Food for Progress Project

Participation of Agricultural Producers in Trade Fairs in Guatemala

Producto del Campo
Más Prósperos y Organizados (PROCAMPO)

PROCAMPO Learning Series
This learning brief presents findings from the USDA-funded PROCAMPO implementation of activities aimed at improving agricultural production and market access opportunities for producer groups in Guatemala. It finds that participating in trade fairs benefits agricultural producers in Guatemala by expanding their buyer portfolio into new markets and ensuring better quality contracts that result in increased revenue. The brief concludes with recommendations for future programming.

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About Counterpart International

Counterpart International partners with local organizations around the world to build inclusive, sustainable communities in which people thrive. A 501(c)(3) nonprofit, it forges community-based partnerships between citizens, government, civil society, and the private sector in the areas of food security, democracy, rights and governance, women’s empowerment, and climate resiliency to build the capacity of communities to shape their own destinies. Since 1965, Counterpart has operated in more than 65 countries across Africa, Asia, Latin America, the Caribbean, the Middle East, and Eastern Europe.
PROCAMPO’s Learning Series

Counterpart International has implemented USDA’s Food for Progress project in Guatemala, known as PROCAMPO (Productores del Campo Más Prósperos y Organizados) for over a decade. As the program comes to a close, the project team has gathered data from various participants, implementing partners, and other key stakeholders to document PROCAMPO’s accomplishments, successes, and lessons learned. The PROCAMPO Learning Series covers topics of financial services, accredited certification, trade fairs, and the impact of project activities on agricultural producer groups. The following brief focuses on the impact of engaging agricultural producer groups in activities aimed at improving agricultural production and market access opportunities in Guatemala.

PROCAMPO Overview

In 2016, Counterpart International began implementing PROCAMPO in Guatemala’s Western Highlands departments of Huehuetenango, Quetzaltenango, San Marcos, Sololá, and Quiche. PROCAMPO’s goal is to improve agricultural productivity and expand trade of agricultural products in Guatemala.

The project works in partnership with the Guatemalan Ministry of Agriculture (MAGA), the National Coffee Association (ANACAFE), the Federated Cooperation of Credit Unions (MICOOPE), the Agronomy Faculty of the University of San Carlos (FAUSAC), and the University of California at Davis (UC Davis) to improve the agriculture extension system, agricultural productivity, market systems, access to loans, and value chain development.

Counterpart International has delivered permanent, scalable solutions by:

- Re-establishing a functioning National Rural Extension System and creating the only academic rural extension training program in the country
- Strengthening the capacity of coffee and other agricultural producer groups, associations, cooperatives, and Rural Development Learning Centers by providing technical assistance to smallholder farmers
- Providing capacity-building grants to competitively selected producer groups to support agricultural development activities such as technical services, on-farm equipment, and agricultural inputs
- Expanding the outreach and availability of financial services in the agricultural sector
- Implementing trade promotion activities to enhance producer marketability, supporting farmers to obtain certifications to expand sales into new and established markets, participate in trade shows, and connect with buyers
- Providing training and technical assistance to agricultural producers on production practices, technologies, and farm management

Since its inception, PROCAMPO has graduated 420 extension agents from the Certificate Rural Extension Program, provided 191 in-kind and cash grants for improved agricultural productivity, provided over $60 million USD in agricultural financial loans to 9,757 smallholders and coffee producers, facilitated 58 contracts signed between buyers and sellers to support producer groups to expand sales and establish new markets, achieved $6.2 million USD in sales from 2,806 MT of coffee produced by project coffee producers, trained 54,972 coffee producers and smallholders on agricultural sector productivity or food security, created 2,946 new jobs, and benefitted 72,663 individuals directly as a result of USDA assistance.
Participating in trade fairs benefits agricultural producers in Guatemala by expanding their buyer portfolio into new markets and ensuring better quality contracts that result in increased revenue.

This learning brief presents significant findings from PROCAMPO’s trade promotion activity that facilitates participation of agricultural producers in Guatemala in trade fairs to expand sales into new and existing markets.

**Methodology**

A comparative analysis was used to analyze quantitative survey data and qualitative data from focus group discussions. The project team gathered data from representatives of 10 cooperatives or associations, representatives from 10 Rural Learning Development Centers (CADERs), and 10 individual producers who participated in trade fairs.

