Business Development

Project “Alliance to Create Opportunities for Rural Development through Agro-enterprise Relationships” ACORDAR
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Estelí, Nicaragua, July 2012.

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This publication is the product of a participatory systematization process facilitated by the International Center for Tropical Agriculture (CIAT) for the project “Alliance to Create Opportunities for Rural Development through Agro-enterprise Relationships” (ACORDAR)

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The project “Alliance to Create Opportunities for Rural Development through Agro-enterprise Relationships” (ACORDAR) aimed to help increase the income, ensure permanent employment and strengthen the business capacities of 7000 poor rural households in 50 municipalities of Nicaragua, in alliance with municipal governments and the private sector.

ACORDAR was financed by the United States Agency for International Development (USAID) and implemented by an important consortium headed by Catholic Relief Services (CRS), together with other partners such as Lutheran World Relief (LWR), TechnoServe (TNS), Global Village (GV), Latin American Financial Services (LAFISE), International Center for Tropical Agriculture (CIAT) and other local partners in the area of influence of the project.
This project was initially established in 2007 for a 3-year period; however, given its significant impact, it was extended for another 2 years until the end of 2012 to further disseminate its results and empower more farmer families and producer organizations.

One of ACORDAR’s strategic goals was to help strengthen the capabilities of cooperatives of small and medium producers working with the public and private sectors so they can offer better services to their members. By project termination, these cooperatives should be able to give their members access to credit services, inputs, training, technical assistance and marketing services that would add value to their products. Along this line, assistance to cooperatives would focus on having the producers respond to market demands and deliver primary products with added value.

Concretely, these cooperatives should become self-sustainable and offer more services, with increased market participation. To achieve these specific goals, ACORDAR designed a strategy of transition to self-sufficiency for the cooperatives that involved a process to gradually wean the cooperatives from the project’s assistance services. Organizational-business support would gradually decrease over time as each cooperative achieved a certain level of maturity.

During the 2-year extension of the project, emphasis was placed on organizational strengthening. This report addresses the process of transition toward self-sufficiency.
of the 34 rural business and/or agri-business organizations\(^1\) attended by consortium members and located in 20 municipalities of Nicaragua: Condega, Pueblo Nuevo, Tuma-La Dalia, Rancho Grande, Waslala, Jinotega, El Cua, San Rafael del Norte, La Trinidad, Matagalpa, Dipilto, Las Sabanas, Tépaneca, Santa María de Pantasma, Río San Juan, Sébaco, Nueva Guinea, Rivas, San José de los Remates and Yalí.

This report compiles critical reflections on organizational capacity building and strengthening as a strategy to achieve self-sufficiency in rural organizations, from the analytical viewpoint of the ACORDAR team that led the transition process of target organizations.

