



PACHA

**THE ANDEAN PLATEAU, PARAMO,
CAMELIDS AND YARN PROGRAM 2014 - 2024**





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INTRODUCTION

This brief presents a livelihoods program targeting vulnerable and excluded families living in the rural highlands of Peru, Bolivia, and Ecuador. Through extensive field experience, Heifer International has designed *The Andean Plateau, Paramo, Camelids and Yarn (PACHA)* program to “increase the sustainability of camelid production and improved production and interaction with markets and food security”¹ Working with extremely vulnerable communities who live in the harsh Andean plateau environments to receive sustainable support, *PACHA* reflects the Heifer International vision to improve livelihoods while caring for the earth. Reflecting the organizational commitment to integrate ecosystem management practices with improved livelihoods, *PACHA* will use field based analysis, community-driven technical interventions and strategic multi-level advocacy, to “increase the economic, environmental and social capital of alpaca and llama breeding families in Peru, Ecuador, and Bolivia within a context of climate change².” This is expected to bring transformative sustainable change to these isolated communities and future generations.

1. This is the program challenge shaping the rationale analysis of *PACHA* (source: *PACHA* long form strategy)

2. This is the core program goal for *PACHA* (source: *PACHA* long form strategy)

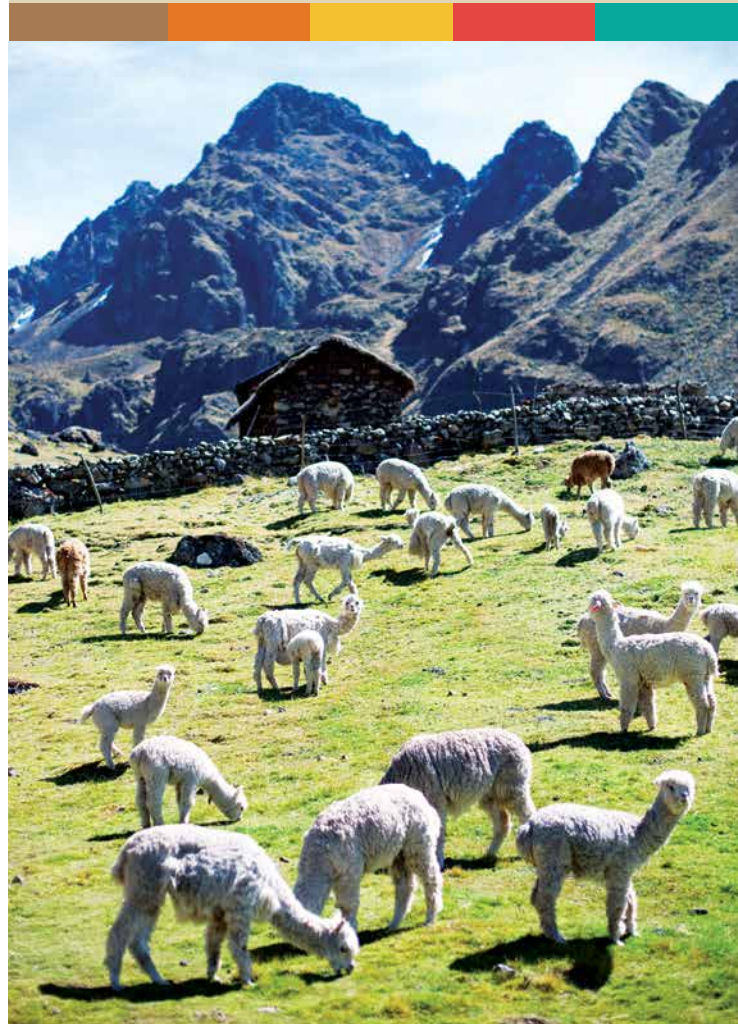


BACKGROUND AND JUSTIFICATION

As more countries in Latin America achieve middle-class income status, traditional aid agencies are reducing their activity and investments. As in many regions around the world, urbanization plays a particularly central role in Latin America due to its direct impact on rural populations who are among the most vulnerable. This is particularly true for the targeted rural communities of *PACHA*. Not only do they live in very remote locations with reduced access to stable livelihoods, markets and basic infrastructure services, these communities also experience significant social exclusion as members of richly diverse indigenous communities. The communities living in the higher plateau and paramo regions face additional challenges related to climate change-induced damage and diminishing opportunities for productive livelihoods. With deeply rooted cultural ties to their animals and communal living structures, these particular rural communities face exceptionally challenging physical and economic environments both physically and economically as a result of their exclusion.

Camelid production, (the raising of fiber producing animals such as alpacas and llamas), is a recognized viable and valuable livelihood source for populations in these high altitude areas. Camelid production also has a relatively lower ecological imprint, as alpacas and llamas are native to these harsh ecosystems. It is in fact the people who struggle the most to adapt due to a scarcity of food crops, lack of protective housing, and minimal access to education and health services.

