personnel of other key offices within MAG such as the DGEA, and DGSVA. The work developed on the agricultural policy matrix has been one way in which CRECER has improved the analytical skills of the personnel.

**C2. Progress on USAID/El Salvador's Results Package Indicators**

Measurement and attribution problems characterize many of CRECER's policy-related indicators, particularly those related to reduction of rural poverty and modernization of the State. For this reason, some indicators are qualitative rather than quantitative indicators. While CRECER's policy component has had a substantial influence on the policy environment, the progress achieved within these two intermediate results should not be completely attributed to CRECER's efforts.

The Rural Development Committee has led the formulation of the rural poverty reduction strategy and will be guiding efforts to insure its adoption and implementation by the government, based upon the proposals on rural finance services and commercial policy, along with fora results and comments made by experts/consultants hired by CRECER/USAID. CDR members have been invited to participate in nationally broadcast TV interviews to discuss various issues dealing with poverty reduction. This has helped to establish the CDR as a credible source on the issue of poverty alleviation. CDR members include representatives from MAG, CAMAGRO, FUNDE, and FUSADES, among others.

In addition to those two outputs, the CDR members are working on three additional tasks: (1) designing a matrix of priority policy measures which will be used to formulate CDR's policy recommendations; (2) publishing the results generated at the poverty reduction workshop; and (3) hosting seminars to solicit opinions from experts on such strategy. All these five results will be published in one single document with CRECER's support.

Section I: Results Achieved during First Quarter, 2000

<b>Intermediate Result:</b> GOES adopts and Implements Rural Poverty Strategy	
USAID Indicator	CRECER's Contribution to Result
Rural Poverty Strategy Adopted and Implemented.	The strategy document has been widely distributed. Intense dialogue and debate on the proposal with representatives of different sectors of the economy has taken place in efforts to have the plan adopted by government officials and the team of professionals assisting the newly elected President. The latest RDC work has concentrated on rural finance services and commercial policy, issues on which the Ministry of Agriculture has expressed a particular interest. As stated above progress on these issues has been made, and results publication/dissemination is expected for the following quarter.

<b>Intermediate Result:</b> Modernization of the State Leading to Economic Growth and Better Rural Services	
USAID Indicator	CRECER's Contribution to Result
Modernization of the State Index - Percentage of reforms achieved.	Twenty four technicians were trained in applied methodology of the Agricultural Policy Analysis Matrix (MAP). The policy team acted as technical coordinator for this activity, funded by CRECER/USAID. Teamwork was used to carry out competitiveness and profitability analysis for 14 agricultural commodities. Data quality control and a final report are ongoing activities. The final report is expected to be released by early 2000. This report is well advanced, and its final version is being prepared by the Policy team, with the participation of two ODE/MAG economists.

**C3. CRECER Indicators**

The next tables show some indicators developed by CRECER to measure the progress towards the project's expected results. As before, not all the merits of this progress should be attributed to the project's activities.

<b>Internal Project Indicators</b>	
<b>CRECER Indicator</b>	<b>STATUS</b>
Average import tariff rate for agricultural products and inputs (average rate will be maintained below 20%).	A weighted average tariff for 1996 showed a figure close to 15% while that figure for 1997 was approximately 13%. A rapid estimation of the average rate for 1998 shows a figure close to 12%. However, this rate was fixed to 15% in 1999. Despite this higher rate compared to 1997 and 1998, the behavior of the average import tariff for the sector reveals a trend towards a more open and liberalized trade. Data from the first quarter of year 2000 show that the 15% rate remains the same with few exceptions: rice, some dairy products (cheese mainly), and some fibers (fibras burdas). Further, the trade policy for the agricultural sector will be announced by government on April 27, 2000, prior to the agricultural policy disclosure.
Institutional strengthening and analytical capacity developed in entities such as CENTA, OAPA, ENA, DGEA, DGRNR, DGSVA, and CENDEPESCA.	Twenty four technicians were trained in applied quantitative analysis, using the agricultural policy analysis matrix (MAP) methodology. Most technicians contributed to the discussions to validate data collection and processing, by the CRECER team producers and traders representatives.

#### **C4. Problems encountered**

Some of the activities planned to be completed during this quarter have had to be reprogrammed for the next quarter, and others were suspended. Reprogrammed activities include: a cost-benefit analysis of trade negotiations and regional economic integration, including a forum to disseminate the findings; and a study to diagnose the agricultural sector performance. The former activity was replaced by the terms of reference to study the use of the BFA storage facilities. As noted above, the government (MAG and Ministry of Economy) has shown interest in this study. The latter is being incorporated into a more complete study of agricultural marketing. Activities which have been suspended include CRECER's participation in the design of the agricultural census; we have not received any feedback from the government and have accordingly suspended this activity. Finally, courses in agribusiness and managerial economics have been canceled due to lack of funding.

**SECTION II**

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**PROJECT HIGHLIGHTS/NOTABLE ACTIVITIES  
DURING FIRST QUARTER, 2000**

**SECTION II**  
**PROJECT HIGHLIGHTS/NOTABLE ACTIVITIES DURING FOURTH QUARTER, 1999**

While we did not list project activities in section A, B, or C above in order to better reflect the results of the project, it is important to give an impression of the direction and scope of the CRECER project. We have listed the most relevant and important activities and anecdotal achievements by component below.

**A. Rural Enterprises Component**

During this quarter CRECER continued its support for a consultancy to compile information and produce scientific and technical manuals about the fundamental production, processing and marketing aspects of organic coffee and organic cashews. This activity was undertaken in coordination with the Swiss Cooperation Center (SCC) and UCAPROBEX.

The chart below shows activities related to specific secondary level organizations (Service and Agroindustrial) participating in the Rural Enterprises component.

Secondary Organization	No. Beneficiaries	Sustainability	Key activities
<b>Agricultural Organizations</b>			
1. <i>Sistema Económico Social (SES)</i> Affiliated primary: <i>Santa María</i> <i>El Coyol,</i> <i>La Sabana</i>	1,610	0.29	Assistance given in the development and establishment of the marketing business called "El Directo." Other assistance continues in accounting, finance and business management.
2. <i>Productores y Exportadores de Usulután (UPREX/COMUS)</i> Affiliated primary: <i>La Piedad</i> <i>El Rescate</i> <i>Río Roldán</i>	1,931	n/a	Assistance was given to the newly formed business UPREX in the areas of accounting, administration, marketing and legal aspects as well as contracting staff.  Certification of organic products was assisted.
3. <i>Cooperative Society for Cashew Products (SCPM)</i> Affiliated primary: <i>La Marañonera</i> <i>Maquigua</i> <i>Chilanguera</i>	460	n/a	As reported earlier the participatory agreement with the Society was canceled.

