

# ALIADOS

ANNUAL REPORT 2022



## Letter from **The Executive Director**

---

At ALIADOS, we pride ourselves on being an action-oriented organization, because the challenges that rural and indigenous communities in the tropics face require urgent solutions. That said, in 2022, we complemented our action focus with a research component supported by the McKnight Foundation. Tangible results were almost immediate. Our Farmer Field Schools (FFS) are now combined with a Farmer Research Network (FRN) approach. The shift is profound, and we are seeing farmers not only solving local problems with local solutions, but also the emergence of social capital and cohesion that promises to be just as impactful as increased incomes can be. At the heart of this transition is a deep commitment at ALIADOS to learning, co-creation and local leadership.

In 2022, we continued to support our farmer and community enterprise partners to diversify farm production and incomes. With support from Re:wild and others, we provided 782 farmer families with technical assistance, inputs, and improved market access for guayusa, wild jungle peanuts, goldenberry, macambo, cocoa, and other products. From over a decade working with local and indigenous farmers, we know that change is an implicit part of rural farmers lives, and a focus on diversity can support more resilient livelihoods.

I am happy to report that the hard work is reflected in the numbers. We helped farmers earn an additional \$311,679 from regenerative agriculture and enterprise, and to date have surpassed \$3M of additional income earned for farmers from our support. Women farmers and leaders continue to outnumber men in terms of participation, over 60%. We have a robust funding platform and 2022 marks the 3rd consecutive year of financial growth for Aliados.



A handwritten signature in black ink, appearing to read 'Wain Collen', enclosed in a white, tilted rectangular box.

*Wain Collen*

A sincere and heartfelt thank you to the ALIADOS team, our local partners and the supporters of our work. The pieces of the puzzle of how to harmonize economic development with conservation in the tropics are coming into place and I am truly grateful for your commitment and belief in our work and our partnerships.





**\$3.04 M**

Farmer income  
generated  
through  
Aliados  
support  
to date.

**Aliados brings  
people together  
who believe in  
*development  
without  
destruction.***

---

*2022*

# Impact Highlights



*782*

Indigenous and rural families supported in 2022 with training, resources and improved incomes



*US \$341,227*

Farmer income generated through ALIADOS support in 2022



*64%*

Farmer beneficiaries of ALIADOS work that are women.



# Where We Work



## *ANDES*

Aliados promotes regenerative agriculture with 250 indigenous Andean families, six farmer associations, and two corporate partners working with goldenberries, honey, herbal aromatics, and various Andean grains.



## *AMAZON*

Aliados is partnering with four Amazonian indigenous communities to incubate a basket of ten agroforestry products to help conserve forest in the Sumaco-Galeras National Park buffer region, contributing to protecting 225,000 ha of Amazonian forest.



## *CLOUD FOREST*

Aliados is demonstrating a new agroforestry model with local communities that promotes sustainable forest management and agroforestry to reduce cattle pasture expansion connecting 3 nat'l parks that cover 800,000 hectares of Andes-Amazon ecosystems.



## *CHOCO*

See Page 6.







New Programmatic Area

# The Chocó

We are excited to expand our work in 2022 to formally create a new programmatic area with the Chachi indigenous community that inhabit the Chocó cloud forest on the western Andes slopes.

The Ecuadorian Chocó is home to 142 mammal species, of which 15 are endemic and about a quarter of all plant species found here are endemic, but only 2% of primary forest remain intact. Aliados is partnering with the Central and Northern Chachi indigenous communities to build a regenerative cocoa model to scale up biodiversity conservation in this critical ecosystem.

We are very grateful to the American Bird Conservancy and WorldCentric for multi-year funding to launch this program with the Chachi in the Chocó.



## Partner Spotlight

# McKnight Foundation

---

In 2022, ALIADOS launched a 3-year action-research project in the Andes Highlands funded by the McKnight Foundation. Our project is part of McKnight's Global Collaboration for Resilient Food Systems that aims to "cultivate resilient food systems globally by bridging farmer-centered agroecological research, action, and influence." This makes McKnight a perfect partner for ALIADOS as we complement our historic action-oriented approach with a research focus.

Our action-research has two components. The first is the creation of a Farmer Research Network (FRN) to put the tools of scientific enquiry in the hands of farmers and guide them in experimentation to find solutions to their own problems.

In year one, we were amazed to see not only the value of farmer-led enquiry, but also that bringing farmers together into a space of shared learning strengthens social cohesion and community identity. We are continuing to investigate the potential impact that this lesser studied social capital may have on helping farmers weather challenging moments, like market shocks and climate challenges.

