

Self Empowerment Project for Rural Communities in the Yoro Region of Honduras

INTRODUCTION

This project is intended to be carried out in the summer of 2007 by the Engineers Without Borders chapter of Lafayette College (EWB-LC) and will target the economic growth of coffee farmers living in the villages of Lagunitas, La Fortuna, and El Convento in Honduras.

BACKGROUND

EWB-LC is a student chapter of Engineers Without Borders USA and was founded with the goal of providing drinking water access to rural communities in Yoro, Honduras. Since its inception in 2003 EWB-LC has completed a water system implementation in the village of Lagunitas and will be completing implementation of a second project in the village of La Fortuna this spring. Through discussions, reviews of completed projects, and conversations with community members EWB-LC works to understand the shortcomings of the projects and finds ways to improve them. The issue of financial sustainability has repeatedly become an issue of concern both in theoretical discussions and in field observations in communities with water systems in place.

While EWB-LC has had success in bringing water to these communities, we have learned from field observations and conversations with community members and local NGOs that economics will continue to be a major obstacle in boosting the standard of living of these farming communities because of the poor revenue that they make from their crops.

The next critical step is to ensure that the success of these water projects remains sustainable in order to assist these communities with economic development. EWB-LC proposes a plan to transfer technology so that the communities could improve their agricultural productivity.

OBJECTIVE

Currently the villages produce corn, beans and coffee as primary goods for the market. Of these, coffee offers the most potential gain for producing a secondary product due to local and foreign demand for ground and packaged coffee. However they sell coffee to sellers as a primary product (i.e., in its un-ground and un-packeted form) at 7 Lempiras per pound (USD 0.37) whereas the retail price can go up to 30 Lempiras per pound (USD 1.59). A family typically produces 25 pounds of coffee during one harvesting season. A village consists of around 30 families or more.

EWB-LC has identified the above as a potential cash crop. As an initial step towards increasing productivity and cost effectiveness, EWB-LC has designed and built a new type of grinder that can be attached to a bicycle. Similar projects carried out by other NGOs in Guatemala with similar grinding machines have met with considerable success and have helped increase the income to rural farming communities by increasing productivity (see www.mayapedal.org).

As a solution to the issue of economic sustainability we feel that on our next trip to Honduras we would like to put forward a new business plan for the farmers so that they could sell their products at a higher price and obtain the retail price for their coffee. To do this the farmers have to be able to grind their coffee, packet it and sell it in the market place. Hence new agreements will have to be negotiated with the middlemen and new transport arrangements would have to be made. The initial investment and education for packaging coffee in retail size quantities would also have to be provided. Therefore our overall business plan will deal with the development of an optimum sales strategy and handling logistics.

PLANNING AND IMPLEMENTATION

The initial investment will be made by EWB-LC, with the help of the grant, for the technology, new transport arrangements, and overall business plan.

We will also be conducting an initial requirements study for this project in March 2007 when EWB-LC visits Honduras for the implementation of their water system in La Fortuna. We will also be providing them with two grinders so that the community (the end users) could put the technology on a trial run. The funding for the trip in March is provided by a grant that EWB-LC won in April 2006 from the Environmental Protection Agency

(EPA). This grant also allows the club to provide two villages with two grinders so that the residents (the end users) could put the technology on a trial run.

This trip will provide the basic facts to the team manning this project to decide the best business plan to put into effect in the summer of 2007 so that the farming community can obtain the maximum possible revenue from their Crop. The main business plan will be developed over the early part of the summer of 2007 and will be based on the information obtained in March. During the summer it will be necessary to hire one student as a fulltime research assistant to develop the plan. This person will also be responsible for finding suppliers of goods and services and networking with NGOS in Honduras to ensure that the business plan is implemented correctly. Some of the NGOs EWB-LC has worked with in the past include Fundación para Cosecha Sostenible (a local branch of Sustainable Harvest International) and the Peace Corps.

After the plan is developed three students would fly to Honduras to implement the plan. It is imperative that one of the students be a Spanish speaking person so that he or she could educate the community about the new business plan and how the community should act in order to ensure the plan's continuity. Once the team is in Honduras they would get the nine grinders assembled. Then they would proceed to put the plan into motion by finding the closest market place and then negotiate new agreements with transport companies to provide transport to these farmers to the market place so that they could directly sell their products and thereby eliminate middlemen. The farmers would then be expected to re-initiate the cycle from production to retail by themselves, using part of their revenue. Therefore the team will also have to provide the necessary education to the community.

The most important part of this project is not merely developing the plan but ensuring that it is implemented correctly and that it continues. For this enterprise to continue we will need to solicit the support of local NGOs. This would provide us with a system of monitoring the progress the villages make. Additionally EWB-LC makes at least two trips a year to the Yoro region to implement new projects that provide access to water and also to evaluate older projects. Hence it would not be a difficult task to monitor the economic progress of the villages.

EXPECTED OUTCOMES

The membership of EWB-LC strongly feels that this project has the capacity to succeed. The organization has a strong relationship with the communities because of the club's past success with water projects. The residents have already expressed enthusiasm about the two trial grinders the club will be providing them with during the spring. Hence EWB-LC feels that this would be a great project to undertake during the summer of 2007.

The expected outcomes of this project are four-fold. The first and most important is an increase in the profit margin of the farmers who use this technology and combine it with the business plan. The second outcome that we hope to see is creating economic sustainability in the community. The third outcome of this project would be to help these communities realize that there are viable technological alternatives to old methods. The final outcome would be to eliminate the middlemen who take majority of the profit.

IMPLICATIONS FOR FUTURE

The main implication for the grinder project is that as the villagers can more consistently generate income, the economic sustainability of the water system is improved. The new technology would also increase the efficiency of production. This would allow the villagers to spend more time on other activities and lead to greater community development. The continued success of water projects, along with greater resources of both time and money, will inspire future community run development projects. We also expect that once the community sees a drastic increase in profit they will start producing more coffee and thus improve the economic outlook of the village.

Therefore we feel that this technology transfer combined with a new business plan could considerably boost the living standards of the Yoro communities. Through economic empowerment people will be inspired to contribute peaceably to their communities. We feel that this project would ideally define peace as it provides hope to a community living in poverty and would be an excellent project for the 100 creative projects funded by the Projects for Peace grant.