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Secondary Organization	No. Beneficiaries	Sustainability	Key activities
4. United Communities for the Development of <i>Usulután</i> (CODEUSMI) Affiliated primary: <i>El Boquerón,</i> <i>Montecristo,</i> <i>Nuevo Amanecer</i>	417	n/a	Assistance was discontinued to this association because of the serious financial problems that continue to confront this organization. The agreement with the organization will be cancelled in April 2000.
5. Cooperative Society of Producers from <i>Usulután</i> (SOCOPU) Affiliated primary: <i>El Tercio</i> <i>Chaguantique</i> <i>Ozatlán</i>	785	0.33	As a result of the impasse in the transfer of infrastructure, the organization decided to close its operations transfer its installations to the MAG. Accordingly, CRECER will cancel the agreement beginning in April 2000.
6. Cooperative Society <i>Las Marias</i>	51	1.04	Advice in management of credit and accounting systems through formal courses in computerized information data bases continued.
7. Cooperative Association of the Agrarian Reform <i>El Nilo</i>	45	1.00	The Annual work plan for 2000 was finished.
8. Sesame Processor and Exporter ( <i>PREXA</i> )	0	n/a	The agreement was cancelled this quarter.
9. Asociación Cooperativa de la Reforma Agraria La Marañonera <b>CORALAMA.</b>	154	0.91	Assistance provided for the accounting system and follow up on calculating administrative and agricultural production costs. A Business Management committee was formed and is receiving technical assistance from CRECER.
10. <i>El Castaño</i> , Cooperative Association of Production and Multiple Services	88	0.88	Based on the Ketchup survey a recommendation was made to change the present formula, but this and other recommendations were not adopted by the cooperative. Accordingly the agreement will be canceled in April 2000.
11. Association of Agricultural Producers ( <i>APROAGRO</i> )	14	n/a	No new activities were undertaken this quarter and as such the agreement to provide assistance was cancelled.

Section II: Project Highlights/Notable Activities During First Quarter, 2000

Secondary Organization	No. Beneficiaries	Sustainability	Key activities
12. El Refugio coffee mill/UCRAPROBEX	272	n/a	Assistance to the accounting system and cost follow up for agricultural production and administration was given.
13. Cooperative Association of Honey Producers from Suchitlán	19	n/a	CRECER, CORDES and CENTA continue to coordinate the work of Ing. Salomón Handal, the CENTA technician. Follow up was provided to the workshop on producing basic materials for beekeeping.
14. Crude Sugar Cooperative Association (ACOPADES)	27	(0.62)	The national marketing effort continues both through distributors and end users; a small store was set up in San Vicente.
15. Association of Communal Development (ADECPRO)	170	1.03	A study to strengthen the credit service capability was presented to <i>Ayuda en Acción</i> - a supporting organization. \$35,000 was requested and approved. It will be disbursed in three tranches.
16. Association for Integration and Development (ASID)	411	(1.34)	CRECER continues to support ASID in becoming a force in the region.
17. Association of Producers of the West - CRECER (AGROCRECER)	642	0.90	AGROCRECER presented a proposal to the Technical Assistance and Project Analysis Unit in the MAG for a donation of working capital in the amount of colones 220,000.
18. Association of Agricultural Producers in Ahuachapán (APA)	907	n/a	On March 28, 2000 this association was legally formed. Support to the association was provided through CRECER and CENTA.
19. Association of Agricultural Producers in Santa Ana (AGROSAN)	698	n/a	On March 28, 2000 this association was legally formed. Support to the association was provided through CRECER and CENTA.
20. Western Regional Organization	2,828 The sum of the three above mentioned organizations	n/a	The organization is working to consolidate its activities in a <i>sociedad mercantil</i> at the regional level, which will be formed by no fewer than five organizations.

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Secondary Organization	No. Beneficiaries	Sustainability	Key activities
21. <i>Organización Regional Paracentral</i> , Paracentral Regional Organization.	120	n/a	A plan was developed to visit the different CENTA agencies in order to develop a regional organization similar to that in Santa Ana.
22. <i>Confederación Salvadoreña de Cooperativas</i> CONSALCOOP.	1,240	NA	CRECER, in close coordination with DAA/MAG, is developing an activity that would formally establish the social/legal status of each affiliated cooperative member. DAA will deliver formal credentials to affiliated cooperatives in January 2000. CRECER is providing support to revise and restructure administrative activities and has provided a consultant for this purpose.
23. <i>Confederación Nacional de Cooperativas Agropecuarias</i> - CONFENACOA.	1,562		
<b>Non-Agricultural Organizations</b>			
1. <i>Asociación Cooperativa de Artesanos - CRECER (ACEC)</i> , Cooperative Society of Artisans - CRECER.	30 members, plus 155 families that work with them (83 men; 63 women).		Artisanry workshops for clay and wood were opened with funds from BCIE; a formal General Assembly for the cooperative was established; and in coordination with CENTROMYPE the cooperative is looking for new regional and international markets.
2. <i>Asociación Cooperativa Empresarios CRECER (CRECER de R.L.)</i> , Cooperative Association of CRECER Entrepreneurs.	12 members and 36 families that work with them (32 men; 4 women)		No assistance was given this quarter.
3. <i>Empresarios Asociados de Tiendas en San Carlos Lempa</i> , Associated Small Store owners in San Carlos Lempa.	24 members	NA	A formal showroom was set up; statutes for the cooperative were elaborated; and clientele was expanded.
4. <i>Jóvenes Empresarios Asociados en Ilobasco, Grupo Moje</i> , Associated Young Entrepreneurs from Ilobasco.	10 (7 men; 3 women)	NA	Assistance delivered to improve designs for new markets.

Section II: Project Highlights/Notable Activities During First Quarter, 2000

Secondary Organization	No. Beneficiaries	Sustainability	Key activities
5. Tienda ARTE CRECER, ARTE CRECER Store. Ilobasco, Izalco y Nahuizalco.			Sale and promotion of products through the cooperative's own workshop continued; 1200 products were made for FEDECACES.
6. Hammock Cooperative of Concepción Quetzaltepeque.	15 (12 men; 3 women)		CRECER no longer provides assistance to this group.

In all primary level organizations, follow up assistance has been given in production plans through advice in accounting, marketing and training.

Primary Organization	No. Beneficiaries	Sustainability	Key activities
1. Santa Marta/SES	126	NA	
2. El Coyol/SES	98	NA	
3. La Sabana/SES	75	NA	
4. La Piedad/COMUS	62	NA	
5. El Rescate/COMUS	18	NA	
6. Río Roldán/COMUS	45	NA	
7 Maquigua/SCPM	131	NA	
8 Chilanguera/SCPM	86	NA	
9. El Boquerón, CODEUSMI.	134	1.00	
10 Montecristo, CODEUSMI	32	2.61	
11 Candelaria Nuevo Amanecer, CODEUSMI	47	NA	
12. El Tercio, SOCOPU	165	3.73	
13. Chaguantique, SOCOPU	136	4.6	
14. ACAPAOZ, SOCOPU	26	NA	

In all of the first-story institutions CRECER has provided follow-up assistance in accounting and profit analysis.