The second component looks at the question of "how to effectively support rural enterprises be successful?" Essentially, we are placing the lens on ALIADOS' work incubating rural farm-based businesses and investigating what is working and what needs to be improved. By applying an action-research method, we learn by doing and systematically assessing results and adapting. A few key learnings from year one includes:

- The rural business context is highly changeable; thus, the ALIADOS incubation model must build adaptive capacity.



- The ALIADOS incubation model needs to balance tensions between flexibility and structure. It can't be a one-size-fits-all solution, but structure is important.
- In a complex changeable incubation context, build a collaboration platform based on shared values.
- And possibly most important from year one – we are finding that incorporating an action-research approach to ALIADOS as an organizational tool significantly strengthens the quality of our work..

# Landscape Spotlight

## Sumaco-Galeras Biosphere Reserve

The Sumaco-Galeras Biosphere Reserve is located on the Andes-Amazon slopes and protects exceptional biodiversity, including over 500 bird species, jaguars, spectacled bears, giant anteaters, and mountain tapirs. However, it is being deforested at a rate of 2% per year and poverty rates are very high. ALIADOS worked closely with 167 families in four Kichwa indigenous communities in the buffer region of the Reserve to promote a highly diverse and profitable agroforestry model cultivating macambo, guayusa, wild jungle peanuts, plantain and vanilla while reducing grazing and agricultural expansion that degrades their forest.

To ensure these products get to market, ALIADOS provides bioeconomy incubation and market access technical assistance. We are also partnering with the Sumaco-Galeras Park and the Jocotoco Foundation to support communities incorporate conservation practices within and beyond the farm level. Our goal is to create a replicable model to enable Indigenous communities to steward the natural resources in the Biosphere Reserve in the Ecuadorian Amazon for future generations, alleviating multidimensional poverty and conserving the forest. We are grateful to Re:wild, Swift Foundation, Lush Cosmetics Charity Pot, WWF, and Jonas Philanthropies for helping us develop this pioneering work across 250,000 hectares of Amazonian Forest.



Our goal is to create a replicable model to enable Indigenous communities to steward natural resources for future generations.





# Our Approach



## *Regenerative Agriculture*

Aliados supports indigenous and rural farmers with training, inputs, and microgrants to transition to regenerative farming practices that increase farm profitability, food security, and ecological services.



## *Bioeconomy Incubation*

We incubate local bioeconomy enterprise with training and finance to increase competitiveness in agricultural value chains.



## *Responsible Markets*

We leverage our solid corporate network to ensure stable and fair market access for local bioeconomy enterprise.



## *Creating Ecological Value*

We apply cutting-edge technology to precisely measure the ecological value created by regenerative agriculture. We help low-income farmers and businesses incorporate these values into their product lines, increasing the competitiveness of regenerative agriculture.



# Financial Report

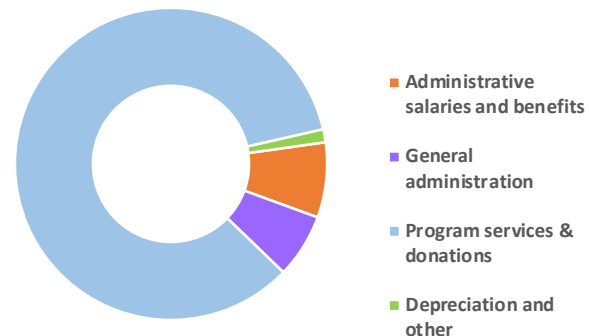
SUPPORT AND REVENUE 2022*	ALIADOS ECUADOR	ALIADOS USA	TOTAL
Grants & Contributions	\$ 670.588,00	\$ 149.006,00	\$ 819.594,00
Fee for service income	\$ 14.400,00	\$ -	\$ 14.400,00
Other income	\$ 3.189,16	\$ -	\$ 3.189,16
<b>TOTAL</b>	<b>\$ 688.177,16</b>	<b>\$ 149.006,00</b>	<b>\$ 837.183,16</b>

OPERATING EXPENSES 2022*	ALIADOS ECUADOR	ALIADOS USA	TOTAL
Administrative salaries and benefits	\$ 47.648,05	\$ -	\$ 47.648,05
General administration	\$ 40.663,49	\$ 10.866,69	\$ 51.530,18
Program services & donations	\$ 515.323,46	\$ 246.836,31	\$ 762.159,77
Depreciation and other	\$ 8.172,00	\$ -	\$ 8.172,00
<b>TOTAL</b>	<b>\$ 611.807,00</b>	<b>\$ 257.703,00</b>	<b>\$ 869.510,00</b>