**Results**

With support from PROCAMPO, financial services were provided and expanded to individual producers who did not previously have access to them, resulting in improved production, increased income, expanded market access, and improved quality of life. The following results show the efficiency, effectiveness, relevance, sustainability, and impact of loans distributed by MICOOPÉ through the PROCAMPO project.

**Motivations and Limitations of Participating in Trade Fairs**

Respondents reported several motivations that prompt an individual or organization’s desire to participate in trade fairs, but the primary one was to expand market access opportunities into segments that were previously out of reach. Respondents also reported several limitations that affect an individual or organization’s ability to participate in trade fairs. Of organizations surveyed, 60% reported climate change and 40% reported absence of interested buyers. Of individual producers surveyed, 25% reported climate barriers, 20% reported unfair competition, and 15% reported absence of buyers.

**Effects of Participating in Trade Fairs**

Participating in trade fairs positively impacted organizations and individual producers. Of benefiting organizations, 80% reported an expanded buyer portfolio, 80% reported expected increased revenue, 80% reported an improved market position, 40% reported increased income, and 30% reported increased commercial volume. Of individual participants, 85% reported expected increased revenue, 60% reported an improved market position, 55% reported an expanded buyer portfolio, 45% reported increase in income, and 20% reported increased commercial volume.
In addition to these positive impacts, the negative impacts of participating in trade fairs need to be considered. Of benefiting organizations, 60% reported additional preparation required, 40% reported difficulty managing contracts, and 30% reported increased cost. Overall, 40% of organizations reported increased risk, as a direct result of these factors which impact an organization’s ability to adequately negotiate with buyers and finalize contracts. Of benefiting individual producers, 35% reported additional preparation required, 30% reported increased cost, and 15% reported offer management. Overall, 15% of individuals reported increased risk. The risks associated with trade fair participation should be addressed in future programming.

PROCAMPO Intervention

Although some of the benefiting organizations and individual producers had participated in trade fairs prior to PROCAMPO, the assessment of their participation in trade fairs improved after the project’s intervention.

This change in assessment of participation in trade fairs can be attributed to the support these organizations and individuals received. Through PROCAMPO, 95% of participants received capacity-building training, 65% received technical assistance, and 60% received capacity-building grants. Through this targeted training and support, farmers were able to strengthen their negotiation and marketing skills and were better equipped to meet tax, safety, quality, and quantity requirements.

Conclusion

The data demonstrates a substantial financial and market advantage for agricultural producers and organizations that participate in trade fairs. Additionally, the perception of trade fairs among these organizations is so favorable that 100% of organizations and 85% of individual producers intend to continue participating in trade fairs. Based on the data, it is evident that participating in trade fairs substantially benefits agricultural producers, with notable impacts of increased sales price per metric ton for high-value crops and expanded presence in international markets. Trade fairs can be a valuable intervention for organizations and individual producers aiming to expand their presence in higher-value markets, including international domains.
Recommendations for Future Programming

Address Increased Costs and Risks. There is a need for trade fair interventions to focus on addressing the increased cost and risks associated with participating in them. Trade fairs should be implemented alongside activities that aim to lower costs and risk for agricultural producers such as targeted technical assistance, training on business management, preemptive financial planning and financing, risk management training, and implementation of climate-smart and improved agricultural practices.

Continue Preparatory Training and Technical Assistance. There is a need to continue training and providing technical assistance to prepare individual producers and organizations for trade fairs and similar events. Support initiatives should be targeted based on the type of event, buyer, demands, and requirements so that their offers are aligned to ensure improved market outcomes and buyer linkages.

Connect Producers to Higher-Level Organizations. There is a need to facilitate linkages between individual producers and organization members with higher-maturity organizations. For example, CADER members can join associations, association members can join cooperatives, and so on. Support initiatives should focus on enabling producers to meet the requirements to join higher-level organizations through targeted technical assistance and training on improved agricultural productivity techniques and technologies that increase product quantity and quality. These higher-level organizations ensure agricultural producers’ access to more and better market opportunities over time. These types of organizations also provide producers with additional training, tools, and resources that strengthen their capacity to enter higher-level markets.