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**BOLIVIA**

## SUCCESS STORY

# New Markets for Organic Banana

### USAID support for exports of organic banana increases incomes for producers



*A sign at the entrance to the property of a BanaBeni member. Producers in the Alto Beni region are proud of their status as organic producers. The successful shipments of organic banana to Argentina and Chile have enabled BanaBeni's members to finally take advantage of their organic certifications.*

*The USAID/Bolivia Rural Competitiveness Activity (ARCo) works to generate sustainable licit economic growth in the principal coca growing regions of Bolivia. We focus our efforts on creating opportunities for small producers and strengthening the competitiveness of rural businesses.*

BanaBeni is a group of 10 producer associations comprised of 990 families in the Alto Beni region of Bolivia. The Alto Beni region sits at the edge of Caranavi, one of the regions of Bolivia where coca production has increased in recent years. Producers in Alto Beni have embraced organic production and are helping to prevent the expansion of coca production which relies heavily on the use of pesticides and other agro-chemicals.

BanaBeni is one of the few producers of organic banana in the world; however, despite the fact that most of BanaBeni's production is certified organic, the organization had not generated sales in markets that recognize that certification as an added value. To this end the USAID | Bolivia Rural Competitiveness Activity provided technical assistance to the producers to improve quality to meet the specifications of international markets. The project identified an interested buyer in Argentina and, in December 2006, helped to organize four trial shipments to open a new market for organic bananas.

These initial shipments helped capture the interest of other potential buyers, including a major Chilean importer and distributor. With USAID support BanaBeni is now exporting 3000 boxes of organic banana per month to this Chilean buyer.

The export initiative has had an immediate impact on the producers in the Alto Beni region. By working to meet the quality standards, the producers are paid more than twice the price paid for bananas by local buyers or *chiperos*. The producers are paid 11 bolivianos per box whereas they would only earn between 4 to 6 bs for an equivalent amount sold to the *chiperos*.

If the tests prove successful in generating a price premium, then the BanaBeni producers could see their incomes increase even more.

"This is a great opportunity for us," said Lourdes Quispe the export manager for BanaBeni. "We are improving the quality and soon we should be able to further increase our sales."