

Greetings from El Salvador!

I thought you might be interested in a "dispatch from the field" about progress on NCBA's new **Co-op to Co-op Program**. After an intensive week of meetings with co-ops and government officials, including the Vice Minister of Agriculture, I'm encouraged to report that there are some strong potential partners and a good level of receptivity on both ends of the co-op to co-op chain.

The Co-op to Co-op Program, funded by USAID for the next five years, is working with food cooperatives in the U.S. and Central America to establish new, mutually beneficial relationships, leading to new business opportunities. The income from that business will enhance the food security of smallholder farmers.

NCBA'S CLUSA International Program is working in partnership with the CBLD Team of the CDS Consulting Co-op on the program's design and promotion. As part of the CBLD program, directors of food cooperatives will be invited to participate in Study Tours to visit the farmer/producer co-ops.

We have also benefitted tremendously from early consultations with Equal Exchange, The Wedge and Seward Co-op, who have been generous with their insights and perspective.

One of the primary activities of the program is to organize reciprocal site visits so cooperators from the two regions can get to know each other personally. The premise is that personal contact among co-op counterparts will generate the creativity and focused use of human and financial resources needed to build capacity, identify possibilities, and broaden the experience of all the participants.

The program's immediate objective is to organize the first visit to Central America, tentatively scheduled for mid-May, 2011. NCBA is looking for a few—ten to twelve—co-op directors, managers, and purchasing managers to make the trip and help shape this new initiative into a long-term, viable and self-sustaining contribution to cooperative development.

The Salvadorian co-ops I've met seem to fall into three categories: those that are already exporting, to Europe or the US; those that have exporting as a goal but aren't quite there yet; and one with a compelling story whose export days are still a little way into the future. Each is, in its own way, quite impressive.



Among the first group is APRAINORES, a co-op nearly all of whose members are veterans of the fighting that raged here in the 80's. The co-op's processing operation (left) is located in a little settlement that, before the war, was empty fields; the government settled the people here, about 90 minutes from the capital, during the demobilization process. Every building one sees is no more than 15 years old.

The co-op, with 55 members (including some 25 women), has built a plant and yearly ships between two and three container-loads (about 60,000 lbs) of high quality, organic cashews to Europe. Their 2009 sales of \$230,000 were high compared to the 2010 result, for a couple of reasons: product of the proper quality was more scarce, and they have had difficulty in getting working capital financing. The co-op got off to a rocky start but has made great strides in cleaning up its financials and putting its operations on a sound footing. Since the processing season starts in February, on the day of our visit the buildings were empty of their 80 or so seasonal female workers.



The president, general manager and an APRAINORES board member sharing some cashews outside their offices.

In the second group is LOROCOSAL, an association of about 40 small farmers who produce *loroco*, a flowering edible plant used especially in *pupusas*, El Salvador's national dish. LOROCOSAL's Board is comprised of entrepreneurs intent on expanding acceptance and demand for this product, hitherto known in the U.S. mainly to the communities of Salvadorian and Guatemalan immigrants. The group have commissioned

studies at Texas A&M and UMass to document the anti-oxidant and other benefits of *loroco*, which are apparently considerable; they have gotten some of New York's leading chefs to invent new recipes featuring the product; and they have pioneered eco-friendly, fair-trade, controlled environment processing of this organic product. All they seem to need, in fact, is some work with U.S. customs and some orders. I don't have pictures from these folks; a back problem confined me to my hotel for a couple of days, so they drove the hour to the capital to meet me!

Then there is the COOPERATIVA DE JUNVENTUD RURAL (CJR), a seven year-old co-op comprised of former child soldiers and the children of older combatants. With CLUSA/El Salvador's president, León Bonilla, we visited their plant and talked with their managing director, a bright, pleasant and obviously capable 25 year-old named Juan Carlos.

Eighty percent of their twenty members are younger than 30, and a third of the participating membership is female. They had a successful bakery until the cost of flour doubled, after which they couldn't compete with the larger firms in the area. They have also developed a line of low-tech, ceramic water filters, earning some income by selling about 2,500 of these annually to NGOs working on potable water projects. Their goal for the coming year is to iron out the last few processing and licensing wrinkles so they can begin selling organic cashew juice, a new product that has been successful in local testing.

León and I met with another co-op that is preserving a traditional sugar-making industry and looking to expand their market; a dairy co-op that makes excellent gourmet cheeses--also founded by demobilized guerrillas looking for a better future; and with an apex organization for some of the organic coffee-producing co-ops. We met with the visionary Governor of the state of Morazán, an area particularly hard-hit by the civil war; together with the state's development agency, Sr. Ventura is pioneering a number of co-op based programs in coffee, honey and dairy products.

As you can tell, I came away pretty excited about what is going on here. I had expected to have trouble finding groups and products that were not involved in coffee. It turns out there are quite a few co-ops who are doing some pretty remarkable things. When we spoke about possible collaboration, you could see their receptivity—not as "charity cases" but as potential partners who bring real value to the table.

I hope we'll have a chance to talk further about some of the possibilities here, and about putting together a plan to bring co-op officers to see for themselves what vibrant organizations there are here.

Best regards and more to come!

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For information about Study Tours for directors of US co-ops, contact Mark Goehring (MarkGoehring@cdsconsulting.coop)



*Juan Carlos,
CJR's manager, in the
bottling room*

