

# Benefit Sharing in Practice: Villa Andina



## Villa Andina: Enhancing the value of biodiversity in the Peruvian Andes

Villa Andina is a young, dynamic, Peruvian company focusing on making value added products from biodiversity available to the world.

Member of the Union for Ethical BioTrade (UEBT) since 2010, Villa Andina works to have a positive impact on local sustainable development in rural communities in Peru. One of its main products is the dehydrated fruit of the *Physalis peruviana*, a plant native to the Peruvian Andes and believed to have been planted in the royal gardens in Machu Picchu.

Now, Villa Andina exports the “Incan berry” for use in cereals, snacks and other healthy food products around the world.

## Benefit Sharing in Ethical BioTrade

Equitable sharing of benefits from biodiversity is at the core of Ethical BioTrade, which seeks to advance incentives at the local level for the sustainable use of biodiversity, as well as adequate recognition of the contributions of local actors. Principle 3 of the Ethical BioTrade standard deals with equitable benefit sharing, both in the sourcing activities and in biodiversity-based research and development. “Benefit Sharing in Practice” provides concrete examples of how members of the Union for Ethical BioTrade (UEBT) are working towards equitable sharing of benefits in their policies and practices linked to natural ingredients.



## A partnership with local producers

Until recently, rural communities in Peru considered physalis as a weed. Villa Andina, by opening up markets for Peruvian physalis, is creating economic opportunities in poor and isolated regions and contributing to the valorization of native plants. These activities are conducted as a partnership with local producers, based on dialogue and long-term cooperation. For example, Villa Andina prioritizes working with as many farmers as possible.

Currently, it is working with over 200 producers, with another 400 are joining the project in 2012. Villa Andina supports producers beyond their commercial relationship. Producers are provided with seeds and seedlings of the varieties appropriate for the different altitudes, which then become the property of the producers and their communities. Under a joint project with the Ecumenical Centre for Promotion and Social Action (CEDEPAS), field staff provides producers with continuous training on technical and production skills. Purchase and other agreements are established so as to facilitate the work of producers. For instance, arranging for collection on-site or at local centers and making payments on a weekly basis.



## Equitable prices

In Ethical BioTrade, prices consider the costs of implementing conservation, sustainable use, social and other ethical requirements, as well as an adequate profit margin. In the case of Villa Andina, these costs are determined by the field staff, in conjunction with producers and current prices allow for a substantial profit margin. Indeed, the income from physalis, which is the first and only cash income in these communities, not only allows producers to cover their basic needs, but it is also beginning to promote savings and investment at the community level. Work with physalis is already avoiding migration to other parts of the country in search of seasonal agricultural work. It is also important to note that Villa Andina communicates its own costs and prices to the producers, to ensure transparency and mutual understanding of market dynamics.



## Looking forward

Maintaining and strengthening its work on equitable benefit sharing will require continuing progress from Villa Andina. In particular, it is important to ensure that the new economic opportunities offered by physalis result in tangible steps towards local sustainable development goals. Factors such as increased competition and price fluctuations are challenges in long-term planning and stability. Ensuring and systematizing the exchange of information with producers will be critical to continuing working together towards ethical sourcing of biodiversity. Villa Andina is also promoting organic certification as a way to maintaining price differentials and securing international markets.

Finally, Villa Andina is promoting additional products, such as quinoa, to avoid excessive dependence on physalis, ensure crop rotation and promote food security.

Support by:



## Contact UEBT

UEBT is a membership-based, non profit organisation - [www.ethicalbiotrade.org](http://www.ethicalbiotrade.org).

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