

# APRODUCIDA

Coari - AM

## DESCRIPTION

NAME	Aproducida
SECTOR	Agriculture
LOCAL	Coari

## ECONOMIC

Revenue	R\$ 80.218,00
Margin	39%
Growth projection	15,8%
Clients	50

## SOCIAL

Families	22
Women participation	24%

## ENVIRONMENTAL

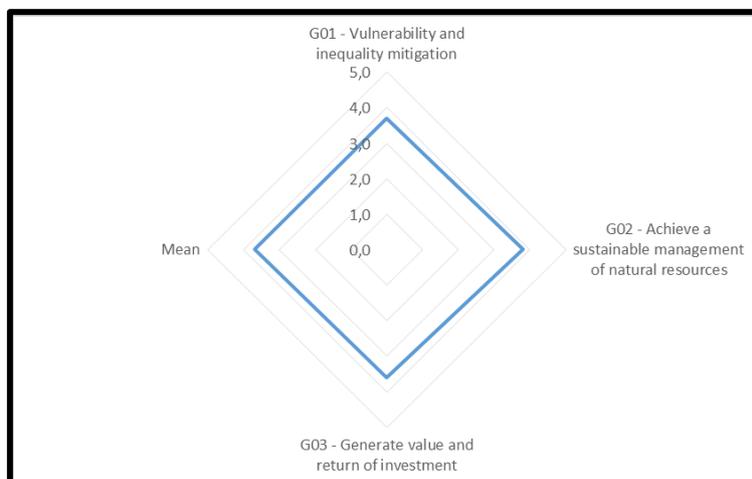
Score greenhouse emission	4/5
Score for deforestation reduction	5/5
Organic production	Yes

**General description.** Located in the municipality of Coari, on the banks of the Solimões River, Aproducida supports family farming and rural production of a variety of vegetables among more than 20 families.

**Institutional Markets.** Over 30% of the sales of agricultural products are achieved through institutional school feeding programs, ensuring a continuous demand for processed products.

**High market-share.** The members of Aproducida are the main suppliers of the municipal fair of Coari, guaranteeing relative control in the establishment of sale prices for agricultural products.

**Recovery of degraded areas.** The group has restored degraded areas for agroforestry and it is estimated that more than 40 hectares will be restored additionally over the next 3 years, through agroforestry, using organic practices.



## GOAL #1: SOCIAL IMPACT

Score: 3,7/5,0

### SPECIAL FEATURES

**Reduction of rural exodus.** Aproducida community members are close to one of the urban centers with the highest rates of economic and population growth in the state of Amazonas: the municipality of Coari, which offers good jobs in the oil production business.

Fig. 1: Community rural production



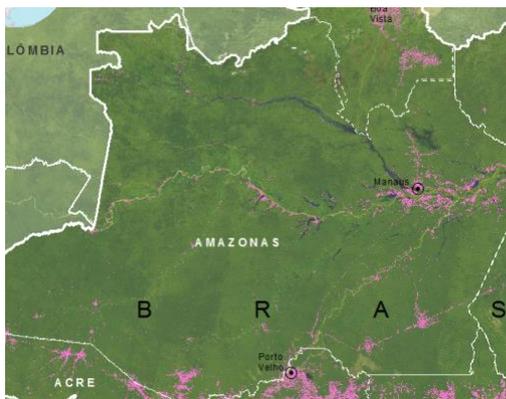
Source: FAS

**Direct marketing.** About 30% of the agricultural product is directed to schools in the municipality of Coari, in particular through the Programa de Aquisição de Alimentos (PAA) and the Programa Nacional de Alimentação Escolar (PNAE) – both are government run food purchasing programs for schools. Sales through institutional markets not only secure demand for the product, increase predictability and cut out intermediaries, which increases the profit for local producers.

## GOAL #2: ENVIRONMENTAL IMPACT

Score: 3,8/5,0

Fig. 2: Deforestation in Amazonas



Source: IMAZON

### SPECIAL FEATURES

**Restoration of degraded areas.** The restoration of degraded areas is one of the main challenges in the state of Amazonas for the sustainable management of rural ecosystems. Aproducida is working to restore more than 40 hectares of degraded areas in the next 3 years, contributing to the mitigation of the effects of climate change. This counters a trend observed in the municipality of Coari, where deforestation and the extensive use of natural and forest resources are growing in the latest years (Figure 2).

**Organic production.** The cooperative uses organic techniques to produce vegetable and but still needs to be certified.

**Biodiversity benefits.** The cooperative promotes agro-biodiversity and through the restoration of degraded lands and forests supports local biodiversity.

## GOAL #3: INVESTMENT ATTRACTIVENESS

Score: 3,6/5,0

### SPECIAL FEATURES

**Institutional Markets.** The commercialization of a significant portion of agricultural production through government programs makes use of stable demand for the products offered. This increases the predictability of future income, contributing to secure financial planning of revenues, costs and profits.

**High market-share.** In the municipality of Coari, Aproducida is the largest supplier of food at the municipal level, which implies a relative bargaining power with regard to price fixing. This reduces the likelihood that net sales will be constrained by external price changes. The association has a net margin of 39% (a comparatively high value for an agricultural enterprise).

**Proximity to major markets.** The high population growth in the municipality of Coari increases the demand for food – a fact that can benefit Aproducida. In addition to increased revenue through more sales, Aproducida has the opportunity to increase value through organic certification and/or the production of higher-value crops.

Fig. 3: Projection of growth for total revenue



Source: FAS

