



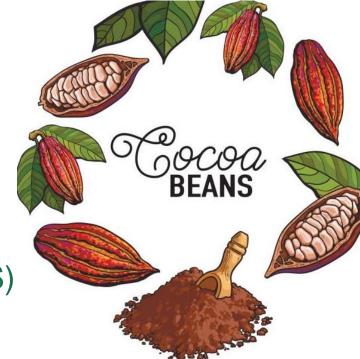
Ashraf Montoya Zegarra (ashraf.montoyazegarra@student.unisg.ch)
MSc. Strategy and Digital Business
Doctoral Candidate in Marketing Management
Centro Latinoamericano-Suizo de la Universidad de San Gallen (CLS-HSG)



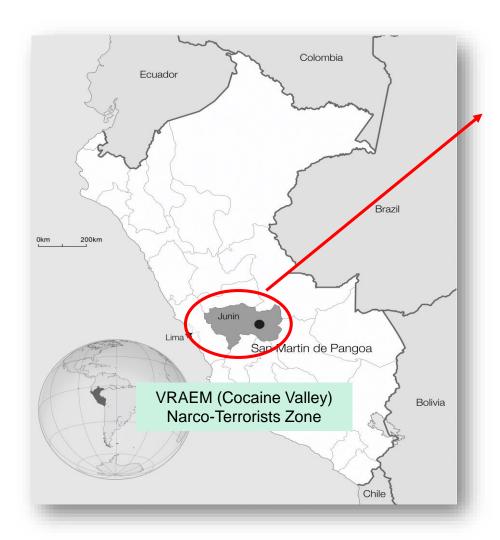




- 1. Antecedents
- 2. Key Facts
- 3. Their Work
- 4. Pillars of the Program
- 5. Main Actors
- 6. Results
- 7. Recomendations







1. Antecedents: Region of Junin

Junin is located in the center of Peru

70% of Peru's cocaine production

Between 1950-1970:

Migration from the Andean highlands

Decade of the 70s:

coca cultivation was introduced and expanded

Sendero Luminoso (SL) MRTA





2. Key Facts

Agriculture is the principal source of income

89% of "Asháninkas" ethnic community is located in Satipo

"Alternative Development Programs"

were established to reduce the coca cultivation

The project runs in four districts

(Mazamari, Satipo, Pango, Rio Negro)

The Program is supported by the European Union (EU)

- €11 Million Grant -





Partnering

- 1. DEVIDA
- 2. Police and local government

Components

- 1. Socio-Economic Development
- 2. Environmental Management
- 3. Governance

Objectives

- Satisfaction of the basic needs
- 2. Eradication of the poverty and illicit crops
- 3. Development is considered endogenous/autonomous
- 4. Improvements should be in harmony with the environment
- 5. Structural Transformation



















3. Their work

Supports the cultivation of high quality "fine and aromatic" cacao

Impulses the legal sources farmers' incomes through licit crops (cacao)

Strengthening farmers' capacities in the management of "Agroforestry Cocoa Systems" (SAF)







4. Pillars of the Program

1 Willingess to change

Establish strategies and actions for productive development

2 Promote small farmers' association

5 Erradicate coca bush

Add value to agricultural products

Investment in social and economic infraestructure

Social capital (trust between private and public sector)



5. Main Actors

Macro (Government)

- MINAGRI
- SENASA
- INACAL
- DEVIDA/USAID
- SIERRA EXPORTADORA
- MINISTRY OF PRODUCTION

Meso (Services)

- AGRORURAL
- INAI
- AGROIDEAS
- APPCACAO
- AGROBANCO
- PERUVIAN CHAMBRE OF CAFÉ & CACAO

Micro (Actors and special services)

- PRIVATE COMPANIES
- COOPERATIVES
- SMALL FARMERS













6. Main Achivements



Poverty:

68.2% (2010) → 33.2% (2019) Extreme poverty 43.0% (2010) → 14.5% (2019) Increased farmers' productivity

Illegal crop cultivations: 450 ha. (2010) 321 ha. (2019)

Better access to agricultural credit (low interest rates)

Rural incomes: 3\$ millions (2010) 20\$ millions (2019) Benefited 12,000 families

Reinforced their market access



7. Recommendations



Ensure social inclusion

Forced eradication is inefficient

Provide greater support to control and monitor the illicit crops



Participatory processes (Costs/benefits of the program)

Farmers' access to information

Building farmers' capacity with long-term vision



Improving rural-urban trade networks

National markets should take in consideration



Thank you for your attention





