



ADIRA is a fourteen-year-old association of 916 Q'eqchi indigenous families who grow cardamom, pepper, and cacao. The organization operates in Raxruhá municipality, in the Alta Verapaz province in Guatemala. Families own one to three hectares of land where they establish the crops.

The Mayan Q'eqchi people, who represent more than one million of Guatemala's inhabitants, are a poor population living in rural areas of Alta Verapaz, Izabal, and Petén provinces. They still preserve pre-Christian deities, with Tzultacaj, the god of mountains and valleys, as the principal deity. They have been historically excluded from democratic political participation in Guatemala. The main economic activity is agriculture. Corn and beans are sowed for consumption, and coffee, cardamom, cacao, cinnamon, turmeric, and pepper are for commercialization—the Q'eqchi practice fertility religious ceremonies during sowing. Agriculture is complemented by poultry and livestock. Other sources of income are handcrafts, huipiles weaving, b'onok (painting masks), tailoring, carpentry, and masonry.

ADIRA currently has long-term commercial agreements with FEDECOVERA, APODIP, CAFINTER, and Nueva Kerala, all exporters that purchase cacao, pepper, and cardamom. Contracts are revisited yearly based on product price fluctuation, with cacao being the most stable. Some clients provide advance payments to start collecting and processing the products. ADIRA crops are certified Organic, Fair Trade, and Carbon Neutral. Their processing facilities are HACCP certified. The clients named above cover these certification costs.

The organization recently obtained a license to export and is seeking international buyers.

ADIRA has received significant financial and technical support from international NGOs such as Heifer International and multinational entities such as the EU and the International Fund for Agricultural Development (IFAD). In recent years, ADIRA has obtained a warehouse, solar and gas dryers, and a vehicle – all at no cost. Heifer International

IMPACT OVERVIEW

Production and commercialization of cacao, pepper, and cardamom.

No. of beneficiaries	916 families
% Women	59%

COMMUNITY

	Country: Guatemala
	Municipalities: Raxruhá
	Communities: Q'eqchi

continues to provide technical support in financial analysis, project formulation, and coordinating business rounds for ADIRA to connect and establish relationships with new clients.

Impact Background



Guatemala is the most populous Central American country (17 million in 2021) and the home to the most indigenous people (40% of the population.) Guatemala is Central America's largest economy, with a GDP of USD 95B in 2022. The country has experienced stable growth, 3.5 percent on average from 2010 to 2019, supported by prudent fiscal and monetary management. The country experienced one of the slightest economic contractions (-1.8%) in the Latin America and Caribbean (LAC) region during COVID-19, and then the economy rebounded strongly to grow 8% in 2021 and 4.1% in 2022. A record

number of remittances were received, boosting private consumption. The country's economy is expected to grow 3.4% in 2023.

However, Guatemala's economic stability has not translated into a solid reduction in poverty. The country's poverty and inequality rates are among the highest in LAC, with a large, underserved population, mostly rural and indigenous. In 2023, 55% of the population is estimated to live in poverty. Guatemala's informal economy represents 49% of GDP.

Drought and gang-related violence have motivated over one million Guatemalans to emigrate – most to the United States and often at great expense and risk. 9 out of 10 Guatemalans who flee cite economic reasons. Supporting economic development in Guatemala is an effective way to reduce forced migration and preserve indigenous culture.

Altos de Verapaz is the third most populated province in Guatemala and is the poorest in the country. Over 83% of its population lives under poverty conditions, 53% live in extreme poverty, and only 40% of the workforce has a fixed job. In Raxruhá, the predominant economic activity is agriculture, but most is for subsistence consumption. There are limited resources to provide agricultural technical assistance from government institutions, so productivity, competitiveness, and quality are deficient.

The most important crop in Raxruhá is palm oil from non-native African palm trees. Often grown on large plantations, the palm oil industry has been accused of land appropriation and polluting waterways. Monoculture planting methods often result in the loss of forests while threatening biodiversity.

ADIRA counters the palm oil industry by providing technical assistance and commercialization services so small-scale farmers can grow diverse climate-resistant crops on their land while conserving local forests.

The average monthly income in Raxruhá is roughly USD 153, 30% less than the country's agricultural minimum wage (USD 225). The average monthly salary in Raxruhá is generally less than the required amount (USD 450) to cover food, education, housing, and health.

Besides the three main crops, a few families have ventured into sowing annatto, cinnamon, and turmeric. These products are sold locally and in low volumes. ADIRA is developing a strategy to commercialize turmeric as a natural ingredient for the pharmaceutical and cosmetic industries as it possesses medicinal properties. This will generate additional income for families and the organization.

Impact Delivery

ADIRA promotes the community's self-sustainable development through its members' active participation in the organization, technical assistance to maintain good agricultural practices, and project development. These have allowed them to expand infrastructure and equipment, sow new crops, and increase productivity. ADIRA has built enough capacity and expertise to produce and process cacao, cardamom, and pepper. Working with ADIRA is the only means of income generation for the indigenous community.

The organization provides technical assistance through workshops and on-site visits to individual farms to assess crop quality, productivity, and good practices. ADIRA also provides credit to farmers to purchase equipment and inputs. The organization buys inputs in bulk to receive lower prices and sells the inputs at cost to farmers.