\(^1\) The 34 organizations were: Agricultural Cooperative of Credit and Service, Producers of Organic Coffee Santo Domingo, Tépaneca – Madriz R.L. (CPCC); Cooperative of Multiple Services 5 de Junio, Las Sabanas R.L. (COSMUCJS); Multisectoral Cooperative of Organic Coffee Producers of Jinotega R.L. (COOMAPCOJ); Union of Agricultural Cooperatives “La Unidad de Santa María de Pantasma” R.L. (UCAPantasma); Cooperative of Agricultural Services “Nuevo Amanecer La Pava R.L.” (COSANALPA); Multisectoral Cooperative of Agricultural Products Guardabarranco de La Segovia R.L. (COMPAGUASE); Ríos de Agua Viva; Nueva Waslala; Flor de Dalia; Multi-Service Cooperative La Trinidad R.L.(COOSEMTRI); Agri-Services Center of the Multi-Service Producers’ Cooperative of Jinotega R.L. (COOSMPROJIN); Fe de las Nubes; Amistad del Chimborazo; Producers Society for Rural Business Development (APODER); Nuevo Amanecer; Ecológica 15 de Mayo; Central Office of Women’s Cooperatives (COCOMURFE); Cocoa Production Cooperative “Familias Unidas de El Castillo” (COOPROCAFUC); Producers Cooperative for the Development of the San Juan River R.L. (COODEPROSA); La Esperanza; Augusto Cesar Sandino; Cooperative Jorge Salazar; Agricultural and Livestock Services Cooperative of United Producers of Rivas R.L. (COSAPUR); Agricultural Cooperative of Vegetable Production R.L. (COPRAHOR); Cooperative Tomatoya Chagüite Grande R.L. (COOPASTOCHAG); Cooperative of Multiple Services Padre Odorico D’Andrea, El Mojón R.L. (COSEPANDO); Multisectoral Cooperative of Producers of Nueva Guinea R.L. (COOPANG); Multisectoral Cooperative “El Trópico Nueva Guinea” R.L. (COOPEMET); Multisectoral Cooperative of Producers People Working with the People Julio Falagan R.L. (GTG); Multisectoral Cooperative of Plants and Flowers R.L. (COPANFLORES); Multisectoral Cooperative of San José de Los Remates R.L. (COMULSAN); Wiscoyol Agriculture and Livestock Production Cooperative (WISCOYOL); Agricultural Cooperative Boniche – El Volcán R.L. (BONVOL); and Agricultural and Livestock Services Cooperative “El Refugio del Cenzontle de Malacatoya” (CENZONTE).
Organizations had limited access to financing because they did not meet necessary requirements, making it impossible for them to invest in improvements.

Where it all began

When the ACORDAR project began in 2007, producer cooperatives and farmer organizations already existed, but they were weak in terms of business and socio-organizational capacities, with little ability to carry out commercial negotiations. Nor did they have business plans to support growth and they lacked tools to provide long-term direction and mark their path of development as organizations.

In addition, members lacked a sense of belonging and were not familiar with the statutes or principles and values of belonging to a cooperative. Members were
Their only goal was to find financing for production. These organizations mainly used informal markets as their main channels of marketing. Members marketed their products individually through intermediaries, which limited the economic growth of cooperatives because of the low volume of marketing, which in turn decreased their capacity to negotiate and hindered their entrance into formal markets. Members were not able to take advantage of opportunities such as the favorable business atmosphere, the levels of demand and the prices of products, the dynamic local markets and the growing cities in need of quality food supplies.

These organizations also had limited access to financing because they did not meet necessary requirements such as guarantees and up-to-date financial statements. This made it impossible for them to make investments that would improve collection facilities and bring added value. It impeded investment in machinery, equipment and technology to broaden the services they offered to their members, and it also kept them from capitalizing their resources as they moved toward self-sufficiency.

Another aggravating factor was the dearth of opportunities for cooperative members to receive training and assistance in technical, administrative, financial and accounting aspects, and the lack of know-how about good business practices and technology that would enable them to manage their organizations efficiently. Long-term governmental policies to foment investment in the agricultural sector were also lacking.
Getting started

The building and strengthening of business capacities as a strategy for rural organizations to achieve self-sufficiency began in Nicaragua with the ACORDAR Project in September 2007. After the initiative was launched, special consultancies were held with a business development technical team in October of that same year. The team, formed by three technical advisors and a coordinator, provided support to target organizations in the preparation of their business and strategic plans. The team also offered training in business-related topics and assistance in keeping the cooperatives’ legal status up to date.

Later, in 2008, 25 people, including producers and technical staff of consortium partners, participated in a business tour to El Salvador. As a result, several of the bean producer cooperatives were able to establish commercial relations with Salvadorian buyers.

That same year the Learning Alliance of Nicaragua2 (AdA, its Spanish acronym) launched its 2008–2010 Learning Cycle, a process in which 17 organizations3 worked to strengthen their entrepreneurial

Business tours allowed several bean producer cooperatives to establish commercial relations with Salvadorian buyers.

2. The Learning Alliance (AdA) [http://www.alianzasdeaprendizaje.org/la-alianza-hoy] is a consortium formed by organizations that work to further inclusive, sustainable rural development in the Central American region, promoting learning processes shared among different actors.