### **B. Rural Financial Enterprises Component**

- Accompanied by David Richardson of WOCCU the team made visits to the credit unions to verify compliance with the financial principles instituted by the project. In addition the team worked with the managers and staff of the credit unions to ensure a transfer of technology of the methodologies and ideas advocated to improve the credit unions.
- Work was completed on PERLAS 2000, a window based version of the PERLAS system that incorporates annual business plans and tracking. The system will be installed in participating CUs in the next quarter.
- The Physical Image Enhancement Fund Committee met to analyze the last applications for funds.
- The NET marketing classes, described last quarter, finished and the team worked with members of FEDECACES to ensure that the federation can continue to give the courses.
- Work continued to collect information for an educational compact disk on "The Model Member" and "Good Use of Credit." These disks will be distributed to the credit unions in the next quarter.
- Audits of the new MIS systems of some of the credit unions were undertaken to ensure the credit unions' capacity to provide the indicators necessary to report to USAID. As noted earlier, some of the audits detected major problems.

### **C. Sectorial Policy Support**

#### *Contribution to poverty reduction*

- CRECER and other RDC members are writing five papers dealing with rural poverty, as explained above. A final report containing all works will be prepared next quarter by an RDC commission; results will be disseminated during a planned workshop.

#### *Contribution to the modernization of the state*

- Building on Miguel Omaña's work last year, and under the guidance thereafter of Mirta Molina, MAG technicians finished the MAP. As a result, MAG technicians are now trained in the MAP methodology application. The MAP measures competitiveness and profitability for 14 products, and analyzes the policy effects on income, costs, and profit for each production system, region, and technology level utilized. This will help MAG to formulate the rural development strategy, focusing on agribusiness.
- In regards to the sorghum delivery agreement described last quarter, the contractual fixed price was modified to 62.70 per quintal of sorghum. It remained below the market price for

local sorghum and for the imported yellow corn during the harvest period. Unfortunately, producers experienced difficulties in meeting agreed deliveries, mainly because of low production yields (with sorghum roughly half of bulk produced remains at the farm level, so that a decrease in yield leaves a lower amount for commercial purposes.)

- Responding to the initiative of the rice subsector producers and millers, there has not been much advance on this matter. One new development is that an escape clause (salvaguardia) for implementation is being discussed. Producers will need to apply for it at the Ministry of Economy, in order to begin the process at the World Trade Organization. To date, the application has not been filled out by producers due to difficulties faced by them to hire consultants who will write the report required for this purpose.
- Technical support/advise was provided to ODE and the Vice Minister office on issues of institutional interest such as rural credit, seasonal price indexes, and MAP analysis, particularly on data and short articles to be included on MAG's web page. Also the team contributed articles to the agribusiness magazine, published by MAG in La Prensa Gráfica, January 24, 2000.

#### **D. Monitoring and Evaluation**

The Monitoring and Evaluation component of CRECER elaborated one study/survey during this quarter on the permeability of the cashew seed. This study was based on a survey of consumption patterns for the cashew seed. The objective of the survey was to identify the leading brands in the market, motives for consumer preference, consumption and buying patterns and the interest of the sample group in trying other types of cashew-derived products. The purpose of the study was to provide CORALAMA and SES with information which will allow them to be more competitive in the cashew seed market. The sample for the study was formed by two groups: final consumers and businesses that use the seed in production.

In addition the monitoring and evaluation team delivered training to surveyors who are going to participate in the household survey. After the training the team began to collect information for the final baseline survey from the groups associated with the Rural Financial Enterprise component.

**ANNEX A**

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**GENERAL ACTIVITIES**

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**ANNEX A**  
**GENERAL ACTIVITIES**

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**Activities during QI-00**

**Project Management**

- Richard L. Clark, Chief of Party of the project resigned effective March 31, 2000.
- Melissa Gentry, Acting Chief of Party arrived on March 27, 2000.

**Local Personnel changes:**

- No changes to report for this period.

**Short Term Local personnel and services:**

- Jorge Iraheta                      Logistics Coordinator of the "*Diplomado en Gestión Empresarial Cooperativo*" and of the "*Diplomado en Gestión Agroempresarial*".
- Julio César Alfaro              Specialist in Organizational Processes, developed an organizational-administrative re-organization for CONSALCOOP and CONFENACOA.
- Oscar Armando Munguía      Graphic Design Specialist for the design of the organic coffee and cashew manuals for UCRAPROBEX.

**Major equipment procurement:**

- No major equipment purchase during this period.

**Activities Programmed for QII-00**

**Local Personnel changes:**

- No projected changes.

**A. Rural Agricultural Enterprises**

- New enterprises identification:                      None.
- Entrepreneurial diagnosis:                              None.

- Discussed, accepted and signed agreements:           None.
- Strategic plans:    Three
- Operational plans:   Two

**B. Non-Agricultural Rural Enterprises**

**Marketing**

- Technical assistance in new markets search
- One "Día de Logros" will be organized to promote the products made under the ARTECRECER brand.

**Accounting**

- Training to the Ilobasco and MOJE cooperatives' staff to improve their performance and advisory will be given to prepare the TEPAS/BCIE second report.
- Training to the SES cooperative members to strengthen their accounting and financial skills.

**Production**

- Continue with the assistance on products innovation, best quality, product costs and industrial security.

**Organization**

- A team building workshop will be developed during this quarter to improve the organizational environment of the Ilobasco Cooperative members.

**C. Rural Financial Enterprises**

**Credit and Finance**

- Training and installation of the new PERLAS 2000 program in all credit unions assisted by the project and FEDECACES.
- Installation of the new PERLAS 2000 program for FEDECACES and CRECER.
- On-site training in the credit unions by FUNDAMICRO in micro finance best practices.

## **Marketing**

- Implementation of the physical enhancement agreements signed between CRECER and the credit unions which qualified for this benefit.

## **Informatics**

- Seminar-workshops to install the PERLAS 2000 new system in the credit unions assisted by this project.

## **D. Sectorial Policy Support**

### **Studies**

- Impact of trade policy on the economy of small farmers
- Establishment of a private firm to give an efficient use to the Banco de Fomento Agropecuario (BFA) storage facilities.

### **Fora and Seminars**

- Workshop to validate the MAP results with the participation of different producers.
- Workshop to validate the study on the impact of trade policy on the economy of small farmers.
- Workshop to validate CDR financial rural services report.
- Seminar to disseminate the coffee marketing study results.

## **E. Monitoring & Evaluation**

- Baseline survey for NARE, ARE and RFE.
- Baseline report for RFE.

**ANNEX B**

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**CONSULTANTS**

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**ANNEX B  
CONSULTANTS**

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**Local and expatriate consultancies during QI-00**

**A. Project Management**

- Jennifer Anderson from Chemonics to conduct the initial pre-closeout administrative audit and prepare a draft demobilization plan.
- Melissa Gentry from Chemonics to conduct a supervisory trip to work with Rick Clark and the team prior to his departure.

**B. Agricultural Rural Enterprises**

- Gregorio Hernández, Accounting and Internal Controls, local.
- Gustavo García, Informatics, local.
- Edilberto Miranda, Agro Industrial processes and equipment, local.
- Myrian Sorto, Legal Advisor, local.

**A. Non-Agricultural Rural Enterprises**

- German Martínez, Accounting, local.

**B. Rural Financial Enterprises**

- David Richardson, WOCCU home office support.

**C. Sectorial Policy Support**

- No consultancies to report.

