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EMPOWERMENT

Honduras » THRIVE

*Prepared November 2016*

# THRIVE HONDURAS

## TRANSFORMING HOUSEHOLD RESILIENCE IN VULNERABLE ENVIRONMENTS

### EXECUTIVE SUMMARY

THRIVE Honduras is a five-year project that is designed to radically improve the lives of 60,173 people (10,594 families) in 16 World Vision community development areas in Western and Central Honduras. It will generate jobs and increase household incomes, eliminating the need for parents and youth to migrate to urban areas or the United States in order to make a liveable income.

Through this \$15.3 million project, THRIVE Honduras will increase family income from \$2 to \$4 a day to \$10 to \$30 a day, helping some families reach what the United Nations considers a middle class income—\$16 to \$30 a day—in rural Honduras.

It also will help families become more resilient against changing weather patterns—which bring floods and drought—and fluctuating crop prices.

THRIVE Honduras is based on a project that World Vision is piloting in Tanzania and implementing in Zambia and Malawi. And, it will build on World Vision's current Generating Economic Opportunities (GEO) project in Honduras. GEO started in 2015 in two community development areas, working with nearly 3,000 farmers, 25 percent of them young people in need of economic opportunities.

GEO already has generated jobs and multiplied the incomes of farmers making \$2 to \$4 a day. One coffee cooperative in San Juan, Intibuca, with 320 members, had sales of \$960,000 in 2016, with each producer earning a daily average income of \$8.22. In San Marcos, Ocotepeque, the Pedro Vasquez family of five is now earning \$680 a month. Before GEO, \$680 was the family's *annual* income.

THRIVE Honduras addresses one of the country's most difficult challenges: increased migration out of the country into the United States. Against a backdrop of extreme poverty and drug-related violence, migration to the U.S. has increased by 81 percent since 2001. Approximately 70 percent of Honduran immigrants to the U.S. cross the border illegally, risking their lives in the process. A majority of immigrants are younger adults who leave their rural homes because of a lack of economic opportunity and disintegrating families.

Honduran farmers are at the mercy of an unpredictable climate, one with increasingly variable rainfall and frequent droughts that kill crops and livestock, destroying family assets. THRIVE will give farmers natural resource management strategies that will help them compensate for a lack of rain.

THRIVE will help farmers be less dependent on government and nongovernmental agencies, and more reliant on themselves and their peers. It will give them tools to increase their business profits and move to a higher economic level. It introduces biblical values that can help families make better decisions about how their household incomes are used—to benefit all household members, especially children.

## TARGETING THE NEED, UNDERSTANDING THE MARKET

Almost 60 percent of those who work in rural Honduras derive their livelihoods from agriculture and depend on managing natural resources (particularly water and soil) in order to farm. The lack of agricultural employment opportunities is a driving cause of the high level of migration out of the country.

Sixty-three percent of the rural population lives in poverty, with half of those earning less than \$2 a day. With limited financial resources, families find it difficult to recover from unexpected events like drought or a drop in crop prices. When farming fails, parents are forced to migrate in search of income to help the family survive.

Households targeted through THRIVE already are using their small plots of land to grow coffee, corn, and beans, mostly for family use or to sell to neighbors. Through the GEO project, World Vision has analyzed the market and identified coffee and fresh fruits and vegetables as the crops with the greatest potential for growth. Together, they represent 36 percent of the national agricultural gross domestic product.

Coffee exports accounted for 22 percent of total Honduran export revenues in 2013. By expanding vegetable and fruit production, farmers can diversify with crops that can provide incomes taking them beyond their subsistence production of corn and beans. The rise of local mega-supermarkets, similar to those in the U.S., is creating new market opportunities for fresh products. In 2005, imported vegetables represented 55 percent of all vegetables consumed nationally. In 2009, that amount rose to 70 percent. According to a USAID rapid assessment report, filling this gap with vegetables grown locally will create 60,000 additional jobs nationwide.

