

Strengthening Value Chain Committee's capacities in the municipality of Somoto: Partners for Resilience's experience in Nicaragua



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For centuries, the ovens in Somoto, in the department of Madriz, Nicaragua, have been baking the distinctive handmade rosquillas (ring-shaped pastry), prepared by hardworking women. These women still preserve the artisan traditions in their 137 shops where they continue preparing the delicious Somoteñan rosquillas, which many consider unique in the world, to such an extent that they represent a symbol of the town and the women who prepare them with dignity⁵.

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The Somoto rosquillas Value Chain Committee was created in 2009 as a means to increase competitiveness for the *Somoteñan rosquilla* value chain. It consists of a work group that links rosquilla processing and production in the Somoto and Yalagüina municipalities and is promoted by the Swisscontact ProEmpresa⁶ program. Afterwards, it was supported by the Pequeña and Mediana Empresa Rural (PYMERURAL) within the framework of the “Strengthening of the Somoto Rosquilla Value Chain” project. The main objective or advantage that all economic stakeholders –present or potential– pursue in the value chain is to **sell more products and increase their family and business revenue**. All of this is possible if the committee collaborates to identify and link new markets.

The rosquilla manufacturing method is based on an energy matrix that depends on the use of firewood for fuel, CARE Nicaragua, jointly with other stakeholders like Amigos de la Tierra and Grupo Empresarial de Rosquilleras de Somoto have developed energy oven models that can save up to 50% of firewood consumption, compared to conventional ovens; in this way **promoting technological prototypes and sustainable environmental economic development**. This will reduce the disaster risk that collapses the economy of these municipalities, which are mainly sustained by the rosquilla production, promoting forest conservation and preventing firewood scarcity, these actions contribute to improving business and economic processes through energy efficiency that at the same time, promote mitigation actions and climate change adaptation.

This dynamic established a link between the rosquillas businesswomen and other groups of producers: forestry, dairy, and other products of agricultural and/or environmental origin. This group of businesswomen is organized in the GERSON cooperative and have their sanitary permits, sanitary registration, codes, brands, and training on Good Manufacturing Practices (GMP). However, they needed to consolidate the rosquillas chain further.

Flora Matea Ortiz, a rosquillas businesswoman from Somoto and chairwoman of the Rosquillas de Somoto Value Chain Committee (CCVRS), said:

“In Somoto, rosquillas are a local delicatessen, emblematic of this area; they are rooted in who we are and this has been so for many generations –more than 100 years. My grandmother used to make “rosquillas”, they represent our flavor, our traditions. When my father passed away, my mother was 34 years old and had 8 children. She baked “rosquillas” to earn a living for all of us. The Somoteñan “rosquillas” are known nationally and internationally; they are the most well-known and people say they taste really good...”

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⁵See newsletter <http://www.nicaragua-actual.info/somotenas.html>

⁶See http://asocam.net/portal/sites/default/files/publicaciones/archivos/BIBLIOTECA_0251.pdf

Early in 2012, the Partners for Alliance (PfR)⁷ program was launched among all the development stakeholders in Somoto, Madriz. The activity included a description of the integrating approach promoted by PfR. It consists of blending the **Ecosystem Management and Restoration (EMR), Climate Change Adaptation (CCA), and Disaster Risk Reduction (DRR)**. After this presentation, the Small and Medium Enterprises Support Chamber (CAMYPIME) provided data on the economic sectors they serve to CARE Nicaragua and AMMA. Associates realized that among all the participating economic sectors, the rosquilla producers and businesswomen offered an important opportunity to promote an integrating approach given the following characteristics:

- Since firewood is the main heat source for rosquillas production, it was acknowledged that the industry was overexploiting the scarce amount of dry forest remains available in the area⁸;
- As a greenhouse effect gas emission source, the industry offered the opportunity to promote climate change mitigation measures;
- The main raw materials used (corn, sugarcane candy and cheese) make this industry very sensitive to climate variability and climate change.

On the other hand, the businesswomen were already part of the Rosquillas Value Chain Committee. The number of rosquillas businesswomen was greater than that of any other business sector in CAMYPIME. Due to all of the above, CARE Nicaragua and AMMA decided to invest in several activities to strengthen the capacities of the value chain on Ecosystem Management and Restoration (EMR), Adaptation (and mitigation) to Climate Change and Disaster Risk Reduction.

How did PfR promote the integrating approach in the value chain?