**Local and expatriate consultancies projected for QII-00:**

**A. Agricultural Rural Enterprises**

- Local short term consultants contracted during fourth quarter.
- Local consultant to conduct an environmental assessment for Las Marías '93.
- Thomas Rysavy, expatriate, to follow up with regional organizations and evaluate the services given to these regionals by CRECER.
- Mark Gaskell, expatriate, third visit to finish the horticultural production consultancy.

**B. Non-agricultural Rural Enterprises**

- German Martínez, Accounting, local
- Ernest Owens, expatriate, new products design.

**C. Rural Financial Enterprises**

- Home office support from Mr. David Richardson and Mr. Brian Branch.

**D. Sectorial Policy Support**

- Local consultant to evaluate the services given by CRECER to the Ministry of Agriculture.
- Luis José Lizarazo and Erick Bolaños Ledezma, expatriate consultants to conduct a study on the establishment of a private firm to give an efficient use to the *Banco de Fomento Agropecuario* storage facilities.
- Ricardo Frohmader, expatriate, follow up to the San Martin Agromarket feasibility study and support and advisory to Mr. Lizarazo's study for the establishment of a private firm to give an efficient use to the BAF storage facilities.

**ANNEX C**  
**FIELD TRIPS AND VISITS**

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**ANNEX C**  
**FIELD TRIPS AND VISITS**

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**Field Trips during QI-00:**

- Mr. Nick Orton, an organic products merchant from Canada, visited the CORALAMA and SES facilities to contact the cashew producers to begin business relationships.

**No field trips projected for next quarter.**

**ANNEX D**  
**TRAINING EVENTS**

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**ANNEX D  
TRAINING EVENTS**

**Training events during QI-00:**

**A. Training Participants and Events**

	No. of Events	Men	Women	Total
Accumulated to QIV-99	600	13087	4528	17615
QI-00	59	1425	231	1656
<b>Total</b>	<b>659</b>	<b>14512</b>	<b>4759</b>	<b>19271</b>
Projected QII-00	47	1438	359	1797

#	EVENT	PLACE	DATE	M	F	TOTAL
1	Analysis of the partners participation in the plant transference and reactivation process	SOCOPI, Usulután	05-Jan-00	23	2	25
2	Quality and Hygiene in the production of "Dulce de panela" - ACOPADES	San Vicente	11-Jan-00	17	1	18
3	Cooperativism - ACEC	Ilobasco	14-Jan-00	6	7	13
4	Market research for basic grains in the eastern area of the country	Santa Rosa de Lima	25-Jan-00	2	0	2
5	Observational trip on organic cashew crops, SES	Isla Montecristo	26-Jan-00	8	3	11
6	Presentation of the results of the meeting held at MAG - SOCOPI	Usulután	27-Jan-00	10	2	12
7	Observational trip to El Nilo Cooperative	Zacatecoluca	28-Jan-00	26	1	27
8	Regional organization strategic plan preparation	Lempa Acahuapa	01-Feb-00	12	2	14
9	Administrative and Accounting aspects - ACOPADES	Apastepeque	01-Feb-00	17	1	18
10	Accounting records - ACOSCAL	San Carlos Lempa	03-Feb-00	15	5	20
11	Associativity: CENTA-CRECECER model. Western region	Apaneca	04-Feb-00	18	0	18
12	Cereals agromarket CENTA-CRECECER	Chalchuapa	07-Feb-00	9	3	12
13	Political Commission meeting - C.F. PRINCIPAL	Santa Ana	07-Feb-00	12	11	23
14	Production management - ACEC	Ilobasco	09-Feb-00	17	8	25
15	Vegetables marketing with La Tiendona wholesalers	La Tiendona	11-Feb-00	45	15	60
16	Legal aspects of agricultural and livestock associations - CENTA	Ahuachapán	15-Feb-00	35	0	35
17	Members rights and obligations - ACOPADES	San Vicente	15-Feb-00	22	0	22
18	Political Commission meeting - C.F. UNION	La Unión	17-Feb-00	13	4	17
19	Observational trip to ADECPRO and AGROCRECER - El Cerrito producers	Sonsonate	18-Feb-00	8	1	9
20	Presentation of the Organizational and Functions Manual - AGROCRECER	Sonsonate	18-Feb-00	46	1	47
21	Evaluation of the associativity process - CENTA	Apaneca	18-Feb-00	19	0	19
22	Political Commission meeting - C.F. SIHUATEHUACAN	Santa Ana	21-Feb-00	12	5	17
23	Political Commission meeting - C.F. SOLIDEZ TOTAL	Santa Tecla	21-Feb-00	12	5	17
24	Statutes establishment and interpretation - CENTA	Chalchuapa	23-Feb-00	27	3	30
25	Review, updating and adapting of the CORALAMA strategic plan - 1st. Phase	San Miguel	23-Feb-00	13	1	14
26	Political Commission meeting - C.F. NUEVO SIGLO	Chalatenango	24-Feb-00	13	2	15
27	General aspects in projects formulation - SES	San Carlos Lempa	24-Feb-00	9	4	13
28	Associativity: CENTA-CRECECER model. Paracentral region	Guacotecti	28-Feb-00	40	5	45
29	Basic grains prices performance - CENTA Guaymango		29-Feb-00	33	2	35

#	EVENT	PLACE	DATE	M	F	TOTAL
30	Marketing and market prices system - ACOPADES	San Vicente	29-Feb-00	18	0	18
31	First observational trip to AGROCRECER - CENTA San Vicente	Sonsonate	01-Mar-00	12	1	13
32	Strategic Plan presentation CENTA-Western region	Sonsonate	02-Mar-00	77	7	84
33	Results presentations to the General Assembly of AGROCRECER	Sonsonate	03-Mar-00	92	5	97
34	Statutes establishment and interpretation - CENTA	Ahuachapán	07-Mar-00	35	2	37
35	Second observational trip to AGROCRECER - CENTA La Paz	Sonsonate	08-Mar-00	26	1	27
36	Market Study in projects formulation - SES	San Carlos Lempa	09-Mar-00	8	7	15
37	Strategic Plan presentation CENTA-Lempa Acahuapa	Lempa Acahuapa	14-Mar-00	29	6	35
38	Review, updating and adapting of the CORALAMA strategic plan - Ind. Phase	San Miguel	15-Mar-00	9	5	14
39	Legal aspects workshop - CODEUSMI	Usulután	15-Mar-00	11	3	14
40	Third observational trip to AGROCRECER - CENTA Usulután	Sonsonate	15-Mar-00	25	4	29
41	Technical Study in projects formulation - SES	San Carlos Lempa	16-Mar-00	7	6	13
42	Organizational manual, operational level - El Castaño	Sonsonate	16-Mar-00	9	26	35
43	Statutes review and establishment for coops. affiliated to CONSALCOOP-CONFENACOA	San Miguel	23-Mar-00	19	3	22
44	Statutes review and establishment for coops. affiliated to CONSALCOOP-CONFENACOA	Jocoro	23-Mar-00	12	2	14
45	Technical Study in projects formulation - SES	San Carlos Lempa	23-Mar-00	8	4	12
46	Operative planning - El Nilo 1	Zacatecoluca	24-Mar-00	15	0	15
47	Statutes establishment and interpretation - AGROCRECER	Sonsonate	24-Mar-00	45	3	48
48	Validation of the fruits and vegetables price results - CENTA and producers	San Salvador	28-Mar-00	34	9	43
49	General Assembly - ACEC	Hobasco	28-Mar-00	18	14	32
50	Statutes review and establishment for coops. affiliated to CONSALCOOP-CONFENACOA	San Salvador	29-Mar-00	13	2	15
51	Presentation of organic coffee and cashew manuals	San Salvador	29-Mar-00	100	11	111
52	Alternative programs in projects formulation - SES	San Carlos Lempa	30-Mar-00	9	3	12
53	Presentation of organic coffee and cashew manuals	Apaneca	30-Mar-00	33	3	36
54	Fourth observational trip to AGROCRECER - CENTA Paracentral	Sonsonate	30-Mar-00	20	2	22
55	Technical and economical proposal for purchasing and sales of agricultural and livestock inputs	Izalco	31-Mar-00	15	0	15
56	Statutes analysis and approval - CONSALCOOP-CONFENACOA. Phase 1	San Salvador	31-Mar-00	120	0	120
57	Promotion of AGRIBUSINESS, Inputs and seedlings sales - CENTA	San Vicente	31-Mar-00	20	2	22
58	Statutes review and establishment for coops. affiliated to CONSALCOOP-CONFENACOA	Lourdes, Colón	31-Mar-00	13	4	17
59	Presentation of organic coffee and cashew manuals	San Miguel	31-Mar-00	34	2	36
	Totals			1425	231	1656

