



Building Our Future Together

The experience of the Peruvian Society of Registered Alpaca and Llama Breeders (SPAR)

The breeding of domestic camelids (alpacas and llamas), is a traditional activity for the majority of rural inhabitants of Peru's high-Andean areas at altitudes of more than 3,000 metres above sea level. Camelids are the most widespread livestock species in high altitude areas. They are found in fourteen of the country's regions: Puno, Arequipa, Cusco, Apurimac, Ayacucho, Huancavelica, Junín, Lima, Pasco, Huánuco, Ancash, La Libertad, Moquegua, and Tacna. It has been calculated that there are approximately 5'000,000 head of alpacas in Peru, accounting for 87% of the world population, and this makes Peru the world's top supplier of alpaca fibre (with 80% of world production). The alpaca is a resource considered symbolic of Peru, and since 2005 it officially bears the title of "Recurso Bandera" (literally "flag resource", meaning one of the Peruvian products closely associated with the image of Peru in the world).

Alpaca farming is the principal economic activity and the main source of income for the families living in this beautiful but rugged terrain. It is estimated that some 170,000 families are small and medium producers, who live in poverty or extreme poverty. Their incomes are very low, as are their levels of education and health; they have high malnutrition rates, and many of them are illiterate.

For a long time different public and private institutions have been carrying out projects, but these have been sporadic, dispersed, and uncoordinated. Such projects have had no major impact on the alpaca farmers or their quality of life. In view of this, the producers organised in the Sociedad Peruana de Criadores de Alpacas y Llamas Registradas, (Peruvian Society of Registered Alpaca and Llama Breeders) or SPAR for short, took the initiative to become the organisation representative of Peru's alpaca farmers, with the clear conviction that it is the producers themselves who should "adopt and carry forward" development proposals for the alpaca sector.

The Peruvian Society of Registered Alpaca and Llama Breeders (SPAR)

Since it came into being in 1995, SPAR, true to its role as the institution representing alpaca and llama farmers nationwide, has been making continuous efforts to look after its members' interests working with alpaca farmers' guilds, State bodies, private enterprise, NGOs, and other institutions interested in the development of the high-Andean region.

The goals it set itself include the following: to develop the capabilities of the leading producers; connect the small and medium producers with the market; form closer ties between the producers and manufacturers; identify business opportunities and market niches; and promote the effective marketing of products derived from domestic camelids for fair prices. Providing services for its members is SPAR's main strategy for promoting the economic development of the producers and their families. In this reference, the institution organises training workshops and seminars for the small and medium alpaca and llama farmers. It is also working to enlarge the supply of products and improve the farmers' incomes by introducing added value to the local products.

This process of institutional growth has come about as a result of the financing of important projects designed to strengthen the organisation (Agriterria) and to promote genetic

improvement of the livestock (OXFAM GB). These two bodies, like SPAR, believe that it is possible to improve the living conditions of the alpaca producers by strengthening their producers' associations and their business organisation and by obtaining fairer market conditions.

The process of institutional growth

Three years ago, with the support of SNV (Dutch Development Cooperation) SPAR drew up its Institutional Strategic Plan jointly with SPAR-Arequipa, SPAR-Puno, SPAR-Cusco, SPAR-Ayacucho and other regional bases to define clearly where they wanted to go and how they intended to get there. They were aware of the importance of having management documents to enable them to meet their main goal: to improve the living conditions of the alpaca farmers whom they represent.

Main lines of action are:

1. Production and the Environment: To enable the producers of domestic camelids to use efficient breeding methods that are environmentally sustainable.
2. Genetic Improvement and Use of Genealogical Records: To enable the producers (of domestic camelids) to use appropriate techniques for genetic improvement and to keep genealogical records of the alpacas and llamas.
3. Linkaging of Products and Related Services with Markets: To introduce commercial systems favourable to the producers and in keeping with their characteristics, but which at the same time meet the needs of the market.
4. Institutional Capacity Building and Political Lobbying: To develop the organisation's ability to perform effective internal management and to obtain rules and regulations, policies, and resources to benefit the producers of domestic camelids.

