# Purchase for Progress - P4P Honduras



# **QUICK FACTS**

Project start date: February 2009

Number of farmers' organizations (FOs): 22

Number of members: 9,570 (24% women)

Sales to WFP: US\$ 19,358,546 (28,576 mt)

Sales to other markets: An estimated US\$ 9,965,761 (14,711 mt)

Main commodities: Maize and beans

### Main P4P activities

- Direct contracting
- Capacity development
- Smallholder-friendly procurement practices

### Funding

wfp.org

P4P in Honduras has been financed by the Howard G. Buffett Foundation, who contributed to the first and third phases in 2009, and 2012- 2013 respectively. The European Union funded the programme from 2010-2011. All food purchases are financed by donations to WFP's regular operations.

Figures as of March 2014

# WFP World Food Programme

## **P4P in Honduras**

In Honduras, P4P focuses on providing a stable market to smallholder farmers. The implementation strategy focuses on investing in technology and building the technical capacity of farmers' organizations (FOs). Infrastructure is created and rehabilitated through equipment provision and upgrading, and farmers have been linked to financial institutions to acquire credit through the use of revolving funds. Capacity development is carried out in postharvest handling and organizational strengthening. WFP offers P4P-supported farmers in Honduras an assured market by purchasing maize and beans to be distributed through the school meals programme, which is funded primarily by the Government of Honduras and managed by WFP.

### Background

The population of Honduras is among the poorest in Latin America, with nearly 61 percent of the population living below the poverty line. Poverty is most widespread in rural areas, where nearly three out of four people live in poverty. More than 80 percent of farmers own less than 5 hectares each, and smallholder farmers have access to only 15 percent of all agricultural land. Only one third of Honduran land is suitable for agriculture, while the rest is covered by forestland.

## Learning and sharing

P4P has emphasized an honest and transparent examination of what works and does not. After five years of testing various approaches on the ground, the pilot is currently being evaluated. Key lessons are being compiled and will be shared widely.

## **Achievements**

- School feeding: The purchasing power of the National School Feeding Programme, which reaches 90 percent of all schoolchildren in Honduras, has been leveraged to offer a reliable market opportunity for smallholder farmers' surplus. This provides the incentive necessary for smallholders to improve their production and aggregate their crops. Some 84 percent of P4P -supported purchases went to this programme, representing a total of approximately US\$ 15 million.
- Access to credit: FOs have been linked to financial institutions. They have acquired credit for the purchase of farming inputs through the use of revolving funds.
- **Sustainability:** Private sector sales have been made to organizations such as Industrias Molineras SA (IMSA), MASECA and WalMart.
- **Capacity development:** P4P has successfully enacted a training strategy to develop the technical capacities and organizational, administrative and managerial skills of farmers, FOs, agricultural extension workers, technical experts and P4P staff. Some 2,000 farmers (28 percent of whom were women) participated in 137 Farmer Field Schools (FFS). P4P also restored the Agriculture Developing Centre (CEDA) training facility in partnership with the government's Secretariat of Agriculture and Livestock (SAG) and the Directorate of Agricultural Science and Technology (DICTA).
- **Infrastructure and equipment:** P4P partner, the Inter-American Institute for Cooperation on Agriculture (IICA), created an investment plan based upon FO needs and capacities. Tools and equipment were provided to all FOs, including post-harvest processing equipment and storage facilities. Five processing centres were built, including dryers, classifiers and drying yards.

For more information wfp.p4p@wfp.org

Last update: August 2014

# P4P - Honduras



María de Jesús López, Secretary of Fuente de Vida FO in Comayagua, Honduras, and Coordinator of the Women's Office in San Jerónimo, Comayagua, joined P4P together with other 729 affiliates from Fuente de Vida FO.

"Our income in the FO has improved since we started working with P4P. Thanks to the training provided through the agricultural field schools we have learned new farming techniques and our crops have become more resistant to climate change. Last year, I was able to grow 1.4 ha more than in previous seasons, and now I am using the revenues from my sales of grains to recover an abandoned plot and continue to increase my production."

#### **KEY PARTNERS**

- Directorate of Agricultural Science and Technology (DICTA)
- European Union Food Facility (EUFF)
- Food and Agriculture Organization (FAO)
- International Fund for Agricultural Development (IFAD) through PROMECOM
- Inter-American Institute for Cooperation on Agriculture (IICA)
- National Agricultural Development Bank (BANADESA)
- National Agricultural Institute (INA)
- National Institute for Professional Formation (INFOP)
- Secretariat of Agriculture and Livestock (SAG)
- UN Women
- The Zamorano Pan-American Agricultural School

• **Transparency:** In partnership with IICA, P4P has implemented traceability activities in order to promote transparency throughout the procurement process.

## Challenges

- Access to credit: Though many FOs have successfully accessed credit from financial institutions, their ability to do so is often limited by their capacity. In order to ensure the sustainability of this process, low-capacity FOs must continue to be strengthened in order to access credit through revolving funds.
- **Nutrition**: In order to leverage WFP procurement to benefit smallholders, especially women, further work must be done to bridge the gap between agriculture, nutrition and health.
- **Diversification:** P4P must work to promote linkages that encourage the uptake of FOs who diversify crops, as well as other WFP suppliers, under P4P-supported smallholder-friendly schemes.

#### **Partnerships**

In Honduras, P4P's main partners for project implementation have been government agencies: DICTA, the National Agricultural Institute (INA) and SAG. These government bodies carry out field support, and provide technical assistance and capacity development in good agricultural practices, postharvest handling and cost management. Regional entities, such as IICA, have assisted P4P-supported FOs to overcome agricultural challenges, with a special focus on the reduction of post-harvest losses. During the last two years, P4P implementation has been further reinforced through FAO Agrocadenas, an agro chain project which focuses on producing and marketing beans. Technical support for Farmer Field Schools (FFS) has been carried out by local organizations such as ADICH, Cien, Funda Colprocah, Funder, Icade and Swiss Contact.



#### **Read more about**

WFP in Honduras

P4P Central America Video

<u>Government, EU and WFP</u> work hand in hand

<u>School meals provided by</u> <u>smallholders</u>

#### WFP ACTIVITIES IN HONDURAS

WFP Honduras is currently operating three food assistance programmes focusing on the areas of health, nutrition, education and risk management: the School Feeding Programme (SFP), the Nutritional Programme to Assist Vulnerable Groups (NPAVG) and the Protracted Relief and Recovery Operation (PRRO). P4P-supported farmers' organizations have successfully supplied staple grains for the school feeding programme, currently meeting 44% of the programme's requirement for maize and beans.



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