## B. Projected training events for QII-00

EVENT	ESTIMATED DATE	PARTICIPANTS
Business Process - CENTA Paracentral region	April	110
Productivity improvement - SES	April	15
Marketing Plan practical workshop - SOLIDEZ TOTAL	April	18
How to prepare a marketing plan - SOLIDEZ TOTAL	April	18
How to prepare a marketing plan - SOLIDEZ TOTAL	April	18
Operational Plan integration - 2nd. phase - El Nilo	April	12
Repoussage technics - MOJE	April	15
Inventory controls - MOJE	April	15
Business Management - ACOSCAL	April	18

EVENT	ESTIMATED DATE	PARTICIPANTS
Team building - ACEC	April	20
Repoussage technics - Ilobasco	April	20
Honey producers meeting	April	40
PERLAS system - DINAMICA (3 sessions)	April	15
Structural frame and financial disciplines - DINAMICA	April	15
Local groups Paracentral region (3 sessions)	April	60
Operational Plan preparation - CORALAMA	April	15
Reforms to the law on enterprises capital - LAS MARIAS	April	100
Associativity workshop - CENTA Guacotecti	April	60
Credit Technology Course	April - May	30
Forum to validate the government agrarian policy	May	90
Marketing - ACOSCAL	May	18
Administration of the production/products costing/quality control/team building - MOJE	May	15
How to prepare a marketing plan - DINAMICA	May	15
Basic knowledge on information systems - DINAMICA	May	15
Structural frame and financial disciplines - SOLIDEZ TOTAL	May	18
How to prepare a marketing plan - DINAMICA	May	15
Workshop to validate CDR's financial rural services report -	May	100
Validation of the MAP results.	May	100
Strategy - DINAMICA	May	15
Production finishes - Ilobasco	May	20
Accounting - Ilobasco	May	20
Industrial safety - MOJE	May	15
Commercialization plan - Ilobasco	May	20
Basic knowledge on information systems - SOLIDEZ TOTAL	May	18
PERLAS system - SOLIDEZ TOTAL (3 sessions)	May	18
Industrial safety - Ilobasco coop.	May	20
Installation of PERLAS new system in 11 credit unions	May-June	33
Statutes review - CONSALCOOP/CONFENACOA	May-June	300
Accounting - Ilobasco	June	20
Production - Ilobasco	June	20
Accounting - MOJE	June	15
Presentation of the results of the forum on agrarian policy	June	130
Marketing - MOJE	June	15
Workshop to validate the study on the impact of trade policy on the economy of small farmers	June	100
Seminar to disseminate the coffee marketing study results.	June	100
Accounting - ACOSCAL	June	18
		1797

**ANNEX E**  
**INDICATORS**

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**ANNEX E  
INDICATORS**

**Agricultural Rural Enterprises**

Indicators for Agricultural Rural Enterprises (ERA) Part I. March/2000

	DESCRIPTION	UNIT	LIFE-OF-PROJECT OUTPUTS	IN Q-I	TOTAL THRU I	%
1	<b>Beneficiaries</b>	<b>Persons</b>	<b>10,000</b>	<b>1,693</b>	<b>13,283</b>	<b>133</b>
1.1	<b>Direct</b>				<b>5,905</b>	
1.1.1	Sistema Económico Social, SES	Men			156	
	Women				143	
1.2	Comunidades Unidas de Usulután, COMUS/UPREX	Men			90	
	Women				35	
1.3	Sociedad Cooperativa Productos de Marañón, SCPM	Men			168	
	Women				49	
1.4	Comunidades Unidas para el Desarrollo de Usulután, CODEUSMI	Men			145	
	Women				68	
1.1.5	Sociedad Cooperativas de Productores de Usulután (SOCOPU)	Men			216	
	Women				111	
1.1.6	Sociedad Cooperativa Las Marías	Men			33	
	Women				18	
1.1.7	Asociación Cooperativa de la Reforma Agraria El Nilo	Men			42	
	Women				3	
1.1.8	Procesadora y Exportadora de Ajonjolí. PREXA	Men			0	
	Women				0	
1.9	Asoc. Coop. de la Reforma Agraria La Marañonera	Men			100	
	Women				54	
1.1.10	Asociación Cooperativa de Producción y Servicios Múltiples, El Castaño	Men			22	
	Women				66	
1.11	Asociación de Productores Agropecuarios, APROAGRO	Men			12	
	Women				2	
1.12	Beneficio El Refugio / UCRAPROBEX	Men			227	
	Women				45	
1.1.13	Asoc. Coop. de Apicultores del Bosque de Suchitlán	Men			18	
	Women				1	
1.14	Asociación Cooperativa de Producción Artesanal de Panela ,ACOPADES	Men			27	
	Women				0	
1.15	Asociación Salvadoreña para la Integración y el Desarrollo. ASID	Men			334	
	Women				77	