3. These 17 producer organizations were supported by different AdA partners, including CRS and LWR.
and socio-organizational capacities. The methodology was based on an initial self-evaluation of each enterprise together with an analysis to identify its needs and/or weaknesses. In a second stage, socio-organizational processes were strengthened, serving as basis for the third phase, which consisted in preparing a strategic plan for each organization using a participatory approach. The last stage consisted in preparing a business plan and strengthening the services offered by the organization.

In 2009 USAID carried out a mid-term evaluation of the ACORDAR Project and defined the course of action for fulfilling the business needs of rural organizations working with each consortium member. This intervention gave birth to the idea of “graduating” rural businesses, which was later called “organizations in transition toward self-sufficiency.”

Based on the previous experience, a different strategy was adopted during the 2-year extension period of the ACORDAR Project to offer technical advice and assistance in entrepreneurial aspects as part of the framework of the transition process. Business development areas were created in Consortium member organizations, with the accompaniment of a CRS business development advisor.

In addition, since the expectation was that by the end of the project the organizations would give their members access to credit services, inputs, training, technical assistance and marketing services, or that they would have a plan to do so in the short or medium term, some indicators were defined for this gradual reduction of assistance by the project. These indicators were as follows:

1. Established marketing contacts and contracts. Cooperatives should have a list of commercial contacts and at least two agreements and/or contracts for the sale of agricultural products.

Several indicators were defined for the gradual reduction of project assistance. The organizations should have met at least 70% of them and have a short- or medium-term plan in place for achieving self-sufficiency.
2. **Cooperatives and/or agri-businesses with access to credit.** Cooperatives should have a formal line of credit with a banking entity or micro financing company, or should have at least designed a policy to access credit.

3. **Cooperative enterprises with governance in their management and attention of members.** Cooperatives should have legal status, rotate their leadership and include women in management positions.

4. **Cooperatives with capital assets.** This refers to the ownership and effective management of cooperative assets, including bank accounts and financial reserves. This means that they should have an up-to-date, auditable financial statement, showing that the cooperatives normally operate with a positive balance of their assets and liabilities.

5. **Cooperatives profitable in their productive and marketing operations.** Cooperatives should have profitable results from the previous year’s operations. In other words, their income should be greater than their expenses.

6. **Cooperatives with an up-to-date strategic plan in place.** This indicator refers to cooperatives with a strategic plan covering at least 3 years that defines their vision, mission, policies and strategies to become competitive in the market and be able to offer services of technical assistance, credit and inputs, among other things.

The AdA Learning Cycle self-assessment tool, designed to facilitate the management
The Innovation Fund helped cooperatives meet specific needs with respect to the input market, services and added value of production.

With the US$ 875,000 invested in the Innovation Fund, annual returns equivalent to US$3,745,740 are expected.
The Innovation Fund, an initiative that received a donation of US$400,000 from USAID, was officially launched in February 2011. This fund could be accessed through (i) proposals made by the member organizations of the project, (ii) proposals of the cooperatives that were generated in alliance with different mayor’s offices or (iii) alliances with private enterprises. The methodology used was one-to-one co-investment, which meant that for each dollar contributed by the Innovation Fund, the beneficiary organization should allocate another dollar, but with the benefit of financing in cash at least 40% of its total investment, while the remaining 60% could be offered as in-kind contribution.

As part of the preceding initiative, 18 projects were approved, of which the cost of implementation of 16 came to approximately US$875,000. Of this amount, the Innovation Fund provided US$305,000 and the organizations, US$570,000 (of which US$385,000 was in cash and US$185,000 in kind). These funds were destined to the input market, services and added value in the chains of coffee, garden produce, roots and tubers, fruits and vegetables, beans and others (such as chia). Ten partners of TNS, one of LWR and five of CRS benefited from the Innovation Fund.

Later, in September 2011, ACORDAR put in action a plan to strengthen the managerial and administrative capacities of staff of cooperatives and associations in transition toward self-sufficiency. Topics addressed were strategic planning, cooperativism and its philosophy, entrepreneurial development and gender, accounting, financial analysis and viability, installation and equipping of computerized accounting systems and training in their use. This capacity building helped organizations acknowledge the need for management tools.