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The growing demand for camelid fiber and meat (due to its low cholesterol level) offers encouraging opportunities for improved livelihoods in these areas. One challenge will be to secure more equitable product prices; alpaca fiber, for example, can reach an international price of USD \$15-20/kg but first-source producers typically receive only USD \$4/kg. Furthermore, alpacas are a low fiber yield species, generating only about 1.5kg fiber/year. Additional challenges confront these camelid producers: inadequate animal health management capacity, inefficient genetic improvement and fiber processing practices; lack of production and marketing capacity and services in relevant production chains; and finally a lack of competitive business knowledge and negotiating power.

Yet there are clear opportunities for sustainable livelihood growth and ecosystem management. Concentrating in Peru with additional presence in Bolivia and Ecuador, *PACHA* will center on the alpaca/llama fiber industry and related livelihoods. These implementation areas also play key roles in regulating the country and regional water cycle. The high mountain areas serve as water recharge zones for basins that support lower altitude downstream communities; a robust high altitude ecosystem is vital for all affected communities and the country as a whole.

Heifer International has significant experience and expertise relevant to camelid production and products. There are also increasing partnerships underway among the private, public and government sectors pursuing innovative approaches. Government policies in all three countries encourage productivity growth in the camelid industries with regards to levels, quality and the strengthening of related value chains and marketing systems. It is in this context that Heifer International has designed *PACHA*.

IMPACT GROUPS

PACHA will be implemented in the Andes Mountain Range at elevations between 2800 – 4800m with communities who live in the highlands and paramos of Bolivia, Peru and Ecuador³. From a collective population of 44.8 million people, 57,278 families (286,392 people) will be the *PACHA* impact group. The target families will be concentrated in Peru with signification engagement in Bolivia and Ecuador⁴. Women and children are among the most excluded across all the target groups and will be a core focus group; as will be discussed in more detail later, they experience disproportionate poverty within these already vulnerable groups.

3. Paramos refer to alpine tundra landscapes located above forest lines but below permanent snow lines.

4. The exact program number is 286,392 people.



Heifer International uses a multi-dimensional selection system for impact group selection. Type A families live at the most vulnerable sub-subsistence levels and will represent sixty-five percent of *PACHA* target families. They will engage in activities targeting improved animal health/productivity, stronger fiber and meat management capacities and food diversification. Type B families live at subsistence levels and will represent thirty percent of the target group. Despite their subsistence level these families have a degree of productive overall capacity as well as herd

ownership and market linkages. Activities with Type B families will include strengthening their business management, agricultural and product quality control skills. Type C families are surplus income families and will represent five percent of the *PACHA* impact group. These families provide a critical stabilizing “pull” dynamic for the broader program beneficiaries. These families will receive support to consolidate their management and value chain practices to help stabilize the value chains vital for overall lasting progress.

PROGRAM ANALYSIS



Heifer International has significant experience in camelid production in the *PACHA* countries. *PACHA* will leverage a number of strategic community-based strengths: deep ancestral knowledge among breeders regarding alpaca and llama handling and care; a diverse biodiversity center in the Andean region; status as the primary global producers of alpaca and llama fiber; strong cultural ties between production and global country image and marketing; the most adaptable Andean species live in these harsh ecosystems.

Important additional opportunities include: leveraging inherent breeder knowledge towards generating improved camelid production, quality, and animal health; engaging more strategically with organizing networks, associations and broader stakeholders to create more competitive and equitable product environments; applying more inclusive approaches focusing on youth and women to mitigate the negative effects of migration; capitalizing on the growing international demand for various alpaca and llama products.

Significant challenges also exist: decreasing genetic animal quality and productivity, limited water and fodder availability, limited breeder capacity regarding by-products and marketing/business expertise and finally, inadequate commitment to breeders by local and regional authorities. *PACHA* will address these challenges by: increasing the alpaca and llama stock quality, overall health and productivity; improving water harvesting and fodder cultivation knowledge and capacity using environmentally friendly approaches; strengthening breeders' ability to engage more competitively in by-product business and to more strategically engage with broader stakeholders to create better operating environments for the breeders. This last point is critical given the long standing exclusion that alpaca and llama breeders have experienced as isolated and indigenous communities.

Heifer International has completed additional relevant analysis for *PACHA*. Better understanding the production systems and value chains⁵ regarding the value of balancing

long-held traditional practices with innovative newer approaches allows for a more integrated and productive livelihood context. Improving food security and production examines how to best diversify food and animal sources; there are few alternatives for producing suitable small animals and crops at these high altitudes. By building community access to additional viable crop and animal products, *PACHA* will address the related challenges of child nutrition and increasing emigration. Housing also presents significant problems due to lack of protection from cold, poor ventilation, and unhygienic practices related to small animals often living inside these homes. *PACHA* will target stronger home management as part of its integrated technical approach. Extensive environmental analysis highlights the most significant challenges facing the *PACHA* communities: melting glaciers threaten critical water sources, changing rain patterns increasingly threaten crop and animal productivity and livelihoods; and the erosion of biological and agricultural diversity disrupts the fragile ecosystems and further threatens breeder livelihoods.