No.	DESCRIPTION	UNIT	LIFE-OF-PROJECT OUTPUTS	IN Q-I	TOTAL THRU I	%
1.1.16	Asociación de Desarrollo Comunal El Progreso, ADECPRO	Men			140	
		Women			30	
1.1.17	Asociación de Productores, CRECER (West/Sonsonate)	Men		42	597	
		Women		12	45	
1.1.18	Asociación de Productores de Ahuachapán, (West/Ahuachapán)	Men		817	817	
		Women		90	90	
1.1.19	Asociación de Productores de Santanecos, (West/Santa Ana)	Men		630	630	
		Women		68	68	
1.1.20	Asociación de Productores, Lempa-Acahuapa (Paracental/San Vicente)	Men		105	105	
		Women		15	15	
1.1.21	Confederación Salvadoreña de Cooperativas, CONSALCOOP	Men			424	
		Women			160	
1.1.22	Confederación Nacional de Cooperativas Agropecuarias, CONFENACOA	Men			297	
		Women			225	
	Sub-total	Men		1594	4,600	
	Sub-total	Women		185	1,305	
<b>1.2</b>	<b>Direct through second level organizations</b>				<b>5,718</b>	
1.2.1	Sistema Económico Social, SES	Men			704	
		Women			607	
1.2.2	Comunidades Unidas de Usulután, COMUS/UPREX	Men			896	
		Women			910	
1.2.3	Sociedad Cooperativa Productos de Maraón, SCPM	Men			212	
		Women			31	
1.2.4	Comunidades Unidas para el Desarrollo de Usulután, CODEUSM	Men			134	
		Women			70	
1.2.5	Sociedad Cooperativas de Productores de Usulután SOCOPU	Men			396	
		Women			62	
1.2.6	Confederación Salvadoreña de Cooperativas, CONSALCOOP	Men		(18)	510	
		Women		(9)	146	
1.2.7	Confederación Nacional de Cooperativas Agropecuarias, CONFENACOA	Men		(39)	667	
		Women		(20)	373	
	Sub-total	Men		(57)	3,519	
	Sub-total	Women		(29)	2,199	
<b>1.3</b>	<b>Direct not affiliated through second level organizations</b>				<b>1,660</b>	
1.3.1	Men			0	1,049	
1.3.2	Women			0	611	
	Sub-total	Men		0	1,049	
	Sub-total	Women		0	611	

Indicators for Agricultural Rural Enterprises (ERA) Part II. March/2000

No.	DESCRIPTION	UNIT	LIFE-OF-PROJECT OUTPUTS	IN Q-I	TOTAL THRU I	%
<b>2</b>	<b>ORGANIZATIONS</b>	Enterprises	32	4	38	119
2.1	First Level (Production Enterprises)	Enterprises	15	0	14	
2.2	Second Level (Services Enterprises and/or Agro-industries)	Enterprises	15	3	20	
2.2.1	Services	Enterprises	5	3	11	
2.2.2	Agro-industries	Enterprises	10	0	9	
2.3	Third Level (Regional Enterprises)	Enterprises	2	1	4	
2.3.1	Western Regional	Enterprises	1	0	1	
2.3.2	Para-central Regional	Enterprises	1	1	1	
2.3.3	Others	Enterprises	0	0	2	
<b>3</b>	<b>SUSTAINABILITY</b>					
3.1	First Level (Production Enterprises)					
3.1.1	Asociación Comunal Santa Marta (SES)	+ 1		n/r		
3.1.2	Asociación Comunal El Coyol (SES)	+ 1		n/r		
3.1.3	Asociación Comunal La Sabana (SES)	+ 1		n/r		
3.1.4	Asoc. Coop. de Producción Agropecuaria La Piedad (COMUS)	+ 1		n/r		
3.1.5	Asoc. Coop. de Producción Agropecuaria El Rescate (COMUS)	+ 1		1.35		
3.1.6	Asoc. Coop. de Producción Agropecuaria Rio Roldán (COMUS)	+ 1		1.97		
3.1.7	Asoc. Coop. de la Reforma Agraria Maquigua(SCPM)	+ 1		n/r		
3.1.8	Asoc. Coop. de la Reforma Agraria Chilanguera (SCPM)	+ 1		n/r		
3.1.9	Asoc. Coop. de Producción Agropecuaria El Boquerón (CODEUSMI)	+ 1		1.00		
3.1.10	Asoc. Coop. de Producción Agropecuaria Montecristo (CODEUSMI)	+ 1		(0.64)		
3.1.11	Asoc. Coop. de Producción Agropecuaria Candelaria Nvo. Amanecer (CODEUSMI)	+ 1		n/r		
3.1.12	Asoc. Coop. de la Reforma Agraria El Tercio (SOCOPU)	+ 1		0.86		
3.1.13	Asoc. Coop. de la Reforma Agraria Chaguantique (SOCOPU)	+ 1		1.00		
3.1.14	Asoc. de Coop. de Aprovisionamiento y Crédito de Ozatlán, ACAPAOZ (SOCOPU)	+ 1		n/r		
3.2	Second Level (Services Enterprises and Agro-industries)					
3.2.1	Services					
3.2.1.1	Sistema Económico Social, SES	+ 1		0.29		
3.2.1.2	Productores y Exportadores de Usulután, UPREX	+ 1		n/r		
3.2.1.3	Sociedad Cooperativa Productos de Marañón, SCPM	+ 1		n/r		
3.2.1.4	Comunidades para el Desarrollo, CODEUSMI	+ 1		n/r		
3.2.1.5	Sociedad de Cooperativas Productoras de Usulután, SOCOPU	+ 1		0.33		
3.2.2	Agro-industries					
3.2.2.1	Sociedad Cooperativa Las Marías'93	+ 1		1.04		
3.2.2.2	Asociación Cooperativa de la Reforma Agraria El Nilo	+ 1		1.00		
3.2.2.3	Procesadora y Exportadora de Ajonjolí, PREXA	+ 1		n/r		
3.2.2.4	Asoc. Coop. de la Reforma Agraria La Marañonera	+ 1		0.91		
3.2.2.5	Sociedad Cooperativa de Producción y Servicios El Castaño	+ 1		0.88		

No.	DESCRIPTION	UNIT	LIFE-OF-PROJECT OUTPUTS	IN Q-1	TOTAL THRU 1	%
3.2.2.6	Asociación de Productores Agropecuarios, APROAGRO	+ 1		n/r		
3.2.2.7	Beneficio El Refugio/ UCRAPOBEX	+ 1		n/r		
3.2.2.8	Asoc. Coop. de Apicultores del Bosque de Suchitlan	+ 1		n/r		
3.2.2.9	Asoc. Coop. de Producción Artesanal, ACOPADES	+ 1		(0.62)		
3.3	<b>Third Level</b>					
3.3.1	<b>Western Region</b>	+ 1		n/r		
3.3.1.1	Asociación para el Desarrollo Comunal El Progreso, ADECPRO	+ 1		1.03		
3.3.1.2	Asociación Salvadoreña para la Integración y el Desarrollo, ASID	+ 1		(1.34)		
3.3.1.3	Asociación de Productores, CRECER (Sonsonate)	+ 1		0.90		
3.3.2	<b>Paracentral Region</b>	+ 1		n/r		
3.3.2.1	Productores Lempa-Acahuapa	+ 1		0.92		
3.3.3	<b>Others (Will be together to get the efforts of the Regional Organization)</b>					
3.3.3.1	Confederación Salvadoreña de Cooperativas, CONSALCOOP	+ 1		n/r		
3.3.3.2	Confederación Nacional de Cooperativas Agropecuarias, CONFENACOA	+ 1		n/r		
4	<b>MARKETING</b>					
4.1	Marketed product through Second Level Organizations	US \$		19,274	1,175,698	
4.4	Marketed product by Second Level Organizations	US \$		517,869	4,172,225	
5	<b>AREA</b>	<b>Hectareas</b>		<b>0.0</b>	<b>5,369.0</b>	
5.1	Coffee (Organic)	Hectareas			449.0	
5.2	Coffee (Conventional)	Hectareas			1,036.0	
5.3	Cashew (Organic)	Hectareas			1,549.0	
5.4	Cashew (Conventional)	Hectareas			38.0	
5.6	Lemon Grass (Organic)	Hectareas			8.0	
5.7	Sesame Seed (Organic)	Hectareas			157.0	
5.8	Sesame Seed (Conventional)	Hectareas			81.0	
5.9	Basic Grains (Conventional)	Hectareas			2,051.0	