Each submember of ACORDAR developed its organizational strengthening tools: business plans, strategic plans, credit manuals, manuals of administrative and
accounting procedures, reform of statutes and regulations, credit policies and a manual on how to access targeted financial and banking services.

In addition, they also received technical assessment and accompaniment in the creation of alliances, fund raising, accounting, administration, accounting and portfolio management, legal issues, writing of documents, reporting, calculation of financial ratios, financial analysis, accounting closes, preparation of financial reports, call for regular and extraordinary meetings as well as actions before the General Directorate of Revenues of Nicaragua (DGI, its Spanish acronym), the Nicaraguan Institute for the Promotion of Cooperatives (INFOCOOP, its Spanish acronym) and the Nicaraguan Social Security Institute (INSS, its Spanish acronym).

At the same time, women’s participation was encouraged throughout the entire project to get the best results in the different processes undertaken. Efforts focused on strengthening their capacities in terms of gender, self-esteem, small-business management, organizational leadership, cost accounting and equipping for production. As a result, different businesses were established such as the production of vermicompost, greenhouse seedlings, vegetable processing (washing) and chia-based soft drinks.

Additionally, to promote the organizations’ capitalization\(^4\), ACORDAR invested the sum of US$4,840,211 in infrastructure, equipping collection centers and agro-services to improve collection and marketing processes. In this way it hoped to add value to the raw material in the production chains of coffee, cacao, roots and tubers, beans and other business initiatives. The main infrastructures included the following:

- Northern Beans Agroindustrial Center, with a cost of US$612,060 for infrastructure and US$311,635 in equipment.

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\(^4\) In this case, capitalization is understood as the increase of the company’s or organization’s assets, allowing them to better meet their financial commitments and carry out their business activities.
• Dry processing facilities for coffee of the Society of Small Coffee Producers, Exporters and Buyers (SOPPEXCCA, its Spanish acronym), built with leverage funds for a total investment of US$709,273, of which LWR contributed US$175,000 and SOPPEXCCA US$534,273.

• GV tropical roots processing plant in Jinotega, with a total investment of US$181,437.

• Collection center and warehouse in El Tule for US$14,017.

• Collection center for wet cacao beans, building and improvement of 3 cacao collection centers for a total investment of US$199,661.

A total of US$917,345 was also allocated to capitalize the organizations through revolving funds, which originated mainly from ACORDAR through USAID funding and were delivered to beneficiaries in the form of production facilities, genetic material, inputs, technology, equipment and tools.

One of the strategies used in this process is the forging of alliances to promote business relations (commercial, social, educational and financial) between two or more actors, empowering the organizations to better manage and carry out planned activities as well as facilitate their access to better markets and lines of credit as well as the signing of contracts—all services that help these cooperatives become successful enterprises.

On the other hand, the diversification of services allowed organizations to pursue new and innovative business initiatives. With this strategy they were able to improve their income levels, project a better image before cooperative members and other support institutions, develop and enhance knowledge, and improve cooperative management. In addition, the Innovation Fund—a fundamental pillar of value chain links—helped increase capitalization and diversify services.
During project implementation, a phenomenon occurred that affected the experience: the “no payment” (“no pago”) movement surfaced in response to the country’s economic crisis and the high costs involved in accessing credit, adversely affecting cooperative organizations. Members found it increasingly difficult to access the credit offered and cooperative membership fell. Credit offerings available to small producers also decreased. Nevertheless, one positive outcome of the movement was the lowering of the financial costs of credits nationwide and, as a result, member organizations revised and updated their credit policies for portfolio recovery.

Another favorable aspect was the increased demand in the agricultural sector for new technology, which represented an opportunity for organizations to use revolving funds to help them capitalize and meet the demands of producers.

In the same way, the process benefited from the opening of new markets that allowed some of the organizations to establish stable commercial relations that facilitated financing in different areas, encouraged the generation of quality products with added market value, motivated the organizations to improve their organizational and administrative processes, and moved them to innovation to become more competitive and up to date. However, in the case of beans, some borders were closed during certain periods and, in the case of black beans, producer organizations only participated in the business as providers of raw material.
Of the cooperative enterprises in the business-strengthening program, 85% are eligible for credit, 88% have fixed assets and 82% have contacts and/or contracts with established formal markets.