Using the PfR framework it was possible to identify four specific actions to promote the integrating approach:

- 1) apply a diagnostic form to identify the needs in the Committee;
- 2) organize trainings for the Committee on the integrating approach;
- 3) prepare an Action Plan to foster public/private collaboration in the committee, and
- 4) develop a Strengthening Plan to guarantee the sustainability of the Committee's operation.

Below, each of these actions is further detailed:

CARE Nicaragua, AMMA and INPRHU applied a diagnostic form with all the development stakeholders, including the Value Chain Committee, to identify their needs.

The results highlighted all the strengths and weaknesses in the Committee where PfR partners could work on strengthening knowledge and learn about topics such as DRR/CCA/EMR. As part of the public/private sector –which includes government agencies, guilds, rosquilla businesspeople, individual or collective producers, the Value Chain Committee, for a total of about 45 persons– it represented an interesting opportunity to work and support the collaboration between the public and private stakeholders.



Drafting the 2012 POA for the Rosquilla producers Value Chaining Committee. Photo credit: CARE

⁷In Nicaragua, Partners for Resilience includes the following partners: CARE, Nicaraguan Red Cross, the Nicaraguan Institute for Human Promotion (INPRHU), the Madriz Municipality Association (AMMA), Red Cross/Red Crescent Climate Centre and Wetlands International.

⁸The rosquilla industry consumes an average of 55 cubic meters of firewood per company per year (Municipality – Somoto 2005). This extraction, marketing and consumption of firewood is the result of inadequate management and it has a negative impact on the Madriz Dry Forest. It causes deforestation, erosion, loss of water sources and greenhouse gas emissions.

Once the needs of the Value Chain Committee had been identified, PFR participated in 2012 in a committee session where the PFR program was once again presented and the first training workshop on Climate Change Adaptation was held. Committee members and PFR partners agreed to work together on the **2012 Action Plan**. As a result of this agreement, the 2012 Action Plan integrated capacity building with a DRR/CCA/EMR approach.

For the implementation of the **2012 Action Plan**, which consisted of programming the activities of the Rosquilla Value Chain Committee, they required additional training on DRR/CCA/EMR; training included the climate change conceptual framework; providing a place for analysis in which the committee members learned about their role in contributing to greenhouse gas emission effects. They also understood how to adopt measures to mitigate climate change by reducing the overexploitation of the forest.

As an additional result of the training, **good manufacturing practices**⁹ were implemented by the Rosquilla Value Chain Committee, with the guidance of PFR. Partners for Resilience highly supported the committee in facilitating and coordinating dialogue with the Ministry of Health. This is the authority responsible for issuing sanitary licenses to companies and sanitary registries for products –all of which contribute to disaster risk reduction. Society benefits because sanitary conditions are guaranteed for rosquilla consumers.

In 2012, around 40 people from different public/private sectors received training on DRR/CCA/EMR.

Learning about the integrating approach through the experience exchange

PfR and the Value Chain Committee carried out the 2012 Action Plan assessment in February 2013. The Action Plan included relevant activities for all the Value Chain Committee's stakeholders who were involved since the beginning of the PFR strengthening relationship. These actions focused on CCA training, **awareness through videos and games, lessons learned exchanges using field visits and other initiatives such as the establishment of energy forests and organic production of sugarcane candy**. The activities that did not take place in 2012 were included in the 2013 Action Plan, and new activities were added to continue with the capacity strengthening effort on DRR/CCA/EMR. One of the key activities was the **exchange between energy forest growers and the Value Chain Committee**.

As a result of the experience exchange¹⁰ given by PFR, there was a closer relationship among the links of the rosquillas value chain transformation sector. This was a significant result because the businesswomen use firewood as their main source of energy in the production process. In most cases, firewood is obtained from shade providers; in other words, it does not come from certified forests or forest specifically designed for energy purposes. Most of the time, the firewood comes from illegal middlepersons that invade private property and exploit the forest with no management plan or any type of permit from the proprietor or jurisdictional authorities. This results in social and legal conflicts.

PfR Partnership created a space for experience exchange to establish contact between the rosquillas businesswomen and forest producers that operate legally, that are registered and that are being certified by the regulating entity in the National Forestry Institute. They also received training on ecosystem services obtained from a properly managed forest.

⁹Good Manufacturing Practices (GMP): Basic principles and general practices on handling, hygiene, preparation, manufacturing, packaging, storage, transportation and distribution of food for human consumption.