The services provided by SPAR to its members include training workshops on topics in three main areas: organisation (awareness-raising on the importance of organisation, citizen participation through participatory budgets); technical aspects (the marketing of alpaca fibre, meat, and *charqui* or salted meat); and production (genetic improvement, animal health, and other subjects). In all three cases the "learning by doing" method is used, and emphasis is placed on interactive group learning processes.

SPAR also continually participates in events with other institutions both nationwide and at the international level for the creation and development of proposals to benefit the sector.

Advances and main results

SPAR Puno has 12 district units with a strong presence in the participatory budget¹ processes, which is making it possible for projects proposed by the alpaca breeders to be carried out.

SPAR Cusco now has ten district bases; as well as an organisation called SPAR MAC for Women Alpaca Breeders of Canchis, which is opening up opportunities for more participation by the women working in this area.

SPAR Ayacucho has four provincial bases and has also engaged in vigorous political lobbying.

SPAR Pasco has active participation in the participatory budget system.

¹ The Municipalities Law of 2002 permits the organisations of civil society to have access to funds from the budgets of the district, provincial, and regional governments once approval has been given by the assembly.

SPAR Junín is managing a project with INCAGRO.

SPAR Huánuco has recently started drawing up its own Strategic Plan with the participation of the principal authorities of the sector in the region.

Participation in inter-institutional events includes the following: active participation in CONVEAGRO²; participation in the Agricultural Committee of ADEX (Peruvian Association of Exporters); participation as member of the board of directors of CONACS³ and INIEA⁴; construction of the Management Committee of the National Programme of Science, Technology and Innovation of the Camelids Programme⁵, member of the National Meat Commission⁶; Vice-president of the Commission for *Productos Bandera*⁷; participation in drawing up the National Livestock Programme⁸; as well as coordination with other groups.

SPAR recently took part in the IV World Congress on Camelids in Catamarca (Argentina), where it successfully positioned itself as the organisation representative of domestic camelids in Peru. SPAR will thus be in a position to draw up policy proposals and development strategies to benefit camelids in permanent coordination with the organisations representative of the other Andean countries.

Among the agreements or contracts that SPAR has entered into we should note:

- Inter-institutional Agreement between SPAR and CONACS for joint technical and financial cooperation.
- Framework Agreement of Institutional Cooperation with the National Agricultural Health Service (SENASA), which is in the process of being signed.
- Specific Agreement with the Inter-American Institute for Cooperation on Agriculture (IICA), through the Rural Agribusiness Programme (PRODAR) and CONACS, to develop the quality seal for alpaca meat (registration process).
- Negotiation of an institutional cooperation agreement with the Peruvian Nuclear Energy Institute (IPEN).
- Agreement signed with Dutch Development Cooperation Service (SNV Peru), to carry out activities to strengthen the institution as a whole and build the capabilities of individual producers.
- Signing of a framework agreement with the Peruvian Centre for Social Studies - CEPES "Miski Paqu – El alpaquero", for the institutional strengthening of SPAR: specifically for the creation and introduction of a virtual Newsletter to be published on a regular basis.
- Signing of a trade agreement with the private company Lanera Andina S. A., for the supply of alpaca fibre, the processing of the fibre into products with added value, and placement on the international market.
- Recently an agreement has been signed with Argentina's National Institute of Agrarian Technology (INTA) to start testing the fibre and blood of alpacas and llamas.

² Convención Nacional del Agro [National Convention of Peruvian Farmers], an inter-institutional network where different organisations of producers, Rural NGOs, and rural magazines participate in order to lobby on rural public policies more favorable to small and medium farmers.

³ National Council for South American Camelids, a decentralised agency of the Ministry of Agriculture, which governs and promotes the camelid sector in Peru.

⁴ Instituto Nacional de Investigación y Extensión Agraria [National Institute for Agricultural Research and Extension], a decentralised agency of the Ministry of Agriculture.

⁵ Inter-institutional network promoted by CONCYTEC [Peru's National Council of Science and Technology].

