THE RECIPROCITY FUND

ECO OLA



Founded in April 2009 in the Peruvian Amazon, Eco Ola sources, processes, and sells sustainably harvested forest products, Through the introduction of sustainable agriculture to the communities, Eco Ola promotes crop diversity and increases crop yield. This ultimately improves the livelihood of the beneficiaries while restoring the ecological health of the forests.

Eco Ola's main export product is the Macambo (*Theobroma bicolor*) seeds. Macambo is a fruit from the cocoa family native to the Amazon region that is high in fiber, protein, and contains mood-boosting serotonin compounds along with Omega-9 fatty acids. Eco Ola also commercializes Aguaje and Unguragui (fruits) oils, Sangre de Grado (tree) resin, and the Sacha Inchi nut. Their main customers are Hello Rainforest, Imlak'esh Organics, Naturex, and Mayantu.

Impact Background

Eco Ola sources from highland communities in the regions of San Martin and Loreto. These two regions alone contributed 33% of the total deforestation of Peru in 2021.¹ Furthermore, these areas have some of the highest poverty rates in the country, and people rely mostly on forest resources to generate income. 16% of the rural highland populations in Peru are living in extreme poverty².

¹ Peru Deforestation Rates & Statistics | GFW (globalforestwatch.org)

² PERU National Institute of Statistics and Informatics (inei.gob.pe)

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One of the key drivers of deforestation is the shift to monocrop plantations that destroy the ecosystem and degrade the soil. These monocrop plantations sustain the cycle of poverty and inequality as farmers become highly dependent on agribusiness suppliers and vulnerable to the performance of the monocultures they grow.

In the San Martin region, there are 4 indigenous peoples (Awajún, Kichwa, Shawi, and Yaminahua). The Loreto region Loreto region is home to 32 indigenous peoples. Eco Ola works with communities located in the province of San Martin in the San Martin region and the province of Datem de Marañon in the Loreto region.

In the communities of Chazuta and Sauce (San Martin), farmers are not able to advance economically due to the instability of market prices, and obsolete agricultural techniques that deplete the quality of soil after a few years and leave farmers searching for another land. Citizens of the remote cities of Parinari have difficulties establishing commercial ties as they have to travel up to 8 hours by boat and land to get to the nearest urban center.³



Impact Delivery

Eco Ola introduces an agroforestry model to ultimately replace the monocrop system that is being used in the communities. Agroforestry is a proven sustainable land use practice⁴ and has been shown to promote crop diversity, agricultural yields, and reduce adverse ecological effects (such as soil erosion).⁵

This value-added approach encourages participation within the communities: farmers are given fair prices for their harvest and are given the opportunity to process these raw materials into end products. By producing high-quality nutritious foods and ensuring that these products reach the global market, Eco Ola improves the livelihood of these local communities while promoting ecological conservation.

Eco Ola aims to break the cycle of deforestation and poverty affecting the indigenous and rural communities of the Peruvian Amazon by promoting agroforestry and creating a market for sustainably sourced products.

³ <u>SIHI-Case-Study-MAMA-RIVER.pdf</u> (socialinnovationinhealth.org)

⁴ Agroforestry and non-state actors: A review - ScienceDirect

⁵ Evidence for the impacts of agroforestry on agricultural productivity, ecosystem services, and human well-being in high-income countries: a systematic map protocol | Environmental Evidence | Full Text (biomedcentral.com)

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Outcome

Improvement • of livelihood •	Increases the income of local communities by linking farmers' produce to the global market Encourages community involvement by giving local communities the opportunity to manage their natural resources and be part of the production process Also engages women to be micro-entrepreneurs (39% of total beneficiaries are women), making them economically independent and empowered to make their own decisions
Environmental ■ preservation ■	Provides communities with trainings on sustainable agricultural practices and gives technical assistance on how to enhance productivity through agro-ecological techniques Incentivizes conservation of the Amazon Forest by reaching and expanding the market for sustainably sourced products