**Empresas No Agrícolas**  
**Indicadores USAID Enero-Febrero-Marzo 2000**

No.	Descripción	Unidad	Resultado	Período anterior	Período reportado	Acumulado	%
<b>1</b>	<b>Beneficiarios</b>	<b>Personas</b>		<b>264</b>	<b>282</b>	<b>282</b>	
<b>1.1</b>	<b>Directos</b>	<b>Personas</b>		<b>82</b>	<b>91</b>	<b>91</b>	
1.1.1	Hombres	Personas		55	67	67	
1.1.2	Mujeres	Personas		27	24	24	
<b>1.2</b>	<b>Relacionados con la empresa</b>	<b>Personas</b>		<b>182</b>	<b>191</b>	<b>191</b>	
1.2.1	Hombres	Personas		115	121	121	
1.2.2	Mujeres	Personas		67	70	70	
<b>2</b>	<b>Empresas ***</b>	<b>Empresas</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>100</b>
2.1	Producción	Empresa		9	9	9	
2.2	Comercialización	Empresa		1	1	1	
<b>3</b>	<b>Mercadeo ( ventas ) *</b>						
<b>3.1</b>	<b>Producción mercadeo por empresa</b>	<b>US \$</b>		<b>63,345.73</b>	<b>427,409.71</b>	<b>427,409.71</b>	
<b>4</b>	<b>Area /Actividad desarrollada</b>	<b>Empresa</b>					
	<b>Area Producción</b>	<b>9</b>					
4.1	Cerámica en barro**	Empresa		22	22	22	
4.2	Confección en ropa	Empresa		1	1	1	
4.3	Pirotecnia	Empresa		1	1	1	
4.4	Artesanías en madera	Empresa		4	4	4	
4.5	Artesanías en tule y mimbre	Empresa		3	3	3	
4.6	Hamacas	Empresa		1	1	1	
4.7	Telares	Empresá		1	1	1	
4.8	Artesanías en cuero	Empresa		1	1	1	
4.9	Carpintería	Empresa		11	11	11	
	<b>Area Servicios</b>	<b>1</b>		<b>1</b>	<b>1</b>	<b>1</b>	
4.10	Tiendas **	Empresa		15	24	24	
	<b>Area Comercialización</b>	<b>3</b>			<b>3</b>	<b>3</b>	
4.11	ARTECRECER *****	Empresa		3	3	3	
	<b>Otras Empresas</b>	<b>1</b>					
4.12	GRUPO MOJE ***	Empresa		1	1	1	

\*solo se incluyen ventas de Ilobasco

\*\* Se considera una sola empresa aunque se tenga varias empresas individuales

\*\*\* Grupo de jóvenes en situación de riesgo ( maras ) quienes reciben asesoría para conformar una sola empresa del grupo

\*\*\*\*\* Empresa Cooperativa empresarios de Ilobasco, Cojutepeque, San Sebastián, Nahuizalco

Empresas Financieras Rurales  
 Reporte de Indicadores de Aid  
 Generados por los Sistemas de las Cooperativas de Ahorro y Crédito  
 Datos al 31 De Marzo del 2000

AHORRANTES **					
Punto de Servicio	hombres	mujeres	Total	% hombres	% mujeres
acacypac ***	538.00	685.00	1,223.00	43.99%	56.01%
acodjar	1,077.00	1,095.00	2,172.00	49.59%	50.41%
acacespsa*	644.00	774.00	1,418.00	45.42%	54.58%
sihuacoop	1,180.00	1,462.00	2,642.00	44.66%	55.34%
acacme Central*	1,153.00	1,329.00	2,482.00	46.45%	53.55%
acacme Ahuachapan *	186.00	175.00	361.00	51.52%	48.48%
acocomet***	969.00	1,050.00	2,019.00	47.99%	52.01%
coopuno-Central	3,954.00	5,160.00	9,114.00	43.38%	56.62%
coopuno-Chalchuapa	2,493.00	3,272.00	5,765.00	43.24%	56.76%
accovi-cojute***	1,017.00	840.00	1,857.00	54.77%	45.23%
accovi-zacate***	2,860.00	3,205.00	6,065.00	47.16%	52.84%
accovi-central***	5,838.00	7,129.00	12,967.00	45.02%	54.98%
acayccomac***	904.00	1,029.00	1,933.00	46.77%	53.23%
acecenta	551.00	481.00	1,032.00	53.39%	46.61%
acopacto	744.00	1,372.00	2,116.00	35.16%	64.84%
acacu	5,421.00	6,719.00	12,140.00	44.65%	55.35%
acacsemersa	2,961.00	3,284.00	6,245.00	47.41%	52.59%
	32,490.00	39,061.00	71,551.00	45.41%	54.59%

\* Cooperativas excluidas del proyecto en Diciembre 1999, presentan datos a Diciembre

\*\* Este cuadro incluye ahorrantes a la vista y a plazo, se han excluido los ahorrantes que tienen los dos tipos de cuentas para evitar duplicidad de los mismos.

\*\*\* Cooperativas con problemas en reportar los indicadores, presentan datos a Diciembre

**PRESTATARIOS**

Puntos de Servicio	hombres	mujeres	Total	% hombres	% mujeres
acypac ***	302.00	376.00	678.00	44.54%	55.46%
acodjar	409.00	455.00	864.00	47.34%	52.66%
acespsa*	334.00	410.00	744.00	44.89%	55.11%
sihuacoop	793.00	962.00	1,755.00	45.19%	54.81%
acme Central*	543.00	451.00	994.00	54.63%	45.37%
acme Ahuachapan *	16.00	10.00	26.00	61.54%	38.46%
acomet***	190.00	200.00	390.00	48.72%	51.28%
copuno-Central	1,670.00	2,270.00	3,940.00	42.39%	57.61%
coopuno-Chalchuapa	951.00	1,193.00	2,144.00	44.36%	55.64%
acovi-cojute***	372.00	272.00	644.00	57.76%	42.24%
acovi-zacate***	979.00	1,122.00	2,101.00	46.60%	53.40%
acovi-central***	1,625.00	1,821.00	3,446.00	47.16%	52.84%
ayccomac***	973.00	1,087.00	2,060.00	47.23%	52.77%
acenta	343.00	251.00	594.00	57.74%	42.26%
copacto	335.00	474.00	809.00	41.41%	58.59%
acacu	1,779.00	1,730.00	3,509.00	50.70%	49.30%
acsemersa	1,662.00	2,079.00	3,741.00	44.43%	55.57%
	13,276.00	15,163.00	28,439.00	46.68%	53.32%