⁶ An inter-institutional commission sponsored by the Ministry of Agriculture to promote strategies and policies to benefit the meat products of the different livestock species.

⁷ COPROBA, an inter-institutional commission sponsored by the Ministry of Foreign Trade and Tourism to promote products considered symbolic of Peru, such as the alpaca, pisco, the Peruvian paso horse, etc.

⁸ Policy Proposal for the agriculture and livestock sector drawn up by the Ministry of Agriculture with the participation of the different actors in that sector.

In the context of forming alliances and networks with the other local stakeholders, a particularly successful experience is that of SPAR Macusani which has managed to build a Pilot Training Centre for the Genetic Improvement of the Alpaca. This success story is the result of joint efforts on the part of the producers (SPAR), the Provincial Municipality, District Municipality, CONACS, and international cooperation (France-Peru Fund and OXFAM GB).

The pilot experience in Macusani

Macusani is the capital of the Province of Carabaya in the Department of Puno, which extends from 600 metres above sea level to more than 5,824. Livestock farming takes place on 352,220 hectares of natural pasturelands, which accounts for 28.7 % of the total area of the province. The capital of the province lies at an elevation of 4,315 metres where the vegetation is poor because of the extremely cold climate, and the terrain is rugged; there is rich soil in the gullies but only shallow soil cover in the high-lying areas.

The alpaca farmers of the Province of Carabaya are known for the quality of the fibre and breeding stock that they produce. However, this quality is currently decreasing because of a series of technical factors such as inadequate selection and mating processes; ignorance and scanty technical skills of the breeders; and constant reduction of the prices of the fibre on the market allegedly due to thickening of the fibre.

Problems of the alpaca sector in Macusani

The Province of Carabaya is an area where traditional alpaca breeding has prospered with quite a good degree of efficiency. However, it has been drastically affected by the alpaca repopulation programmes in Peru, and by the export of live animals. The best animals have left Puno, worsening the quality of alpacas and the earnings and living conditions of breeders.

Generally speaking, the producers have limited technical knowledge of alpaca breeding; most of them learned from the experience handed down to them by their fathers and from their own hands-on experience with their alpacas. They have not had any opportunity to incorporate simple techniques to improve their productivity.

One of the major problems that is a limiting factor in alpaca breeding is that there is a strong element of consanguinity in the herds, which gives rise to many unfavourable conditions: high frequency of congenital and hereditary malformations; low reproduction rates; high mortality rate of newborn animals; animals that are less resistant because of the homocigosis of their genes; and poor yields in fibre and meat production. All these problems translate into lower financial income for the producer, which intensifies the situation of poverty in which the small alpaca farmers live.

Consanguinity is the result of several factors:

- Alpaca breeders do not have enough money to acquire and renew their herds with improved alpacas, which are usually quoted at high prices.
- The production and supply of improved animals is limited.
- The ignorance of the farmers means that they continue using stud males selected from their own flocks, which merely worsens the situation.

The importance of organization: alpaca breeders now make their own decisions

The alpaca producers in the area used to be organised in their peasant communities, where they formed alpaca farmers' associations or micro-enterprises or simply groups of small individual producers. Far from being a strength, this turned out to be an obstacle for promoting development in the area. However, the process promoted by the National SPAR resulted in the creation of regional, provincial, and district bases; and this is how the *Sociedad Peruana de Criadores de Alpacas y Llamas de Macusani* "SPAR Macusani", came into being as an institution that organised alpaca farming in the district and represented the alpaca farmers there.

Thus, through SPAR Macusani, approximately 200 alpaca producers got together to analyse their problems and they reached consensus on the strategies they should apply in order to solve their problems.

Results of the organisational work of the alpaca breeders

It must be noted that the results being obtained by SPAR-Macusani would not have been possible without the coordinated action of local government, the institutions working in the district (Ministry of Agriculture, CONACS, SENASA, RED RURAL, National SPAR) and the generous financial help of the France Peru Fund and OXFAM GB.

