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PRODUCERS TO MARKETS ALLIANCE

OBJECTIVE

USAID's Producers to Market Alliance (PMA) seeks to strengthen legal economies in Colombia's conflict-affected territories by increasing the competitiveness of licit producers and the value of licit products. These territories are home to resilient communities and entrepreneurial human capital, which has long been plagued by illegal economies, violence, and underdevelopment. Precarious institutions and decades-long armed conflict have given rise to narco-trafficking, illegal mining, and trafficking in persons and arms, all which threaten stability, security, and peace.

PMA improves the capacity of rural producers and enterprises to respond to the quality standards and volume requirements of licit markets in selected conflict-affected areas where success is key to advancing Colombia's peace. PMA helps close business deals between producers and buyers to increase incomes and employment opportunities for smallholder farmers, including women heads of household, and members of minority ethnic groups. PMA supports high-potential value chains, including cacao, specialty coffee, natural latex, tropical fruits and vegetables, and sustainable dairy production. PMA provides an important complement to Colombian efforts to reduce coca.

Implemented by Fintrac, PMA will run from March 2017 – March 2022 in priority municipalities in the departments of Antioquia, Bolívar, Caquetá, Cauca, Córdoba, Meta, Nariño, and Valle del Cauca.

COMPONENTS

INCREASE EXPORT SALES BY CONNECTING PRODUCERS TO MARKETS

PMA facilitates the sale of products from agriculture and other value chains to new markets to maximize value for producers, firms, and consumers, while rapidly expanding export and trade opportunities for

rural producers and businesses. The program ensures the financial, technical, and managerial sustainability of targeted producers by linking them to buyers and providing assistance in closing business deals that meet market requirements. PMA increases market access and helps producers meet the requirements for product quality, timeliness, price, and adherence to sanitary and phytosanitary standards.

INCREASE PRODUCTION THAT RESPONDS TO MARKET DEMAND

Five value chains - cacao, specialty coffee, natural latex, tropical fruits and vegetables, and sustainable dairy production - have considerable untapped potential for growth. PMA supports new plantings, crop renewal, increased productivity, improved postharvest handling, and other value-adding efforts. PMA reduces production costs, increases yields, improves product quality, develops handling and delivery schedules for selling, and improves customer fulfillment. PMA helps producers to organize, in order to offer better quality products at competitive market prices and greater volumes. PMA also assists farmers exiting coca for licit crops.

INCREASE INVESTMENT IN RURAL INFRASTRUCTURE

PMA leverages and mobilizes financial resources to facilitate public and private investments in rural infrastructure that support the key value chains and business deals targeted under the activity. The interventions address infrastructure bottlenecks to successfully execute the business deals reached in PMA's first two components. PMA develops assessments, feasibility and technical studies, environmental analyses, and engineering and architectural designs to support productive infrastructure investment. This includes support to help communities organize to repair and maintain tertiary roads and other infrastructure requirements throughout the program's geography.

RESULTS

- Earned sales of \$2,052,955 as of December 2017 by producers, who are beginning to target international markets opportunities, as PMA enables producers to better connect to agriculture and other export opportunities.
- Established 279 farm demonstration sites, which are used to demonstrate the implementation of good agricultural practices and improved technologies to smallholder producers.
- Completed 24.8 kilometers of tertiary road improvements, facilitating market access for beneficiary households.

EXPECTED RESULTS

- Increased total value of exports by 300 – 500 percent of targeted value chains.
- Increased producer sales by 250 – 300 percent through production improvements.
- Produce at least \$130 million in transaction sales.
- Leverage at least \$50 million of public/private funds for infrastructure investments to facilitate sales of key value chain products.