\* Cooperativas excluidas del proyecto en Diciembre 1999, presentan datos a Diciembre

\*\*\* Cooperativas con problemas en reportar los indicadores, presentan datos a Diciembre

50

PRESTAMOS =< 300					
Puntos de Servicio	hombres	mujeres	Total	% hombres	% mujeres
acacypac ***	26.00	114.00	140.00	18.57%	81.43%
acodjar	199.00	327.00	526.00	37.83%	62.17%
acacespsa*	43.00	54.00	97.00	44.33%	55.67%
sihuacoop	55.00	81.00	136.00	40.44%	59.56%
acacme Central*	76.00	79.00	155.00	49.03%	50.97%
acacme Ahuachapan *	7.00	4.00	11.00	63.64%	36.36%
acocomet***	21.00	31.00	52.00	40.38%	59.62%
coopuno-Central	1,601.00	2,529.00	4,130.00	38.77%	61.23%
coopuno-Chalchuapa	1,091.00	1,865.00	2,956.00	36.91%	63.09%
accovi-cojute***	15.00	20.00	35.00	42.86%	57.14%
accovi-zacate***	127.00	126.00	253.00	50.20%	49.80%
accovi-central***	290.00	300.00	590.00	49.15%	50.85%
acayccomac***	42.00	67.00	109.00	38.53%	61.47%
acecenta	10.00	7.00	17.00	58.82%	41.18%
acopacto	8.00	10.00	18.00	44.44%	55.56%
acacu	120.00	99.00	219.00	54.79%	45.21%
acacsemersa	2,348.00	3,747.00	6,095.00	38.52%	61.48%
	6,079.00	9,460.00	15,539.00	39.12%	60.88%

\* Cooperativas excluidas del proyecto en Diciembre 1999, presentan datos a Diciembre

\*\*\* Cooperativas con problemas en reportar los indicadores, presentan datos a Diciembre

PRESTAMOS =< 300

	hombres	mujeres	Total	% hombres	% mujeres
acacypac ***	6,909.00	15,104.00	22,013.00	31.39%	68.61%
podjar	46,336.18	104,325.68	150,661.86	30.76%	69.24%
acacespsa*	42,025.00	58,750.00	100,775.00	41.70%	58.30%
huacoop	61,030.14	76,680.67	137,710.81	44.32%	55.68%
acacme Central*	114,171.00	126,941.00	241,112.00	47.35%	52.65%
acacme Ahuachapan *	8,828.00	5,600.00	14,428.00	61.19%	38.81%
ocomet***	33,508.00	48,213.00	81,721.00	41.00%	59.00%
coopuno-Central	135,418.00	214,924.00	350,342.00	38.65%	61.35%
oopuno-Chalchuapa	121,286.00	179,734.00	301,020.00	40.29%	59.71%
ocovi-cojute***	10,170.00	14,341.00	24,511.00	41.49%	58.51%
ocovi-zacate***	52,391.00	51,459.00	103,850.00	50.45%	49.55%
ocovi-central***	143,245.00	131,926.00	275,171.00	52.06%	47.94%
acayccomac***	7,250.00	6,480.00	13,730.00	52.80%	47.20%
ecenta	18,209.00	13,400.00	31,609.00	57.61%	42.39%
oopacto	12,521.65	18,234.35	30,756.00	40.71%	59.29%
pacu	33,827.36	34,491.57	68,318.93	49.51%	50.49%
acsemersa	188,921.46	351,767.46	540,688.92	34.94%	65.06%
	1,036,046.79	1,452,371.73	2,488,418.52	41.63%	58.37%

Cooperativas excluidas del proyecto en Diciembre 1999, presentan datos a Diciembre

Cooperativas con problemas en reportar los indicadores, presentan datos a Diciembre

**ANNEX F**

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**ORGANIZATIONS ASSISTED BY AND RELATED TO CRECER**

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**ANNEX F**  
**ORGANIZATIONS ASSISTED BY AND RELATED TO CRECER**

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A. Rural Agricultural Enterprises

• Services:

- Sistema Económico Social, SES
- COMUS/UPREX
- Sociedad Cooperativa Productos de Marañón, SCPM
- Comunidades para el Desarrollo de Usulután y San Miguel, CODEUSMI
- Sociedad de Cooperativas Productoras de Usulután, SOCOPU

• Agroindustries:

- Las Marías '93
- Cooperativa El Nilo 1
- Procesadores y Exportadores de Ajonjolí, PREXA
- Cooperativa El Castaño
- Asociación de Productores Agropecuarios, APROAGRO
- Productores de Miel
- El Refugio
- ACOPADES

• Regional Organization:

- Asociación para la Integración y el Desarrollo, ASID
- Asociación de Desarrollo Comunal El Progreso, ADECPRO
- Asociación de Productores de Occidente, CRECER
- Confederación Salvadoreña de Cooperativas, CONSALCOOP
- Confederación Nacional de Cooperativas Agropecuarias, CONFENACOA

A. Non-Agricultural Rural Enterprises

- Cooperativa CRECER de Nahuizalco
- Asociación Cooperativa de Empresarios CRECER, ACEC de Ilobasco
- Grupo MOJE
- Cooperativa de Hamaqueros
- Grupo pre-cooperativo de Tenderos del SES

B. Rural Financial Enterprises

• Credit unions:

- Cooperativa Financiera Progreso, ACACYPAC
  - Cooperativa Financiera Avance, ACACESPA
  - Cooperativa Financiera Nuevo Siglo, ACAYCCOMAC
  - Cooperativa Financiera Principal, ACACSEMERSA
  - Cooperativa Financiera Uno, COOP-UNO
  - Cooperativa Financiera Unidad, ACODJAR
  - Cooperativa Financiera Unión, ACACU
  - Cooperativa Financiera Unica, ACOCOMET
  - Cooperativa financiera Sihuahuacán, SIHUACOOOP
  - Cooperativa Financiera Dinámica, ACCOVI
  - Cooperativa Financiera Favorita, ACOPACTO
  - Cooperativa Financiera El Esfuerzo, ACACME
  - Cooperativa Financiera solidez Total, ACECENTA
- Federación de Cooperativas de Ahorro y Crédito de El Salvador, FEDECACES

C. Sectorial Policy Support

- Ministerio de Agricultura y Ganadería, MAG
- Oficina de Análisis de Políticas Agropecuarias, OAPA
- Departamento de Asociaciones Agropecuarias, DAA/MAG
- Instituto Salvadoreño de Fomento Cooperativo, INSAFOCOOP
- Bolsa de Productos Agropecuarios de El Salvador, BOLPROES
- Cámara Agropecuaria y de la Agroindustria de El Salvador, CAMAGRO
- Centro Nacional de Tecnología Agropecuaria y Forestal, CENTA
- Comité de Desarrollo Rural, CDR