The main achievements include:

- Construction, equipping, and management of the Munay Paq'ocha Pilot Centre for the Genetic Improvement of Alpacas, which is the first experience in Peru where alpaca breeders themselves are leading the process.
- Formation of a select herd of 500 male and female Huacaya alpacas which are the genetic material to be worked with to produce improved reproducers. This will ensure the genetic improvement of the alpacas belonging to the farmers of Macusani, and poor families will have access to better quality animals.
- Founding a fibre laboratory to measure the fineness of the fibre of the reproducers and direct the mating accordingly.
- Organisation of the first campaign of controlled mating of alpacas (in the livestock campaign 2005-2006): 380 alpacas belonging to the 81 members who took part in the process were successfully mated, and the first calves are due to be born now in December 2006.
- At the Pilot Centre a start has been made on improving conditions for the breeding and production of alpacas. Wire fences are being used; fodder oats are being grown to feed the animals; sheds have been built to protect them from the excessive cold; and an accounting system is being designed for the technical management of the animals.
- The technical training events are mainly interactive group learning sessions based on specific results that farmers are obtaining in their family production units; this training method builds knowledge based on concrete experiences of the farmers themselves.
- SPAR-Macusani is now acknowledged nationwide as the organisation that is pioneering the genetic improvement of the alpacas, and at the same time promoting an improvement in the living conditions of the alpaca farmers.
- SPAR-Macusani organised two campaigns of collection and marketing of 449 quintals [1 q = 100 kg] of classified fibre. 154 farmers took part in the first campaign and 198 in the second campaign. Thanks to this activity, an increase in the selling price of up to 29.6 % over the market price was obtained.
- Finally, SPAR-Macusani, in an effort to ensure the sustainability of its proposal, set up services for the alpaca farmers, consisting of: i) improved reproducers, ii) fibre laboratory, iii) collection and marketing of classified fibre, iv) veterinary kit and pasture grass seeds.
- The organisational experience of SPAR-Macusani has been made known throughout the country, with the result that alpaca farmers in other regions of Peru have felt encouraged to become organised and start similar processes.
- At the time of the general elections in Peru, SPAR-Macusani carried out political lobbying with candidates to the Peruvian congress, and with elected congressmen and women. It was able to put forward points of view and propose policies to develop the alpaca sector.

Challenges and main prospects of SPAR

In the country's new political context, SPAR has now presented a draft agenda for the alpaca sector taking as reference the work carried out in the different areas of coordination with other institutions. The specific proposals put forward include:

1. Enhance the Competitiveness of the Alpaca Fibre Production Chain.
2. Execute the National Alpaca Improvement Programme
3. National Programme for Science, Technology, and Innovation in South American Camelids (PROCAM – SINACYT).
4. Build local capabilities for planning, citizen participation, and management.
5. Promote public and private investment to develop the sector and make it more dynamic.
6. Engage in head-on fight against the illegal trade in live alpacas; (the animals are being taken out of the country over the southern border).
7. Perform the First National Census of South American Camelids as part of an ongoing system of monitoring and assessment of the sector. The idea is to produce timely, reliable information as a tool for decision-making.

Peru was, and is, as we have mentioned, the world's top producer of alpacas; excellent breeding animals have been sent from Peru to other parts of the world. Today we are faced with a challenge not only in terms of the numbers of alpacas, but also of the genetic quality of the alpaca, and of the quality of its fibre and its meat. The region of Puno concentrates 51% of Peru's alpacas, and Macusani has set itself the goal of winning back for itself the place it occupied in the past: that of "Alpaca Capital of Peru and the World" . . . but this time making sure that the alpaca breeders themselves will benefit.

It is towards this goal that SPAR, together with other public and private institutions, will continue working in the coming years.

Godoy Muñoz, President of SPAR

Teodora Cano, President of SPAR Macusani

Zenón Choquehuanca, Responsible for the SPAR Macusani Project



Meeting of alpaca farmers held from November 11 – 13, 2006, on the occasion of the Opening of the "Munay Paq'ocha" Pilot Centre for the Genetic Improvement of Alpacas.