SUSTAINABLE USE AND ADDED VALUE OF PRODUCTS DERIVED FROM THE ECUADORIAN AMAZON: THE ACHUAR AND SHUAR COMMUNITIES AND THE CHANKUAP FOUNDATION: RESOURCES FOR THE FUTURE

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Abstract: The *Chankuap Foundation: Resources for the future* promotes sustainable development and conservation of the forests from the Achuar and Shuar communities located at the Morona Santiago Province (Ecuador). This is achieved by developing sustainable value chains under BioTrade Principles and Criteria, thus guaranteeing the resources' availability for future generations.

1. Introduction

The Taisha District in the Morona Santiago Province, is where the indigenous Achuar and Shuar communities live. It has a huge extension of primary forest comprising 82,48 percent (508.846,9 hectares) of the total area, and is rich in biodiversity. The District also includes part of the Kutukú Cordillera and the Trans-Kutukú area, which are part of a biodiversity hotspot (very important biodiversity area worldwide).(Gobierno Autónomo Descentralizado Municipal del Cantón Taisha, 2014).

In this area, cattle and agriculture production is incipient and is becoming an economic alternative for the families. Cutting trees and selling illegal wood is threatening the jungle, which could be exacerbated by the development of the highway Macas-Macuma-Taisha. Particularly, if not enough incentives are provided to minimize this threat, local human development may become more complex. For communities were the highway does not reach, air travel is still needed to communicate with them.

Chankuap Foundation was born 20 years ago in the Ecuadorian Amazon as a request of local communities to receive support in their insertion into sustainable collection and production activities that generate family income. The Foundation works throughout the value chain of different products in order to guarantee their market access, and to comply with requirements related to volume, quality and continuity, and to be a real response to one of the major chain challenges: commercialization. It focuses on native species that are used by the Achuar and Shuar communities in the Taisha District.

2. Enhancing local livelihoods through value addition and trade of non-timber forest products

To organize the production in the area, the Foundation fostered the creation of Solidarity Working Groups (SGW). These are non-legal organizations providing training and technical assistance for planning the production of species that are transported to Chankuap's modern collection center and transformation facilities in Macas, the Province capital. From the beginning, the Foundation strategy focused on native species that the communities know and use in their gardens, such as: "Charak" peanut (Arachis hypogaea), achiote (Bixa orellana), chili (Capsicum spp.), ginger (Zingiber officinale), curcuma (Curcuma longa), among others, and have market potential at the local, national and/or international levels. For example, it recovered native species such as the "Charak" peanut which has an unsatisfied international market demand. Also, other wild collected species and its derived products are being fostered such as dragon blood (Croton lechleri), ishpink (Ocotea quixos), guayusa (Ilex guayusa) and ungurahua (Oenocarpus bataua). Management plans were developed for each of the wild species to guarantee their future existence. For instance, ungurahua-used in the personal care sectorhas a high demand and its management plan includes the implementation of prevention, protection, rehabilitation, mitigation and rationalization methods for its use.

During this time, the Foundation has developed high value added products, including its cosmetic product range named "Ikiam-Amazon soul". These products were born to value the native species and its derived products such as the essential and fatty oil from the ungurahua palm that is used in liquid soaps, creams, massages oils and shampoos. Chankuap products fulfill productive norms (GMPs) and voluntary requirements (organic and fair trade certification), and it's a member of the World Fair Trade Organization (WFTO).

Pictures of Chankuap's cosmetic product range "Ikiam-Amazon soul" and production process





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For over 20 years, Chankuap has enhanced the living conditions of approximately 650 indigenous families that are directly involved in the value chains, with monetary and non-monetary benefits. The development of the peanut, cocoa, ginger and organic curcuma and ungurahua value chains have also significant social, economic and environmental impacts. In the peanut case, is a variety recovered from the Charak nuse (Ecuadorian Amazon region). The curcuma and ginger were already available in their family gardens and forest, and is used as medicine. The cocoa supported is the native variety named "fino y de aroma". Currently, these are the most sold products and are important components in the total sales of the Foundation (see Graph 1).

VENTAS DE LA FUNDACIÓN CHANKUAP` 2004 - 2015 (En dólares) 500'000.00 450'000.00 400'000.00 Dólares americanos 350'000.00 300'000.00 250'000.00 200'000.00 150'000.00 100'000.00 50'000.00 0.00 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 ---TOTAL VENTAS 77'449, 116'833 151'030 159'566 166'049 263'428'308'709 294'497 323'609 308'888 344'340 439'849

Graph 1. Sales of Chankuap Foundation from 2004-2015 (in US\$)

Source: Chankuap Foundation, 2016

The selling of these products by has generated additional family income of US\$ 330 in average annual income at producers` level. As a result of the technical assistance and capacity-building activities provided to the communities by Chankuap, their products fulfill market requirements related to quantity, quality, continuity of supply and volume. It is important to mention that their products are not only sold to Chankuap but also to other local buyers.

Chankuap also generates other social benefits the communities living in difficult economic situation. In the city of Macas, the Chankuap Foundation manages a school reinsertion and strengthening programme for children (7-14 years) in complex economic and social conditions, and provides them with two meals per day (Monday to Friday). Finally, the Foundation also raises awareness of the communities in the caring for their environment and for consumers on responsible consumption.

An interest case is the ungurahua value chain, which was also supported by the Ecuadorian BioTrade Programme and fulfills 85 percent of the BioTrade Principles and Criteria. Specifically for the socioeconomic criteria, the value chain fulfills all the criteria and indicators in *Principle 3: Fair and equitable sharing of benefits derived from the use of biodiversity, Principle 5: Compliance with national and international regulations* and *Principle 7: Clarity about land tenure and access to natural resources and knowledge.* (Buitrón, 2012). This is due to the close relationship between Chankuap and all value chain actors that is built upon knowledge, trust, continuous dialogue and mutual benefit. (Buitrón, 2012).

3. What is needed in developing livelihoods in the Ecuadorian Amazon region

It is possible to develop non-timber forest value chains targeting markets that value sustainability production processes and products. This can directly enhance the living conditions of small producers, particularly those located in marginal areas such as the communities promoted by Chankuap.

For developing BioTrade, it is essential to respect and value the culture of the communities involved in the use of their resources and their environment. This is a basic part of their cosmovision, the acknowledgement of its origin and the distribution of the benefits that can be generated from its use.

Clear policies should be formulated to enhance research, use of biodiversity and access and benefit sharing. These should be disseminated to all actors involved directly or indirectly, in order to promote and strengthen BioTrade.

"This is a different programme, because people learn, sow and sell their products. I feel satisfied with the work made"

- Luis Shimpiukat, Local technician, Chankuap Foundation -



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