The results

Keeping in mind the mentioned indicators, the organizations that were able to reach a certain level of development or successfully transition toward self-sufficiency as well as those that became consolidated during the process were considered as having “graduated”. In the first case, enterprises were expected to build up their businesses, establish a plan to achieve self-sufficiency and develop new business initiatives that addressed the options to achieve sustainable organizational indicators. In the second case, enterprises had conditions that were favorable and would ensure sustainability.

By the time the ACORDAR project ended, 32 of the 34 organizations that participated in the graduation process had strategic plans that influenced their sustainability because they served to direct their activities to access formal markets at a national level. At the same time, the members and directors felt more identified with their organization and recognized their capacities, a situation that has allowed them to improve their commercial negotiations. The associated families have also been able to improve their economic situation thanks to the commercialization they have achieved by forming cooperatives.

Also 85% of the organizations that graduated have improved their access to financial resources. They strengthened their capacities for commercial and entrepreneurial activities, increased their capital and continued on their path to independence and financial autonomy. The abovementioned efforts aimed to establish alliances to acquire resources in kind or in cash to finance production or invest in production facilities on the farms of cooperative members.

On the other hand, 82% of the organizations in transition are now better complying with the requirements to commercialize their products in formal markets. At the same time, 76% have reached better buyer’s markets with added value in the sectors of vegetables, roots and tubers, coffee, cacao
and beans. For the last three items, added value consists in wet processing, drying, polishing, sorting and packaging.

By increasing the organizations’ offer and diversity of services, profits are generated and the increased demand for labor becomes apparent. Organizations are currently capable of hiring and paying their own personnel trained to efficiently carry out their economic activities, particularly administrative and accounting personnel and agricultural promoters.

Finally, it is important to clarify that the capacity building did not focus only on management, but that the organizations now make it possible for young people to participate in social-work internships and professional practices and afterwards hire them as employees. These organizations have therefore generated employment opportunities in their areas. On several occasions, these jobs have been filled by the sons and daughters of cooperative members.

Today, 94% of the cooperative enterprises that participated in the organizational-strengthening program have a strategic plan, a business plan and a plan for self-sufficiency in place.

97% of the cooperative enterprises participating in the program have legal status and governance in their administration and attention to members.

76% of the cooperative enterprises participating in the organizational-strengthening program are profitable in their productive and commercial operations.
Lessons learned

- It is important to link farmer organizations with formal markets, as this assures the commercialization of their products and/or services, as well as a higher household income on a more regular basis.

- All cooperatives should have an accounting system in place and transparent communication with their members. This allows them to have access to updated market information and, as a result, make better informed decisions.

- Strategic plans should be prepared with the participation of all actors involved, seeking consensus.

- It is fundamental to (1) implement the business development process from the beginning of the project, implementing a capacity-building program differentiated based on the business level of the organizations at the onset of the process (baseline); (2) use teaching-learning methods based on the level of education and capacities of participants; and (3) train the technicians, promoters and/or managers of the organization in the appropriate use of each tool. This enables an efficient and effective fulfillment of indicators, without the more advanced organizations losing interest in several of the capacity-building actions in which they already have experience.

- Ideally, the transition of organizations toward self-sufficiency should be carried out by levels (basic, intermediate and advanced) because of the different business situations that could exist and the differences in the level of education of members. Grouping organizations by levels enables actions that respond more
The outcome of their involvement is improved local competitiveness.

- The number of indicators to measure the degree of progress should be reduced and indicators differentiated according to the level of each organization.

- It is important to prepare business plans based on a comprehensive study of the target market, with the participation of not only a multidisciplinary team but also cooperative management with an eye to improving their capacities. These are two main weaknesses that business plans generally present when they are prepared by people outside the cooperatives: a lack of focus on the target market and a lack of appropriation of the initiative or capacity building by cooperative members.