The THRIVE initiative will strengthen the local economy of 275 targeted communities in Western and Central Honduras, reaching 60,173 total beneficiaries. They are located in the departments (states) of Copán, Ocotepeque, Intibucá, Lempira, Santa Bárbara, La Paz, and El Paraiso,

Households living on \$2 a day or less will be given preference, along with high-risk youth (ages 16 to 29) who are among those most inclined to migrate.

Because the project area has seen significant migration by men seeking economic opportunities elsewhere, a high proportion of poor households are headed by women. THRIVE will seek equal participation by men and women, and address the distinct needs of women.

## PROJECT OUTCOMES

These are the expected outcomes and five-year budget for THRIVE Honduras:

- Rural families thrive in their own communities through increased household incomes
- Families increase their use of environmentally responsible agricultural practices
- Families and communities are prepared to overcome weather and market fluctuations
- Families practice stewardship of their resources and apply Christian family values

<b>Fiscal Year Budgets</b>					
<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
<b>\$1,989,281</b>	<b>\$2,978,563</b>	<b>\$3,743,563</b>	<b>\$3,907,411</b>	<b>\$2,683,238</b>	<b>\$15,302,164</b>

## PLANNED APPROACH

On the following page, see how THRIVE uses an integrated approach to solving interlocking challenges.



# THRIVE

## Transforming Household Resilience in Vulnerable Environments

The three pillars of equipping smallholder farmers to develop improved and resilient livelihoods

### END-TO-END BUSINESS OF FARMING

- Promote savings groups
- Organize farmers to work together
- Improve agricultural practices
- Link to microloans for agricultural inputs
- Link producers to improved markets
- Diversify incomes
- Improve home gardens

### NATURAL RESOURCE MANAGEMENT

- On-farm natural resource management
  - Soil
  - Water (including irrigation)
  - Nutrients
- Off-farm natural resource management
  - Manage, protect, and rehabilitate forests, grasslands, and watersheds

### EMERGENCY AND SITUATIONAL AWARENESS

- Identify weather and market challenges
- Understand disaster and agricultural risks
- Establish early warning and situational awareness systems
- Facilitate community approaches to disaster risk management

## OUR FOUNDATION—A BIBLICALLY EMPOWERED WORLDVIEW

Each of THRIVE's pillars is based on a biblical foundation to convey a healthy view of:

- Identity as an empowered creation of God with responsibility and accountability (“Who are you? Who made you? Whose are you?”)
- Family relations and roles
- Caring for those in greatest need in the community
- Caring for God’s creation

Project outcomes fit into the THRIVE pillars.

### Rural families thrive in their own communities through increased household income

The project will focus first on organizing smallholder farmers and entrepreneurs into savings groups to develop a tradition of saving and gain financial information. Later, farmers will be organized into producer groups to combine harvests to sell to larger markets. The project also provides:

- Training in agricultural best practices, to produce crops that meet market requirements
- Training in development of home gardens, to provide nutritious food for children
- Access to financial services, including microloans to buy seeds, fertilizer, and pesticides
- Access to financing for capital investments like drip irrigation systems
- Information on developing microfranchise enterprises, applying traditional franchising to very small businesses, such as INLE Café

### Families increase their use of environmentally responsible agricultural practices

In partnership with churches and other faith-based organizations, the project will help farmers understand both why and how to be good stewards of their land.

THRIVE will use the approach of Farming God’s Way, a World Vision partner, to conserve on-farm natural resources. This approach includes avoiding toxic chemicals, keeping the soil covered with plants or stubble

## HONDURAS

THRIVE project locations: The map indicates Honduran departments (states) with the ADPs in each state indicated in the key below.



