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# Latin America finds the green in organic

## Latin American farmers can thank health-conscious U.S. consumers for a booming export business.

By Tyler Bridges

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For centuries, Bolivians have considered the quinoa grain to be a gift from Mother Earth.

Lately, they have had someone else to thank for the prosperity brought by quinoa: health-conscious people in the United States.

Farmers in Bolivia are planting as much organic quinoa as possible because of increasing demand in the United States. But quinoa is only one of dozens of organic products that Latin American farmers are increasingly harvesting for export to the United States as they tap into the growing clamor for chemical-free products.

Other organic products from Latin America include sesame seeds from Nicaragua, sugar from Paraguay, soybeans from Brazil, wild mushrooms from Ecuador, coffee from Peru, dried apples from Chile and wheat from Argentina.

"There's tremendous demand for organic products," Jim Hoover, director of commodities at United Natural Foods, a major U.S.-based importer from Latin America, said by telephone.

Health-conscious U.S. consumers have long found benefits in fresh, pesticide-free organic products.

And now U.S.-based investors are also learning that the benefits of going organic are not strictly financial. Some also take pride in paying Latin American farmers a certified premium price -- known as fair trade -- for a product that goes easy on the environment.

"We're not just business guys who saw a way to make a buck," said Ryan Black, chief executive of Sambazon Acai, a California-based company that imports the tropical fruit known as açaí from Brazil's Amazon region. The berry is used in organic energy drinks. "We saw a way to do something beneficial for the planet and a way to make money."

Laura Reynolds, co-director of the Center for Fair and Alternative Trade Studies at Colorado State University, said she believes that the amount of land in Latin America devoted to growing certified organic products is more than in Asia, the Middle East and Africa combined.

She estimates Latin America's organic exports to the United States will reach approximately \$250 million this year.

What's driving the increase in organic exports to the United States is simple. While overall U.S. grocery sales are increasing by only 1 percent per year, sales of organic food rose by 16 percent in 2005 to reach \$13.8 billion. Organic food accounted for 2.5 percent of total U.S. food sales in 2005, up from 0.8 percent in 1997, according to the Organic Trade Association.

On a recent day, the Wild Oats Market in South Beach carried a range of organic products from Latin America, including agave nectar from Mexico, chardonnay wine from Argentina, extra virgin olive oil from Argentina, mangoes from Ecuador, scallions from Mexico, quinoa from Bolivia and coffee from Peru, Colombia, Guatemala and Mexico, assistant service manager William Medina said by telephone.

Quinoa is rapidly growing in popularity because it is one of the most nutritious of the whole grains, is easily digestible and is gluten-free. Quinoa can be mixed with granola or breakfast cereal, and it can be substituted for rice or risotto in cooked dishes.

Some 5,000 families in Bolivia are planting organic quinoa high in the Andes, up from a handful five years ago.

## **BETTER PAY**

Eva de Choque, like other farmers, now receives 270 bolivianos, which would be about \$33, per 46-kilo bag of organic quinoa, compared to 210 bolivianos (or \$26) for quinoa not certified as organic. The difference is huge in a country where more than half the population earns \$2 a day or less.

"We want to grow more and more quinoa for export," said de Choque, as she stood with a small shovel in hand in a quinoa field in windswept Colchani.

Bordering Bolivia's famed Uyuni Salt Flats, several hours by car south of La Paz, Colchani offers ideal growing conditions for quinoa. It is about 12,000 feet above sea level, has a searing sun during the day and cold weather at night.

"They tried to grow quinoa in Colorado, but it wasn't possible," said Javier Hurtado, a one-time-Trotskyite who is president of Irupana Andean Organic Food in La Paz. His company buys quinoa from the farmers and sells it to U.S. distribution companies.

To grow quinoa, "you need 20 percent less oxygen than at sea level, and you need sun [and a temperature] of 40 degrees Celsius [100 degrees Fahrenheit]," he said.

## **PRODUCTION GROWS**

Bolivia will export about 2,000 tons of organic quinoa to the United States this year, worth about \$1.3 million in sales to Bolivian middlemen. With grand ambitions, Bolivian officials hope to be exporting 1 million tons in 15 years.

"It could be a win-win," Hurtado said. "Quinoa is healthy for Bolivian soil, and it's healthy for U.S. consumers."

Organic suppliers throughout Latin America used to operate as a loose confederation, but they have steadily become a more formal network bound by strict rules that define what can be called organic.

## **EARNING CERTIFICATION**

Farmers normally can win organic certification three years after they last used chemicals. But some poor farmers have been certified more quickly, said Jhonny Ponce, manager of Bio Latina Peru, which certifies organic producers.

"Many farmers were so poor that they couldn't afford chemicals, so they can get certified faster," Ponce said.

That's especially true in the Andes mountain range that runs down the spine of Peru. Officials there are hoping that President Alan García's push to boost exports from the Andes -- under his new "Sierra Exportadora" program -- will prompt farmers to turn to organic quinoa, kiwicha and maca. Kiwicha is a grain, and maca, sold as a powder in the United States, is known as the natural Viagra of the Andes.

The Rural Advancement Foundation International has reported that "Argentina is the organic production leader in Latin America."

Today, Argentina exports organic apples, pears, cherries, nectarines, plums and feed grain for animals, among other products.

## **TREND SPREADS**

Argentina may be the leader, but the production of organic products has now spread throughout the continent.

In tiny Paraguay, for example, local sugar producers say their country is the biggest producer of organic sugar in Latin America.

Beginning production 11 years ago, Paraguay will export about 35,000 tons of brown and white organic sugar to the United States this year, said Bruno Defelippe, general manager of Ingenio Santa María, a sugar grower. The sugar cane fields are located midway between Asunción and Ciudad del Este.

About half of the country's sugar cane farmers now grow the organic crop since they receive about 20 percent more for it than for conventional sugar and spend less on production since they don't have to buy herbicides and pesticides, Defelippe said by telephone from Asunción. He did note that lower yields for organic sugar partly offset those benefits.

Most organic farmers in Latin America harvest small plots, and most U.S. importers, while growing rapidly, still remain small.

But the big boys are jumping in.

### **INTEREST FROM DOLE**

Dole Food, for example, is importing organic pineapple from Costa Rica and organic bananas from Colombia, Honduras, Ecuador, the Dominican Republic and Peru, said Frans Wielemaker, a company official.

But smaller producers still predominate.

### **SAVING RAIN FORESTS**

Sambazon Acai works with 5,000 farmers who harvest the tropical fruit from towering trees in Pará and Macapá states in northeast Brazil. Company officials say they are providing an alternative to cutting down the rain forest.

"We're trying to make it too expensive for the trees to be cut down," Ryan Black said by telephone from Rio de Janeiro. "We're trying to show that the market will pay more. It's market-driven conservation."

Freelancer Evan Abramson contributed reporting from Colchani, Bolivia.