- Organizations should participate actively in the preparation of municipal action plans.

specifically to the most pressing needs of organizations with a similar level of development. In addition, a more precise, efficient and effective methodology can be applied to achieve the outcome foreseen in the indicators.
Conclusions

At the beginning of the process, there were no criteria in place for selecting those organizations that might be ready to transition into self-sufficient cooperatives, no clearly defined measurement indicators and no plans on how to carry out the entire process. Consequently, activities aiming to strengthen organizations did not follow a clear objective and took place over a long period of time.

In addition, although the Innovation Fund was a strategy to both encourage and promote added value as a way to capitalize the organizations, access to it was limited by the requirements imposed and by the time limitations designated for the application. These factors affected the preparation of business initiatives, with the result that some of the organizations were not even able to apply.

Based on these reflections and the above-mentioned lessons, a program to accompany and monitor the transition process toward self-sufficiency should be designed and implemented for those selected organizations. Technical assistance should be offered based their specific levels of development.

Another recommendation is to create a multidisciplinary business development team to offer a better service to the organizations. Capacity building of cooperative staff is important. This will improve their chances of successfully preparing resource mobilization initiatives, as in the case of the initiatives presented to the Innovation Fund.

Also, it is necessary to ensure sufficient physical, economic, human and technological resources for the technical team to carry out its responsibilities efficiently, but it is also fundamental to strengthen the business vision of the project’s technical team responsible for the production area so that activities can be directed, from the beginning, with an entrepreneurial approach, not just focused on agriculture. The support offered by the organizations’ technical teams is indispensable if satisfactory levels of rural business development are to be reached in target areas.
Stories of change
Living proof
A combination of dreams, visions, goals, and desires gave birth to the Multisectorial Cooperative “El Trópico Nueva Guinea” (COOPEMET R.L., its Spanish acronym) in 2006 and nourished it during the first years of its existence. However, by 2009, this 36-member cooperative (both men and women), located in the municipality of Nueva Guinea in Nicaragua’s Autonomous Region of the Southern Atlantic (RAAS, its Spanish acronym), was falling apart. The members’ dissatisfaction with their low returns was undermining the cooperative’s effective operation. They had few products to commercialize—not even heart of palm, which they cultivated but in a traditional careless and disorganized way. The members wanted to split up.... nothing held them together.

“Now, we are a stronger organization and we know what we want.”

Story shared by Multisectorial Cooperative “El Trópico Nueva Guinea” (COOPEMET)
Served by TechnoServe
Despite this situation, in April 2010 order appeared out of the chaos. The cooperative joined ACORDAR, signing an agreement with one of the project’s partners, TechnoServe, whose main objective was to provide technical assistance and advice in business management as well as promote marketing and financing connections.

Like a sleeping giant waiting for the right moment to awaken, COOPEMET began to negotiate with the Rural Development Institute (IDR, its Spanish acronym) to re-open an abandoned processing plant (Tropifruta) in the area of Nueva Guinea. The plant had everything necessary to process fruits and vegetables.

The moment had arrived; the giant was awakening, and nobody could hold it back. Without a doubt it was the opportunity that the members of the cooperative had been hoping for. After a period of negotiation, they signed a lease for the processing facilities in which IDR allowed COOPEMET to process different products. Previously, only the heart of the pejibaye palm had been processed there.

Some farmers also needed to process raw pineapple and guava, in addition to heart of palm, so they bought containers to begin processing on a larger scale and integrate these products into the market. The cooperative was obviously beginning to take off and, for the first time in a long while, the future looked promising for cooperative members.

Taking advantage of the momentum they had gained with their deal for the processing plant, COOPEMET took another step forward. Only seven months later, with TechnoServe’s and ACORDAR’s support in credit management, cooperative manager and member Gladys González was able to get DISAGRO\(^5\) to provide credit for fertilizers and other inputs for sale at its offices.

Cooperative members not only began to see profits, but job opportunities were also being generated, offering yet another service to the community.