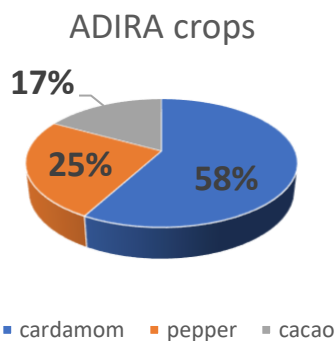
ADIRA has developed projects to alleviate farmers' needs with strategic partnerships such as Heifer and the EU. For example, ADIRA provided water filters (from Beneficial Returns borrower, Ecofiltro) to families to avoid diseases from consuming polluted water. Another project was providing farmers with the necessary equipment to produce organic fertilizers with organic waste in their farms, reducing the use of chemicals and saving money.



ADIRA's indigenous governing board is a vocal advocate for the community as they push for greater inclusion – particularly around access to health care and education. Even though the Central government sometimes excludes the community, they know the great wealth they possess in culture and agricultural knowledge. ADIRA is constantly looking for instances where it can participate nationally and internationally. A general assembly is coordinated to elect the organization's leaders democratically every four years. All of ADIRA's members can participate in this election.

ADIRA pays farmers upon delivery of the produce. Once the harvest is complete, ADIRA pays a USD 3.2 premium per 100kg of any product the farmer sells to the organization. Pepper, cacao, and cardamom are purchased at the market price, and ADIRA handles all logistics – picking up the crops from the farm. In 2022, ADIRA distributed over USD 18,000 to families in premiums.

On average, farmers own 2 hectares of land. The total production for 2022 was 577 tons, of which cardamom accounted for 58%, pepper 25%, and cacao 17%. 90% of the farmers cultivate the three products, and the rest have only one or two crops. With Heifer's support, ADIRA constantly encourages farmers to diversify crops and generate income during different harvest seasons.



A total of 108 women are employed seasonally by ADIRA to process the crops in a central facility. These women are paid \$12 daily and rotate so everyone can earn an income. Product processing adds up to 33 workdays per woman in a three-month period. On average, a woman can generate an annual income of USD 420.

ADIRA’s profits are invested in developing community projects and its work lines. The organization has five work units: organizational, productive, commercialization, credit, and partnerships. A description of each unit is provided below.

Units	Description
Organizational	Strengthen the organization and participation mechanisms for the indigenous community.
Productive	Increase productivity, improve product quality, and expand and automate the processing facility.
Commercialization	Develop new processes to add value to its products and direct commercial agreements directly with clients abroad.
Credit	Provide product loans to farmers to enhance crop sowing and management.
Partnerships	Design and implement projects to improve livelihoods.

Pepper accounted for almost 60% of the revenue in 2022 (USD 539k). This crop is harvested once per year from June to August. After harvesting, peppercorns are dried chiefly by women. Peppercorns are sun-dried, which can take up to five days. Women involved in the activity rotate to allow others to generate income. The objective is to benefit the most significant number of families possible. Pepper is purchased from farmers at USD 1.20 per kilo, and each plant can produce, on average, 50 kilos, depending on the plant’s age. The number of pepper plants a farmer has varies from 200 to 600.

Cacao is the second most important crop in revenue (USD 227k in 2022) after pepper. ADIRA provides cacao seedlings to farmers during May to be sowed from June to September. The cacao plant requires three years before it produces pods. The harvest occurs from January to June. ADIRA has improved the processing and commercialization processes. In 2020, the EU provided equipment for cacao processing to add value to the product. ADIRA already processes minced chocolate and has a registered trademark. Women process cacao to produce chocolate that they sell in the local market. The cost of producing one chocolate bar is USD 1, sold at USD 1.9. The organization makes, on average, 15,000 bars yearly for a total revenue of USD 28,500. The profits are distributed between ADIRA (28%) and women (72%). Generally, a woman receives USD 12 in profit from making and selling chocolate bars. Cacao is also marketed nationally and purchased from farmers at USD 0.80 per kilo, and one hectare can produce, on average, 400 kilos per year. Generally, a family owns 1.5 cacao hectares.



Cardamom represented only 17% of revenue in 2022 (USD 160k). This crop takes a year to be productive, and women manage the harvest entirely. The harvest season goes from September to May. Cardamom also needs drying, but this task is done mainly by men because it involves fire or gas and high temperatures, depending on the client’s

needs. After drying, women manually classify the product into three tiers. Cardamom is purchased from farmers at USD 1.30 per kilo, and one hectare can produce, on average, 2.4 tons per year. A family owns one cardamom hectare, on average.

The total production and farmers’ income for 2022 is described below. Generally, a farmer who manages the three crops would generate, on average, an annual revenue of up to USD 15,000. Due to working capital constraints, ADIRA can only purchase up to 20% of the total production. Farmers are left to negotiate the rest with intermediaries, who pay nearly 40% less than ADIRA, earning less than 30% of what they could. This is more critical when considering that families are, on average, of six members.

Crop	2022 Production kg	Total Farmers’ income
Pepper	310,000	USD 356,777
Cacao	198,000	USD 164,578
Cardamom	69,750	USD 89,174

Farmers earned, on average, USD 667 in 2022. This year, families made only 4% of what they could if they sold everything through ADIRA.

Outcome

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- Improvement of livelihood*
 - Increase households’ income and the dependability of that income through product diversification, achieving multiple harvests and income sources throughout the year.
 - Develop projects to meet the community’s needs (water and organic waste management).
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- Culture preservation*
 - Coordinate Mayan cultural celebrations and rituals.
 - Marketplace of handicrafts and agricultural products.
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- Environmental preservation*
 - Environmentally friendly production that prevents deforestation.