#### OCOTEPEQUE DEPARTMENT

MERCEDES  
SAN MARCOS

#### COPÁN DEPARTMENT

COPÁN  
FLORIDA

#### LEMPIRA DEPARTMENT

GRACIAS

#### SANTA BÁRBARA DEPARTMENT

COLINAS DE ORIENTE  
NUEVA FRONTERA

#### INTIBUCÁ DEPARTMENT

COLOMONCAGUA  
SAN ISIDRO  
SAN JUAN  
YAMARANGUILA

#### LA PAZ DEPARTMENT

MARCALA

#### EL PARAISO DEPARTMENT

DANLI  
TEUPASENTI  
SAN MATIAS  
YUSCARAN

continuously, rotating crops regularly, and minimizing tillage. Farming God's Way will conduct community-level training and discussions, develop demonstration plots for managing natural resources, and organize farmer field schools with peer-led training.

THRIVE also will help establish or strengthen local committees that will work to rehabilitate, protect, and manage off-farm natural resources such as waterways, communal grazing areas, forests, and watersheds. Committees will be trained using World Vision's Citizen Voice and Action, a local-level approach to advocacy that educates citizens about their rights (such as land and water rights) and equips them with tools to protect and enforce those rights.

### **Families and communities are prepared to overcome weather and market fluctuations**

An automated early-warning system for gathering and processing information on crop prices, weather, animal and plant diseases, and market changes is being developed by World Vision in Mali, in West Africa. Honduras THRIVE staff will review this prototype to see if the learnings can be leveraged in Honduras. This project will seek to connect community members to the information they need through cell phones. Through THRIVE, World Vision also will:

- Organize and train local disaster emergency committees and other community volunteers
- Develop risk maps and contingency plans

### **Families practice stewardship of their resources and apply Christian family values**

THRIVE will promote a biblical approach to using natural resources and improving family and community relationships, giving participants an empowered worldview. The project emphasizes that human beings are created in the image of God with a responsibility to work and care for themselves, their households, and their communities without depending only on support from government or nonprofit organizations. World Vision will train smallholder farmers and their families to realize their worthiness, and their ability to create well-being and wealth in their households. The project will:

- Promote a biblical approach to using natural resources and improving family and community relationships
- Work with local church leaders to combat deeply held cultural beliefs about violence and domestic abuse that have a negative impact on children and families

## **THRIVE TARGETS**

THRIVE improves the incomes of participants as they acquire the skills to move up to the next level. All participants will benefit from the program (whether they move to the next level or not). They will increase their incomes and their capacity to cover the health, nutrition, education, and shelter needs of their families. They also will gain access to more profitable markets for their produce.

### **Level 1**

**Participants:** 10,582

**Targeted to move to the next level:** 5,291 (50 percent)

**Profile:** People who start with limited productive capacity, producing staple foods only for their own families. They don't have access to financing or know how to establish commercial ties through their own resources.

**Skills acquired:** By participating in savings groups, these farmers and entrepreneurs learn the financial principles of multiplying their own money through saving, and lending money to each other. They also strengthen their leadership skills and work ethic. At Level 1, farmers mainly will move to selling farm produce locally to their neighbors.

## Level 2

**Participants:** 8,619

**Targeted to move to the next level:** 2,155 (25 percent)

**Profile:** People who already are established in producer groups. They have graduated from the first level, and have gained organizational capacity and a basic knowledge of financial concepts and markets.

**Skills acquired:** Farmers learn improved agricultural practices based on the six stages of agriculture (soil preparation, selection and sowing of seeds, adding manures and fertilizers, irrigation, weeding and crop protection, and harvesting and storage). Improving these areas allows farmers to reap two to three times more produce from their existing plot of land. At this level, farmers also learn how to access and manage credit, allowing for farm investments (like irrigation) that lead to higher yields. Level 2 farmers develop the capacity to sell locally as well as to neighboring towns and cities.

**Family income:** increases from \$2-\$4 a day to \$8 a day.

## Level 3

**Participants:** 3,303

**Targeted to move to the next level:** 165 (5 percent)

**Profile:** Farmers who have diversified their crops, are generating production surpluses, accessing different financing sources, and have sales at local markets. They are interested in improving their negotiation skills and scaling up to more competitive markets.

