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HONDURAS

STRENGTHENING CAPACITIES FOR CLIMATE RESILIENCE AND ECONOMIC EMPOWERMENT OF RURAL SMALL HOLDER PRODUCERS IN THE DRY CORRIDOR OF HONDURAS

(HO-T1416)

DONORS MEMORANDUM

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EXECUTIVE SUMMARY

HONDURAS STRENGTHENING CAPACITIES FOR CLIMATE RESILIENCE AND ECONOMIC EMPOWERMENT OF RURAL SMALL HOLDER PRODUCERS IN THE DRY CORRIDOR OF HONDURAS (HO-T1416)

Honduras ranks as one of the countries with the highest poverty rates in Central America, with a Human Development Index of 0.634, a total population of 9.7 million inhabitants and an active population of more than 4 million people.¹ The population of Honduras is young, with more than 30% between the ages of 10-24.² Almost half of the population (43.5%) lives in rural areas,³ with women and young people being the most vulnerable in this environment. Sixty-seven per cent of the population works in the informal sector, which is characterized by a lack of social protection and benefits and is excluded from the primary economic sectors.⁴

This initiative will take place in the West of the country in the Departments of La PaNaNaNaNa of 10

ANNEXES

Annex I Results

ABBREVIATIONS

DNA Diagnostic needs assessment of the executing agency
EA

II. THE INNOVATION PROPOSAL

A. Goals

- 2.1 The aim of the project is to improve climate resilience and food security through economic empowerment and transformation of the agricultural system for smallholder farmers in western Honduras.
- 2.2 The project will employ an integrated and cross-sectoral approach to gender issues and involve women's and youth groups. Women will be empowered to participate and assume leadership and decision-making roles in cooperatives and organizations. The project addresses food and nutrition security issues, as well as offering alternatives to cross-border migration and organized violence linked to unemployment, underemployment, and food insecurity.
- 2.3 This project will focus on improving food security and economic empowerment in these communities and building resilient agricultural systems, promoting, and developing food value chains such as avocado, vegetables and honey; increasing

community organization. Each community organization contributes an initial membership fee of 2,000 Lempiras (USD 83) to join. When an organization withdraws, its contribution and accrued interest are returned to it. The 900 small producers were selected based on surveys carried out by COMAL and the analysis of their capacities to carry out the project activities with the respective commitments of time and resources. The gender balance and young beneficiaries were also taken into account in such a way that there is an equitable benefit in the project communities. Producers and organizations that have the geographical and climatic conditions conducive to the production of avocado and honey and vegetables were also chosen. On the other hand, the 40 organizations were selected based on an analysis of their needs and dialogue with the leaders of the organizations that meet annually with the Assembly of partners. From these meetings, the criteria for participation were established, which included: (i) counterpart(6d53(e)-117J3 11 Tf1 0 0 6912 0 61

Component I. Development of value chains through agro-ecological approaches and improved market access (GAFSP: US\$1,449,500).

2.11 The project will focus on the development of the value chains of avocado,

information so that producers can make informed decisions. These actions will improve productivity and diversification. To support better market access and

E. Project Results, Measurement, Monitoring and Evaluation

- 2.28 Project results (see also Results Matrix in Annex I). The project indicators were agreed with the funding entity, which is the Global Agriculture and Food Security Program (GAFSP). In this sense, the main results of the project are: (i) 900 small producers participate in value chains and implement agroecological practices resilient to climate change; (ii) 400 households improve their knowledge on the establishment of family gardens and fruit trees; (iii) 40 organizations of small producers trained in management and leadership, governance, business development, financial education, gender, transparency, among others; and (iv) 30 new established savings and credit funds. Given that the project has a scope in regions of the country where there are indigenous populations and young populations, it is expected that some proposed indicators will be disaggregated by these two categories. The mechanism and manner of implementation of this data collection and disaggregation will be agreed with the Executing Agency at the Startup Workshop.
- 2.29 **Measurement, monitoring, and evaluation.** IDB Lab will periodically monitor and supervise the execution of the project, based on the execution time and the committed goals. The monitoring method includes carrying out several activities, such as visits to the areas of intervention of the project, on-site evaluation on the level of progress of the activities and targets through interviews with the direct actors of the project, including producer organizations, marketing companies, small family producers, actors of the production ecosystem and marketing of the selected items

B. Expansion and scale

3.7 The project has the potential to implement a scalable solution within the framework of the HO-SFCFA [b & A q c * i a U i b & A - U ~ i a O ^ c ^ [[] { ^ } A a a U i a ~ & c a + A managed by the R&D Division. This project has several highly compatible activities with which synergies can be created, since it is developed in the dry corridor and includes the value chains of vegetables, honey, and avocado.

3.8 Likewise, the p i [b & A a i A ^ A a i A i A & [i a a a e ^ A ~ A c @ A] ^ i a a } A U - T 1 3 4 3 - CoffeeChain - O a ~ a a } A ~ A c @ A [~ ^ A a ^ A O c a i a c a i [{ [c ^ A i [& ^ . . ^ . A i A the creation of Digital Identity for producers in rural areas, to provide training, advice and show the benefits of digitization in the commercial articulation, productive processes such as input management, crop management, among others.

3.9 The general scalability of the project will be given through the expansion of the work of COMAL to new producer organizations, as well as new regions and production chains. This allow0 G [0 0 1 3 2 7 . 3 8 / F 1 q 0 / F 1 q 0 / T m 0 g 0 G T 0 0 . 0 o n s and product(l)-4(l)-4()q0.0ons

considered medium. Insecurity can have implications for the safety of staff and the communities in which the project is implemented. **Mitigating:** COMAL will implement a security protocol and work with project organizations to ensure acceptance and build strong relationships with key local leaders and stakeholders who can influence and promote security and protection.

IV. INSTRUMENT AND BUDGET PROPOSAL

- 4.1 It is important to note that, in its effort to obtain additional and complementary resources for the development of its objectives, the IDB Lab obtained the participation of the Global Agriculture and Food Security Program (GAFSP) for the total financing of the budget of this project. In that sense, the total project budget, which is USD 2,130,000, will be contributed by the Global Agriculture & Food Security Program (GAFSP).
- 4.2 The Global Agriculture and Food Security Program (GAFSP) is a multilateral funding platform dedicated to improving food and nutrition security worldwide. Launched by the G20 in the wake of the global response to the 2007-08 food price

Capacity building: accountability, governance, protection (including SADI framework) and practice of quality standards in the project.

Facilitate online learning and regional learning exchanges linked to knowledge management.

Support and accompany the promotion of policies favorable to small producers.

- 6.5 COMAL Network has previous collaboration agreements with IICA, which is the Inter-American Institute for Cooperation on Agriculture, the specialized agency in agriculture of the Inter-American System that supports the efforts of Member States to achieve agricultural development and rural well-being. Since its creation in 1942, its vision has been to be a platform of human resources and processes capable of mobilizing the knowledge available in the region and the world to achieve competitive, inclusive, and sustainable agriculture that takes advantage of opportunities to contribute to economic growth, development and promotes greater rural well-being and sustainable management of natural capital. It will support the following activities:

Technical Training

Technical support in documentation of experiences (Systematization)

Strengthening community organizations around the use of tools (e.g., Management, evaluation, and improvement of CRAC management for sustainability).

Advice on e-commerce, local fairs, and market development.

VII. ACCESS TO INFORMATION AND INTELLECTUAL PROPERTY

- 7.1 This document does not contain confidential information or intellectual property aspects that require exceptions to the Bank's policy. The Bank may disclose, reproduce, and publish any information related to the Project, as well as its participation in the financing of the Project.