Hatching Hope Mexico
The Importance of Access to Finance and Value Chain Intervention

Hatching Hope is a groundbreaking global initiative implemented by Cargill and Heifer International that aims to improve the nutrition and livelihoods of 100 million people by 2030. Through the program, farmers can increase their knowledge and resources needed to expand sustainable poultry production and sell their products at market to increase their income.

In Mexico, Hatching Hope strived to improve nutrition and economic livelihoods through enhanced production, promotion and consumption of poultry products. The project helped families and communities prosper by:

- Strengthening social capital
- Improving access to finance, markets, inputs and technical expertise
- Maximizing productivity, sustainability and biosecurity

Heifer Impact Capital’s Role:
Challenges Overcome and Lessons Learned

In Mexico, rural communities lack access to the capital they need to scale their businesses.

Through the Hatching Hope Mexico project, Heifer Impact Capital (HIC) worked in partnership with El Buen Socio (EBS), a woman-owned, social finance organization, to provide capacity-building financial education and to create an affordable financial product for smallholder poultry producers.

With capital from Cargill and HIC, the loan program was designed as a revolving fund with an affordable interest rate, providing a long-term solution to the access-to-capital challenge.

The project design offered two loans to each qualified farmer to scale from 50 to 100 birds in the first stage, and then to 150 birds in the second stage. The producers could then generate sales to help farmers on a pathway to a living income. The additional revenue also helped producers achieve a stable cash flow allowing opportunity for reinvestment and further scale-up.

Through the project, more than 900 farmers gained access to credit and financial education programs. Of those, 148 farmers received loans to increase their flock size.

To sustain the financial relationship and impact of the project, the loan program continues to operate through El Buen Socio. Based on current operations, Heifer and El Buen Socio estimate that this program should be able to fund an additional 110 farmers through 2026.
One of the most significant barriers that farmers face is accessing finance. They need cash on hand to support the daily operations of their production and commercial business (eg. working capital needs) and scale-up, expansions, consolidation and growth.

Connecting farmers to readily available financial instruments is key to addressing gaps in existing conventional banking and investment institutions. There also needs to be government development strategies in place to enable this.

Extending financial services to populations that financial systems traditionally overlook, represents an opportunity to further ignite and foster microenterprise and small and medium enterprises (SMEs) in production value chains globally.

Reliable and affordable access to finance helps farmers’ activities to be profitable and sustainable. This enables smallholder farmer organizations to invest in the necessary infrastructure, human capital, equipment and smooth the cash outflow and inflows curve, so they can dedicate further resources to produce, purchase, store, process, transport, access better markets and commercialize their products.