

USAID Partnerships for Food Industry Development – Fruits & Vegetables “Access to Markets Program” (AMP) / Guatemala, Nicaragua and El Salvador, 2000-2006¹

Challenge. One of the major hindrances to increased income generation among Guatemalan agricultural producers is limited access to reliable, higher value markets. Aside from traditional problems of inefficient production practices and lack of knowledge of diversified products, there is often a communication or information gap between what a farmer produces and what the market demands. Given the new and increasing emphasis on food safety and quality, this gap is widening. If small and medium sized farmers are not able to implement Good Agricultural Practices (GAPs), they will be forced to sell their produce directly to traditional markets, i.e. through intermediaries, or simply drop out. Farmers must be informed of the changing “rules” – the new food safety standards – and then decide for themselves if they are willing to make the investment to have access to the new, more demanding, but more profitable markets.

Program Approach. The USAID “Access to Markets Program” (AMP) has been implemented via a subagreement with the Fundación AGIL, a local NGO, and in partnership with the Program for Integral Protection of Agriculture and the Environment (PIPAA), a public-private entity associated with the Government of Guatemala’s Ministry of Agriculture, Livestock and Food (MAGA) that verifies compliance for specific market export standards and in collaboration with the Central America Retail Holding Company (CARHCO). Of primary importance to the AMP program approach has been the development and implementation of a formal Quality Assurance program, consisting of: a modified Good Agricultural Practices program, called CAPGAP and based on EurepGAP and FDA standards that more closely fit the reality of Central America; a Good Post Harvest Practices program; a unique Good Business Practices program (developed in-house); installation of GAP model farms; and a customized assistance package in production and marketing.

Development Impact. As a result of implementing the AMP model program:

- Between January 2005 and May 2006, over 11 million pounds of vegetables (peas, beans, mini squash) produced by farmers who are implementing the Good Agricultural Practices program, were sold in European, US and regional markets with a combined value of over \$4.3 million.
- During this time over 320,000 daily jobs and over 100 permanent positions have been generated.
- A website with information on Sanitary and Phytosanitary concerns (SPS) in the region (www.msfinfo.com) was developed to help producers with Food Safety and export issues. Since September 2005, the site has received over 19,000 hits from 28 countries and an average of 120 hits per day – the site is now also in English.
- In a marketing visit to Europe, the buyers expressed surprise that the Guatemalan producers were implementing Good Agricultural Practices and promptly placed orders for product. Since late March, sales for two months to Europe have been over \$55,000, with an increase of over 30% returned back to growers.
- Sustainability is evidenced by the producer organizations who continue to apply and benefit from the AMP approach and the ongoing activities of Fundación AGIL, which continues to provide services to new groups of producers now that the AMP Project has ended.

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¹ The AMP Model, developed with funds from USAID/G-CAP and EGAT, built on earlier work by Abt Associates, in collaboration with PIPAA and others, to “Support Local Income Generation” (Apoyo para la Generación del Ingreso Local; AGIL). Local staff of this project went on to establish the NGO now known as Fundación AGIL.