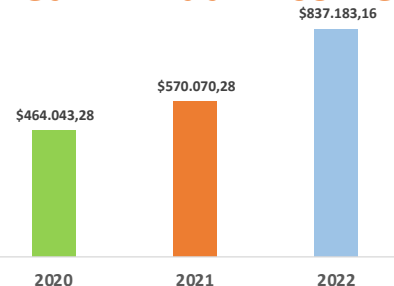
---

**NET ASSETS 31 DEC 2022**                    \$    76.370,16    \$    139.041,00    \$    215.411,16

## OPERATING EXPENSES 2022



## 3-Year Annual Income





## Rural Entrepreneur Spotlight

# Wilson Simmaron

---

Wilson is a classic example of an entrepreneur. A longstanding member of the Guayacana community – born and raised and now has a day job as a teacher at the local high school, he also has a passion to build an enterprise that can help his community have a better future. Wilson sees high quality cocoa has potential to provide local families with more sustainable incomes, and has been buying and drying local cocoa from local families and selling cocoa in the nearby town of Golondrinas.

Wilson's first experience partnering on his own chocolate producing business was challenging. They focused too quickly on producing a final chocolate product that was sent to Hawaii and had to compete with some of the finest chocolates in the world. Wilson now realizes that you first need to have a high-quality cocoa bean before thinking about chocolate. Wilson, along with 200 Chachi families, are working with ALIADOS to set up a new community enterprise that is focused on producing high quality fermented beans locally and building lasting partnerships with anchor clients that can take the Chachi business to the next level.

Wilson will oversee administering the local fermentation center of the new business. Wilson already has experience of both fermentation and local marketing, and his wife Ruth is also very adept with accounting to manage the books. Recently, ALIADOS confirmed a first buyer for the Chachi cocoa – both fine and regular – and Wilson and his community are taking a big step to positioning cocoa as a real alternative to logging in the critically important Chocó forest that is their home.





CANOPY  
BRIDGE

## Product Spotlight

# MACAMBO

---

Macambo (*Theobroma bicolor*) is a nutrient-dense traditional Amazonian tree crop related to cocoa. It is known locally in Kichwa as patasmuyo and is rich in protein, healthy fats and fibers, but until very recently was virtually unknown outside local communities. In 2017, Canopy Bridge, began working with groups of Kichwa indigenous farmers in the Amazonian lowlands of Napo Province (Archidona and Tena area) to purchase, process and market macambo beans for the national Ecuadorian market, creating a value chain and market recognition of a product that until then was virtually unknown outside local communities. In 2022, ALIADOS launched a partnership with Canopy Bridge to strengthen and scale the macambo value chain. ALIADOS has been working with three Kichwa communities implementing our FFS methodology to strengthen macambo production with regenerative techniques. Early results from our collaboration are promising: less than halfway through the last macambo harvesting season, Canopy Bridge had already met their purchasing goal, and we were happy to support Canopy Bridge buy all excess production with a bridge loan.

We are looking forward to deepening our relationship with Canopy Bridge and our partner communities who are increasingly excited about the potential for macambo to help improve local incomes from regenerative agriculture.

## **MIT Case Study of a co-innovation process with farmers facilitated by ALIADOS**

---

We were proud to be approached by the MIT D-Lab to undertake a comprehensive [investigation](#) of the results of our work with family farmers producing organic goldenberry for export in the Andean highlands.

The case study describes a co-innovation process led by Aliados, through which goldenberry farmers, working in collaboration with Aliados field technicians and other local stakeholders, developed in a fairly short period of time a successful approach to preventing and controlling the mancha morada plague using principles and practices from regenerative agriculture. This disease, which was unknown to these communities at the time and had no

effective treatment, swept through their goldenberry fields, killing their plants and leaving them without a primary source of income.

Drawing on original primary research, the case study describes the innovation process in depth, following the chronology of the case as described by research participants to identify key turning points, factors contributing to the success of this process, and the results these farming communities have been able to jointly achieve. These results include the spread of regenerative farming practices, improved soil fertility, the diversification of agricultural production in these communities, and the strengthening of farmers' capacity to be proactive and to innovate.

**MIT D-Lab**  
designing for a more equitable world