Cross-cutting social analysis on women and gender highlights the central and vulnerable role women play in the *PACHA* landscapes. Heavily involved in all aspects of animal rearing, by-product production and sales, women also carry out household labor and childrearing. With precious little access to important education, skills training and other business capacities such as local organizations and networks, these women (who nearly all belong to indigenous communities) do not generally speak Spanish.

5. This includes animal birth and strength, production and sale practices, animal capital and fiber production

This puts them at further disadvantages to secure competitive prices. Heifer International will use its extensive in-house gender experience throughout *PACHA*. As youth are the future change-makers, *PACHA* will further assess how to best incorporate youth issues to create more opportunities. *PACHA* will also leverage dimensions of social capital analysis, particularly fostering stronger cohesion among the production chain stakeholders and increasing participation in consensus building platforms.

Improved livelihoods rely on effective value chain participation. Several value chains are very relevant to *PACHA*: fiber, reproducers, meat, leather, and environmental services. As breeders engage mainly as producers and less so as the more lucrative non-producers, bridging the gaps between the producers and non-producers through improved productivity and stronger alliances will create better win-win scenarios.

Economic opportunities in alpaca fiber are growing as global demand increases for processed, natural, raw, organic and/or fair trade products. Peru is the global leader in exporting alpaca fiber and more countries are importing these various products. Animal meat, dried meat, and sausages hold promise due to growing regional demand for high-protein low-cholesterol products. Current regional analysis will continue throughout the program.



TECHNICAL APPROACH



PACHA has an innovative set of technical interventions that align with and/or complement government priorities related to strengthened livelihoods and camelid value chain productivity. By integrating interventions with various steps in existing value chains, it is expected that camelid production profits will increase while the negative impacts of climate change reduce.

The program goal states that "by 2024, 57,278 organized families will increase their economic, social and environmental capital within a context of climate change." This goal will be achieved through a robust Theory of Change (TOC), in which improved income and assets, met with improved food and nutritional practices and stronger environmentally friendly practices are

reinforced through meaningful women's empowerment and improved social capital. Three specific objectives underscore this broader program goal:

1

57,278 families of the highlands and paramos have increased the competitiveness of the alpaca and llama value chain while protecting the ecosystem. Outcomes such as genetically stronger herds, increased breeder animal management capacity and improved fiber collection and processing are clear indicators to monitor this objective;

2

57,278 organized families are the drivers of sustainable management of natural resources of the highlands and paramos in a context of climate change. Outcomes in improved community soil fertility and fodder production as well as more efficient water usage will indicate progress in this area;

3

57,278 families have increased availability and access to healthy food through diversification of self-produced food sources, which cover seventy percent of their needs.⁶

6. Additional technical outcomes include: more adaptive and diversified crops, foods and animals along with improved hygienic practices via Heifer International Cornerstones training.



Key drivers of change direct the technical interventions:

- 1 Sustainable management of natural resources (water access, animal fodder and food diversification);
- 2 Value Chains (specifically activities most responsive to increased gender inclusiveness and oriented towards higher value alpaca and llama products);
- 3 Income, nutrition, and food security (carried out in a way that recognizes the significant target group diversity);
- 4 Social capital (meaningful decision making participation, collaborative organizational leadership and broader community support);
- 5 Gender equity and women's empowerment;
- 6 Cornerstone training (a central Heifer International tool where participants develop their personal capacities for change);
- 7 Passing on the Gift (another key Heifer International tool where families who receive assets/training in turn pass generated assets onto another family, thereby improving community cohesion and individual self-esteem and empowerment.)

MONITORING, EVALUATION AND KNOWLEDGE MANAGEMENT

The *PACHA* vision aligns with the global Heifer International Theory of Change to achieve improved livelihoods and sustained care for the earth. As such, *PACHA* and other programs – as compared to individual projects – require a program based monitoring, evaluation and knowledge management system. The system will track overall goal progress, test critical assumptions, and call for continual analysis and monitor management quality along with staff capacity, management structures, and systems. *PACHA* will incorporate this framework at all program levels.



RESOURCE MOBILIZATION

As a ten-year regional program, *PACHA* has a financial goal of USD \$53 million to generate the anticipated breakthrough changes and sustainable impact that the program has set to achieve. The financial support needed to reach this goal is being fundraised by Heifer International, development agencies, governments, foundations, corporations, and other public and private sources.



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855.9HUNGER (855.948.6437)



info@heifer.org

Web

www.heifer.org



Heifer International



@Heifer



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