



Supported by:



Increasing the competitiveness of small producers and forest communities in Honduras

Subcomponent: Increasing market opportunities for sustainable value chains in Honduras through the tourism sector

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Implementing Organization: Rainforest Alliance, Honduras





Photographer: Charlie Watson



PRODUCTION AREAS:

- **Atlantic:** municipalities of Esparta, Arizona, Tela, La Masica, La Ceiba (Depts. Atlántida and Yoro).
- **Mosquitia:** municipalities of Brus Laguna, Wampusirpe and Puerto Lempira (Dept. of Gracias a Dios), Iriona (Dept. of Colón), Culmí and Catacamas (Dept. of Olancha).
- **Central-East:** Guaimaca, Talanga and Campamento (Depts. Francisco Morazán y Olancha).
- **Dry Corridor:** in the Dept. of Copán and Lempira.

BACKGROUND ON THE RAINFOREST ALLIANCE'S WORK:

For more than 30 years, the organization has worked to conserve biodiversity and ensure sustainable livelihoods through the transformation of land use practices, business practices, and consumer behavior.

In the Mesoamerican region, the Rainforest Alliance develops projects that promote the production and sale of sustainable products from the forest and agricultural activities, integrating men and women into productive activities for the generation of economic, social, and environmental benefits. Its main objective is to increase the competitiveness, sustainability, and access to markets of agricultural and forestry operations, and through the principle of "learning by doing," the beneficiaries of these projects have an active participation in new investments and trade for the region.

In Honduras, the Rainforest Alliance has been providing technical assistance since 2005 to rural communities linked to the protection and sustainable use of the forest, especially in the region of the Rio Plátano Biosphere Reserve (RPBR). Initiatives have also been strengthened with non-timber products, like xate, masica, and cocoa. In June 2015, the organization expanded its sectoral approach towards one based on the conservation and improvement of livelihoods in productive landscapes, thus opening the range of opportunities to support different value chains in agriculture, forestry, and tourism and to cover cross-cutting issues such as climate, education, and

research. This approach has allowed the Rainforest Alliance to expand the beneficiary regions in Honduras and to venture into various sectors.

This project aims to increase the competitiveness of forest communities and small producers of cocoa, coffee, rambutan, and timber products; it contributes directly to the national-level efforts aimed at achieving the Sustainable Development Goals (SDGs), particularly those related to the national framework and strategy to advance SDG-11: Responsible Production and Consumption. To achieve the goals of the project, the components mentioned below are implemented.

Within the market access component, a subcomponent has been included, whose objective is to increase market opportunities for sustainable value chains through the tourism sector. This subcomponent supports the project to achieve the objectives related to the increase of sales, the development of new products, the creation of employment, market alliances, and the participation of women in the value chains of cocoa, coffee, rambutan, and wood, through the participation of the tourism sector as an engine of conservation and generation of sustainable livelihoods in rural landscapes.

Project Goals

- 30 forest SMEs strengthened.
- 2,700 families improve their income.
- 300 new jobs created.
- 100,000 hectares of preserved tropical forest.
- 10,000,000 tons of carbon captured on the ground.
- Increase in total sales of timber products to US \$800,000.
- Increase in total sales of cocoa, coffee, and rambutan to US \$1,500,000.

Component 1. Organization and preparation of SMEs

It is aimed at identifying and preparing micro, small and medium-sized enterprises (SMEs), producers of cocoa, coffee, rambutan, and forest products to connect them with financing sources and break barriers to access them. It starts with the base information of each SME (diagnoses, baselines, and improvement plans) and then investment plans, business plans, and administrative and financial controls are elaborated, and credit management units are created to ensure the successful performance of the financing facilitated by the project.

Component 2. Technical assistance for SMEs

The Rainforest Alliance, together with local partners such as the Institute for Cooperation and Self-Development (ICADE), implements technical assistance for companies producing cocoa, coffee, rambutan, and forest products. The main areas of focus are: (i) organizational and business strengthening to enhance the capacities of leaders and partners, and the strengthening of administrative and financial management; (ii) improvement of the value chain in aspects of production and logistics infrastructure, design of products and services, implementation of good practices, primary and secondary value-added processes, as well as the construction of strategic alliances and productive linkages; (iii) access to markets through long-term strategic alliances with national and international buyers interested in participating in the consolidation of value chains and investing in the organization of a supply of legal and sustainable sources. The Rainforest Alliance has a network of responsible buyers in the regional and international market, both in the agroforestry and forestry sectors, committed to sourcing from sustainable sources and supporting social enterprises

operated by communities and small producers. It is precisely within this component that a subcomponent of alliances with the tourism sector is inserted to enhance sustainable supply commitments (green purchases) that allow Honduran tourism companies to advance their own sustainability efforts.

We believe in the potential of the tourism sector as an engine for the conservation and generation of sustainable livelihoods in rural landscapes.

Goal: At least 30 tourism companies strengthened in sustainable procurement and establishing preferential purchasing commitments with sustainable producers of cocoa, coffee, rambutan, and timber products.

Component 3. Access to financing

Executed by the Honduran microfinance lender Family and Environment (FAMA-OPDF), based on a fund co-created with the Multilateral Investment Fund (MIF), for the placement of loans to beneficiaries of the four value chains. It includes activities to design financial services tailored to the needs of these beneficiaries and to train loan officers.

