

Cacao from Ecuador – Indigenous people discover the chocolate market

Until now the Andean nations have been better known on European markets for their wild rather than their cultivated cacao beans. But cultivating a top quality cacao plant has now enabled the Kichwa Indians of the Amazon basin of Ecuador to successfully enter the high-end chocolate market. Swiss chocolate manufacturer Felchlin AG works closely with the Kallari Cooperative, which refines the cacao beans locally.

Ecuador has always tended to be a small player in the worldwide league of cacao suppliers. West Africa and countries such as Indonesia are of greater interest to the multinational confectionery corporations as sources for their mass-produced chocolate. For this reason the cacao producers of this small Andean nation on the Pacific coast have now branded themselves as suppliers of rare, superior-tasting cacao. The primary variety is the esteemed “Cacao Nacional”, also known as “Arriba”, which is considered one of the finest chocolate ingredients in the world. It is cultivated by a cooperative of Kichwa (also known as Quichua) Indians in the Amazon River basin of eastern Ecuador.

The delicate cacao plant is not easy to grow. It requires a warm and humid climate and protection from the wind, but it can be damaged by too much rain during the ripening process. The indigenous Kichwa Indians grow their cacao in a so-called “forest plantation” along the Rio Napo in Ecuador’s Napo Province. Their biodiverse agricultural practices include planting more than 40 different types of fruit tree, timber, palms, crops, medicinal plants and plants which are

used for handicrafts. These include cassava, cinnamon, bananas, coffee, cedars, lemons and lemon verbena: a combination that preserves the nutrient content of the soil and boosts plant resistance to pests and diseases. The small-scale farmers apply no mineral fertilisers or chemical pesticides, nor do they use the artificial irrigation systems seen on industrial monocultures. The Amazon rainforest here, with its canopy of massive trees and nutrient-rich ecosystem, provides the ideal conditions for the organic, sustainable cultivation of “Cacao Nacional”.

■ Processing the cacao

The farmers deliver their beans to the indigenous Kallari Cooperative, which pays them a fair price for their crop. This in turn helps them to preserve their surrounding environment. Today the going rate per quintal of beans (a sack weighing about 45 kg) is 45 US dollars (USD), more than twice what it used to be. During the harvest season about 300 sacks of cacao beans are brought to the

The meaning of the name “Kallari”

Ka – stands for the past, the defence of territory and the cultural identity of indigenous peoples.

Lla – stands for the present and the search for a sustainable economy.

Ri – stands for the future of the organisation and the advantage that future generations will inherit.

collection points each week, where they are fermented, dried and sorted according to a special processing technique. By 2008 the average income of the Kichwa families from the sale of cacao had risen to about USD 305, almost five times what it was in 2006 (USD 62).

Kallari is supported by various public and private organisations, includ-

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Cacao producer Lizardo Pizango. 2.000 families are mobilised in the Kallari cooperative.



Photo: O. Hölcke

Carlos Pozo controlling the quality of the cacao beans during drying.



Photo: O. Höfcke

ing Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). Specifically, GTZ has introduced "ValueLinks", a concept of value chain promotion. This strategy is designed to improve the income of small-scale farmers and to ensure a more sustainable management of natural resources. The first step is to analyse the value chain and for all participants to agree on an upgrading strategy. This includes measures such as productivity increases, bio-certification of the cacao, quality enhancement, development of services, improvements to the legal framework and market access. All these things together should lead to increased competitiveness along the entire value chain and thus improve the income of the small-scale farmers.

■ The Kallari Cooperative

The Kallari Cooperative was started up by 60 families in the provincial capital of Tena in 1997. At first they mainly sold jewellery made by hand from the seeds of trees growing in the forest. In 2005 they began exporting cacao, starting with eight tonnes, an amount which had increased to 32 tonnes by 2008. The middlemen, who used to dictate the prices, have been cut out.

Kallari has only ten permanent employees. They secure the work needed to provide a steady, regular income for the 2,000 families – about 10,000 people – who are part of the cooperative. The indigenous coalition consists of four managers who are in charge of marketing, finances, coordination and production. All value cultural identity very highly, and for this reason have incorporated handicrafts in their sales catalogue. Kallari also runs

a small specialist chocolate café in the capital city of Quito.

The Ecuadorian beans are also exported to Switzerland, where Max Felchlin AG makes them into top quality chocolate. GTZ was instrumental in establishing the contact between Kallari and Felchlin. Both European institutions helped the initiative to improve its productivity and crop quality, and also advised on positioning the product and structuring trade relationships.

In the late 1990s when the chocolate market was booming, Felchlin AG decided to specialise in exceptional varieties of cacao. The corporate policy of this Swiss company is to take an active interest in the living and working conditions of the cacao farmers in the country of origin. Apart from any other considerations, they see this as protecting their own expectations in terms of quality.

Complicated manufacturing processes in their chocolate factory in Schwyz transform the Ecuadorian Arriba beans into Felchlin's superior Grand Cru forest chocolate with a 73 percent or 40 percent cacao content. Bars of "Rio Napo" chocolate are supplied by the German-Swiss distributor, "Original Food", to about 250 retail

outlets, department stores, chocolatiers and health food shops in Germany.

Indigenous families in Ecuador are demonstrating how effective it can be to specialise in a niche product.

Zusammenfassung

Bisher waren die Andenstaaten auf den europäischen Märkten eher für wild wachsende Kakaofrüchte als für den kommerziellen Kakaoanbau bekannt. Mit der Zucht einer besonders hochwertigen Kakaopflanze gelang den Kechua-Indianern des ecuadorianischen Amazonasbeckens jetzt aber der Einstieg in den Markt für Spitzenschokolade. Der Schweizer Schokoladenhersteller Felchlin AG arbeitet eng mit der Kallari-Kooperative zusammen, die die Kakaobohnen vor Ort raffiniert.

Resumen

Hasta ahora, las naciones andinas han sido más conocidas en los mercados europeos por sus variedades de semillas de cacao silvestre que por las variedades cultivadas. Pero el cultivar plantas de cacao de la más alta calidad ha permitido que actualmente la etnia indígena kiwcha de la cuenca amazónica del Ecuador haya podido entrar exitosamente al mercado del chocolate más fino. El fabricante de chocolate suizo Felchlin AG trabaja en estrecha colaboración con la Cooperativa Kallari, que refina los granos de cacao localmente.