¹⁰See video on Good Climate Change Adaptation Practices by the Rosquillas Value Chain Committee <http://www.youtube.com/watch?v=8lFhdIjU74>



Another output derived from the experience exchange on energy forest management was a commercial agreement between five rosquillas entrepreneurs and the owner of an energy forest. Many other women were also interested in having their own energy forests to reduce their production costs and contribute to sustainable forest management practices.

Contact was established with the **Cooperativa Multiservicios de Productores Cañeros de Ciudad Antigua R.L. (Cooproca)**¹¹ located in the San Pedro de Susucayan community in Jicaró, Nicaragua, during the drafting of the Strengthening Plan study and it raised the interest of businesswomen and members of the Rosquilla Value Chain Committee to learn about the production of organic candy. After they learned more, the rosquilla producers and the Cooproca cooperative entered into a commercial agreement. The agreement consists in grouping batch orders of rosquillas producers to the candy cooperative, and transporting the raw material to a site where businesswomen can pick up their share of candy. As a result, the cost of transporting raw materials was reduced for the businesswomen and the use of certified-quality raw materials was also guaranteed.

A practical demonstration of topics related to climate change was made visible in the experience exchange, when the Committee members noticed that usage of candy preparation waste could contribute to climate change mitigation and adaptation. Reusing waste from candy preparation is a mitigation measure because it uses clean energy. It can also be considered an adaptation measure because reusing waste decreases the need for firewood, which prevents deforestation and, consequently, results in soil quality improvement and greater water preservation.



Planning session with the Rosquillas value chaining committee
Photo credit: CARE



Exchanging experiences in energy forests.
Photo credit: CARE

In a second stage, PFR acknowledged that there was fluctuation regarding participation and plan implementation and that it was necessary to strengthen the committee value chain. Therefore, PFR considered necessary to develop a study to identify weaknesses for instance in the regulatory framework, the organizational cohesion of the Committee and the articulation of efforts through public and private partnerships.

Wetlands International and CARE Nicaragua co-financed the study for the drafting of the Somoto Rosquillas Value Chain Committee's capacity building plan. As a result of the study a micro project was drafted for the implementation of capacity strengthening. Wetlands International also contributed input with the other partners (CARE Nicaragua and AMMA) to the consultant's Terms of Reference, in the methodology development and review of the diagnostic results, as well as with the

drafting and review of the strengthening plan proposal. The added value from Wetlands International was their EMR expertise.

Added value from working as a Partnership

CARE Nicaragua and Wetlands International worked together on the Strengthening Plan, which was approved by the Value Chain Committee; the committee made the commitment to implement it.

Though progress has been slow, the rosquilla businesswomen now have a vision to pursue. PFR has played a key role in ensuring that Good Manufacturing Practices and lessons learned allow contributing to the adoption of the integrating approach. Due to the fact that the awareness efforts are not implemented in isolation, the value chain committee knows how to proceed to avoid risking the future of the businesswomen and their income generating activities.



Rosquilla production process with good manufacturing practices, Somoto, Madriz.
Photo credit: Nicaraguan Red Cross

The PfR framework helped public and private¹² stakeholders become aware of the work approach that integrates the Resilience principles¹³.

The PfR Partnership has created a space for dialogue among public/private stakeholders and the Somoto Rosquillas Value Chain Committee, strengthening its members' capacities towards the transformation of a resilient vision to implement new initiatives that stimulate a change in attitude through appropriate actions on CCA/EMR/DRR. It has promoted innovation and mechanisms that foster competitiveness and sustainability; for instance, forest management for energy purposes. This involves implementing new lessons learned and methodologies that foster the dissemination of their experiences and best practices learned from the PfR approaches.

¹²Public stakeholders from the central government (Ministry of Health, the Nicaraguan Tourism Institute, the Ministry of Agriculture and Livestock, Ministry of Associative, Community, Cooperative and Family Economy; the Ministry of Environment and Natural Resources; the National Forestry Institute; National Union of Farmers and Ranchers; the Cooperativa del Grupo Empresarial de la Rosquilla Somoteña; the Somoto and Yalagüina Mayor's offices; Human Promotion Institute; associated producers and independent producers.

¹³See document: "A New Vision for Community Resilience"
<http://www.climatecentre.org/downloads/File/PFR/PfR%20Resilience%20vision.pdf>

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