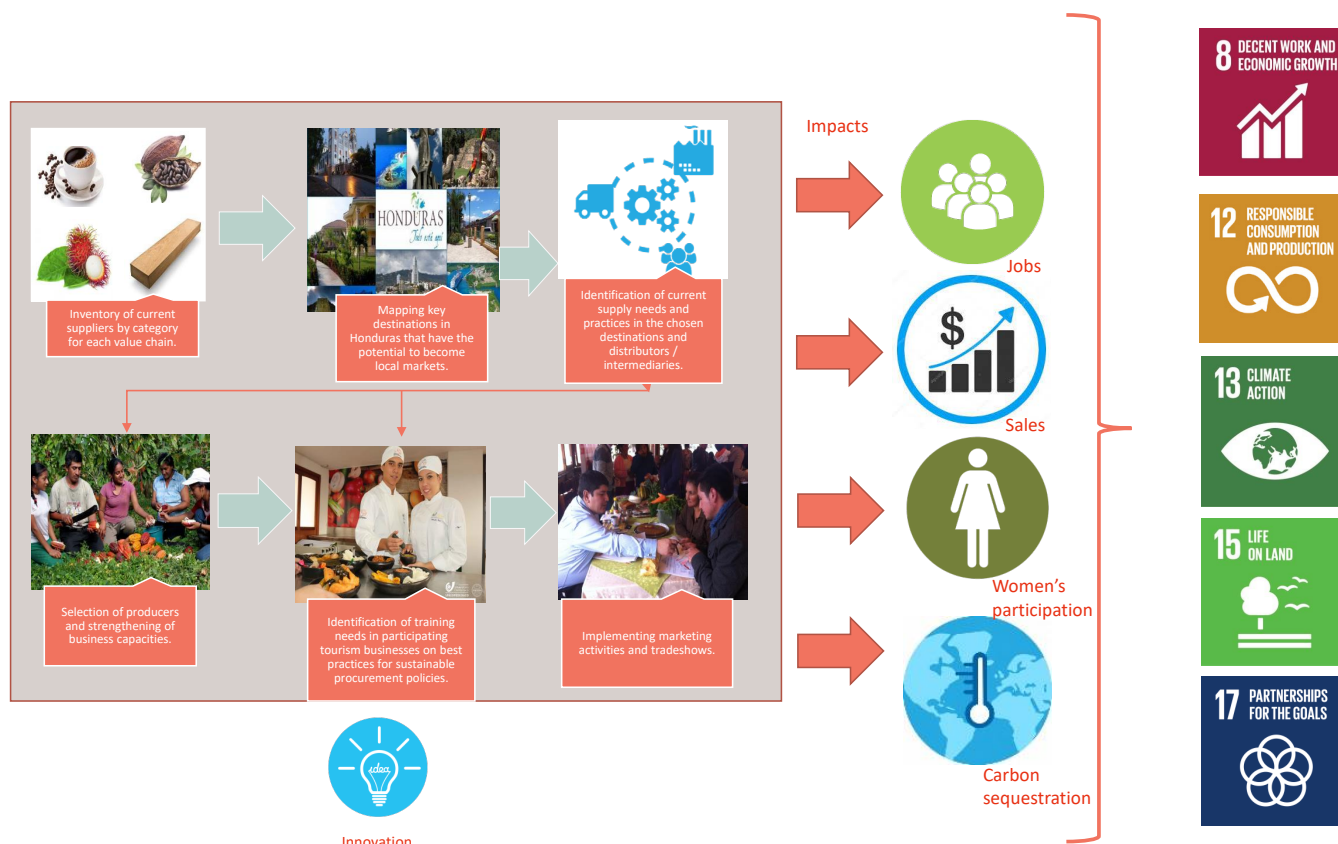
Component 4. Alignment for scalability

It seeks to strengthen the efforts of the Honduran government to attract climate funds to the country, such as an investment plan for the Forest Investment Program (FIP) and proposals for the Green Climate Fund.

Workers in Honduras separating ripe coffee cherries. Photographer: David Dudenhoefer



SUBCOMPONENT OF LINKAGE WITH THE TOURISM SECTOR – THEORY OF CHANGE AND CONTRIBUTION TO THE GOALS OF THE PROJECT AND THE SDGs:



STRATEGIC PARTNERS:

The Rainforest Alliance works with public and private sector partners such as ICADE, FAMA-OPDF, the Valle de Leán Business Development Center for SMEs, the Forest Conservation Institute, the Cocoa Producers Association of Honduras, the Secretariat of Natural Resources and Environment (MiAmbiente), and the Canada-Honduras Project on Agroforestry Value Chains. For the subcomponent of linkage with the tourism sector, the Rainforest Alliance has the local support of the Destination Management Organization Atlántida, the National Chamber of Tourism of Honduras—La Ceiba and other subsidiaries—and the Association Pro Tourist Communities of Honduras. In addition, it supports the efforts of the Honduran Institute of Tourism (IHT), MiAmbiente, and the National Council for Sustainable Development, regarding sustainable production and consumption in the tourism sector. This subcomponent is supported by the Charles R. O'Malley Charitable Lead Trust.

BENEFICIARIES:

30 micro-, small and medium-sized enterprises producing cacao, coffee, rambutan, and wood that bring together 2,706 families, with the participation of about 1,995 men and 711 women, including indigenous communities. Strengthening sustainable procurement commitments in at least 30 tourism companies committed to rural development, as well as local institutions working on sustainable production and consumption in the tourism sector. In addition, three leading territorial councils of productive undertakings will be accompanied in their processes of governance, management, and conduction of their timber and agricultural production entities.

TIMEFRAME:

November 2017 - October 2020