**Skills acquired:** In Level 3, producer groups target more profitable markets. Farmers are trained on market requirements like the quality and quantity expected by these markets. This level includes understanding storage and handling, branding and packaging, and delivery and transportation requirements. Contracts are established with larger-scale national buyers. Level 3 farmers may act as a link between these buyers and small-scale farmers.

**Family income:** increases from \$8 a day to \$15 a day.

## Level 4

**Participants:** 218

**Targeted to become top market leaders and employers:** 4 (2 percent)

**Profile:** These farmers have the capacity to invest in their farms with mechanized farming equipment, expanding their production. They generate employment opportunities.

**Skills acquired:** THRIVE will work with Level 4 farmers to develop their capacity to reach sub-regional and international markets. These farmers have gained a position in the market that enables them to mentor farmers who are functioning at lower levels and link them to new markets.

Reaching levels 3 and 4 depends on training combined with an entrepreneurial drive and willingness to take more risk for higher investment and profit opportunities.

**Family income:** increases from \$15 a day to \$30 a day.

### Beneficiary Costs and Family Income Generated by 2021

Total Beneficiaries	Cost per Beneficiary	Total Families	Cost per Family	Average Annual Income per Family
60,173	\$36	10,594	\$204	\$4,880

## PARTNERS

Many public and private partnerships help World Vision provide support to smallholder farmers, including:

- **CoHonducafe:** the largest coffee exporter for Central America. It will provide smallholder farmers with technical assistance and training for sustainable coffee production, aiming to increase productivity by at least 30 percent. CoHonducafe has agreed to invest corporate social responsibility funds back into THRIVE, developing vocational training and education opportunities for the children of participating coffee farmers.
- **Fintrac:** a woman-owned and U.S.-based consulting company that works with local and global partners to increase production, improve post-harvest handling, add value, and develop markets and competitive value chains for the world's most vulnerable farmers and communities.
- **Chemonics:** an international development organization that will provide joint training with World Vision on best agricultural practices and access to markets for fruit and vegetable value chains.
- **Unitec (Central American Technological University):** a private university that will focus on helping producer groups and microentrepreneurs meet the legal requirements for running businesses.
- **Ministry of Agriculture:** responsible for technical oversight and coordination with government agricultural programs.
- **Secretariat for Natural Resources and the Environment:** responsible for technical oversight and coordination in relation to watershed management plans.
- **Municipal and regional authorities:** responsible for establishing local economic development policies.

## MONITORING AND EVALUATION

A THRIVE technical program manager will ensure programmatic, financial, and operational implementation within Honduras and ensure the project's alignment with World Vision regional and international strategies, policies, and organizational procedures.

Internal financial audits will take place annually to guarantee transparency in the use of resources. Financial reports will be prepared on a quarterly basis, with narrative progress reports written on a semiannual basis.

An external consultant will be hired to conduct baseline, midterm, and final project evaluations.

World Vision will be investigating a potential partnership with the Norman Borlaug Institute for International Agriculture at Texas A&M University to collect information and validate the impact of this project.

## PARTNERSHIP OPPORTUNITY

Your partnership with World Vision supporting the \$15.3 million THRIVE project in Honduras will help transform the lives of 10,594 families in 16 World Vision community development areas. By bringing families closer to a middle class income, their children will have nutritious food, safe shelter, and educational opportunities. THRIVE will help families build sustainable businesses and increase their incomes so that parents and youth will not be placed in the desperate situation of choosing between staying in their communities or migrating to chase economic opportunities. Thank you for your consideration of this transforming project.



*World Vision is a Christian humanitarian organization dedicated to working with children, families, and their communities worldwide to reach their full potential by tackling the causes of poverty and injustice. Motivated by our faith in Jesus Christ, we serve alongside the poor and oppressed as a demonstration of God's unconditional love for all people. World Vision serves all people, regardless of religion, race, ethnicity, or gender.*