Beyond doubt, these initial results began to revive the inner fire that some of the members had lost. Their sense of achievement gave them a common objective; a sense of direction. This was evident in July 2011 when, thanks to ACORDAR’s efforts, the IDR ceded all the installations of Tropifruta to the cooperative.

It was a challenge worthy of the moment, and COOPEMET took it up willingly. Members joined forces to develop different fruit production lines and searched for markets to sustain the production, administration, and generation of jobs and profits for all. Thanks to this united effort, the cooperative secured a reliable market for the sale of guava and pineapple pulp;

\(^5\) DISAGRO is a private corporation of the agricultural sector, focused on satisfying the demand for fertilizers, crop protection products, plastic packaging products, logistical services, and machinery for agriculture, construction, and industry.
they also found clients to buy fresh pineapple.

But this expansion in activities needed constant nourishment and ACORDAR continued to provide what the cooperative needed so as not to interrupt its development. Support came as a sum of US$19,000 to invest in irrigation systems, vegetable and fruit seeds, water filters, protective equipment for applying pesticides, and equipment for a bio-control lab and storage center. An additional US$5,889 from the Innovation Fund⁶ allowed them to invest in more equipment to further process products.

**Reaching self-sufficiency**

In 2009 COOPEMET faced a gloomy future. Two years later, as a result of the agreement with ACORDAR, their reality had changed drastically. They went from division to unity, strengthening the organization’s structure.

However, to survive, an organization must make its processes sustainable. So COOPEMET participated in the rural enterprise empowerment or business graduation process promoted by the ACORDAR Project⁷, a process specifically designed to help organizations reach sustainability and provide better services for their members.

To this end, the cooperative participated in the graduation process by applying a self-evaluative methodology for rural associative enterprises from the Learning Alliance⁸ initiative. The methodology examines the themes of strengthened strategic business orientation, organizational structure and functionality, business management, consolidated organizational procedures, and services offered. In the self-evaluation carried out in 2011, COOPEMET scored 3.87 of a possible score of 5.00, exceeding their desired score of 3.50.

Thanks to this process, the initial weaknesses of the cooperative’s organizational structure began to be eliminated. Using the Learning Alliance methodology, the cooperative’s administration and accounting systems were closely monitored and performance indicators analyzed.

“Our objective was to detect priority areas where we needed additional support. In this context, we analyzed the agro-processing area to pinpoint the greatest obstacles to increased production both in the field and processing plant. We also evaluated our accounting and processing systems.

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6. The Innovation Fund, an ACORDAR initiative, promotes innovations in the markets of agricultural supplies, and services and finished products, so cooperatives can support themselves and offer better services to their members.


8. Nicaragua’s Learning Alliance (AdA, its Spanish acronym) has developed a self-evaluation tool that establishes that the process of self-sufficiency is developed gradually, so organizations are expected to move from a level of basic formation to one of development and finally consolidation.
The resulting recommendations and suggestions provided insight on the path to move forward,” comments Gladys González.

The strengthened cooperative released statistics on its production growth, showing that sales have increased 5.5 times, going from US$5,444 in 2008 to US$35,602 in 2012 per year. With 43 members in 2012 (33 men and 10 women), the days in which the cooperative had almost no contacts and sold only one product, the heart of palm have been left behind. COOPEMET members now work with fresh and processed pineapple, guava, chilote (a local product), fruit concentrates for nectar, and other products currently in development, such as pineapple in fruit syrup form.

“Now, we are a stronger organization and we know what we want.” This is the general feeling of the cooperative’s members when they speak of the important changes the cooperative has experienced. “Before, COOPEMET was falling apart and its members were unhappy. Now, the entire administrative council and all support committee members are making their best effort to fulfill their responsibilities. They are working together to better support the management in achieving established goals,” concludes Gladys González.

\textit{Translation:}
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This publication compiling the work of the ACORDAR Project is made possible by the generous support of the American People through the United States Agency for International Development (USAID). The contents are the responsibility of the ACORDAR Project and do not necessarily reflect the views of USAID or the United States Government.
"Rural Associative Enterprises on the Path to Self-sufficiency"