

2015

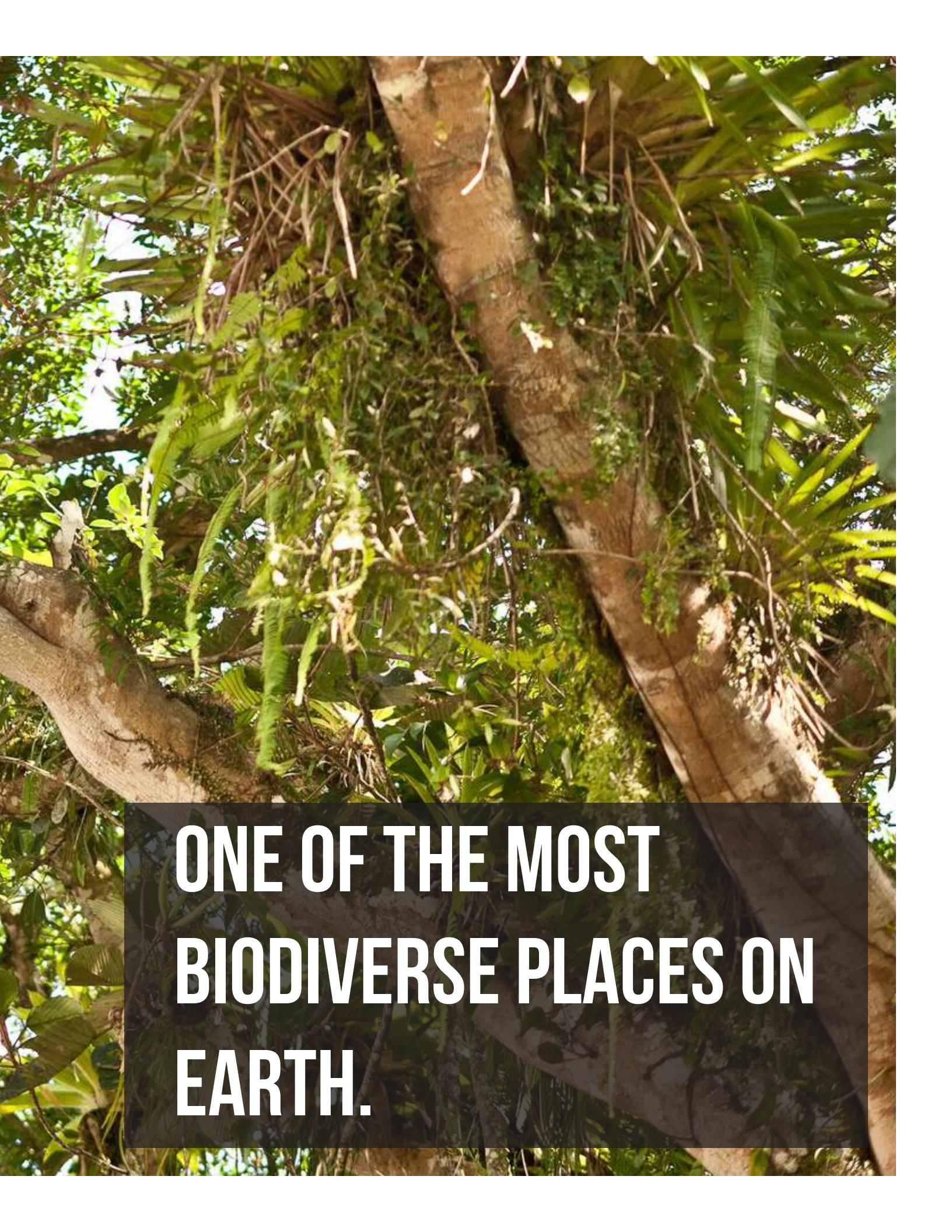


RUNA[®]
foundation

ANNUAL REPORT

THE AMAZON RAINFOREST IS



A photograph of a dense tropical forest. The image shows several large, thick tree trunks in the foreground and middle ground, surrounded by a thick canopy of green leaves and branches. Sunlight filters through the foliage, creating dappled light and shadows. The overall scene is lush and vibrant, representing a highly biodiverse environment.

**ONE OF THE MOST
BIODIVERSE PLACES ON
EARTH.**



**HOW CAN WE CREATE
SUSTAINED VALUE FOR
TROPICAL RAINFORESTS
AND ENSURE THAT LOCAL
COMMUNITIES BENEFIT FROM
THIS NEW VALUE?**



Photo by Ben Blake

**RUNA FOUNDATION
DEVELOPS NEW MARKETS FOR
TROPICAL FORESTS**



**AND GIVES VOICE
TO THE PEOPLE WHO
LIVE THERE.**



OUR IMPACT

Runa Foundation



SOCIAL INVESTMENTS 2015

\$107,125

SOCIAL PREMIUM FUND TO DATE

\$101,097



INCOME GENERATED TO DATE

\$674,900

EMPLOYMENT DIVERSIFICATION

67% minorities

TOTAL COMMUNITIES WE WORK WITH

250



CERTIFIED ORGANIC FARMING FAMILIES

2,529

ACRES OF AGROFORESTRY SYSTEMS

1250

INDIRECT CONSERVATION BENEFIT

90,105 acres



TABLE *of* CONTENTS



8	IMPACT REPORT	22	PLANT RESEARCH SUMMARY
9	LETTER FROM THE EXECUTIVE DIRECTOR	23	PLANT RESEARCH
10	LANDSCAPES SUMMARY	24	RIOS NETE
11	JUNGLE PEANUTS	25	NAKU
13	WILDLIFE MONITORING	26	EDUCATION SUMMARY
15	LIVLIHOODS SUMMARY	27	INTERNSHIP PROGRAM
16	FAIR TRADE CAPACITY BUILDING	29	LOOKING FORWARD
19	ASSOCIATION DEVELOPMENT	31	FINANCIAL SUMMARY



LETTER FROM THE EXECUTIVE DIRECTOR

As a Foundation, we are focused on issues of social justice. The Amazon is one of the most biodiverse places on the earth – the “lungs of the earth” as we were taught as children. It is home to indigenous groups who have a deep understanding of the plants and animals of the forest. They have maintained a symbiotic relationship with the forest for thousands of years. But as a global society, we have not learned how to adequately value the forest and the indigenous knowledge that it contains. In my view, this is one of the biggest issues of social and ecological injustice we have on the planet.

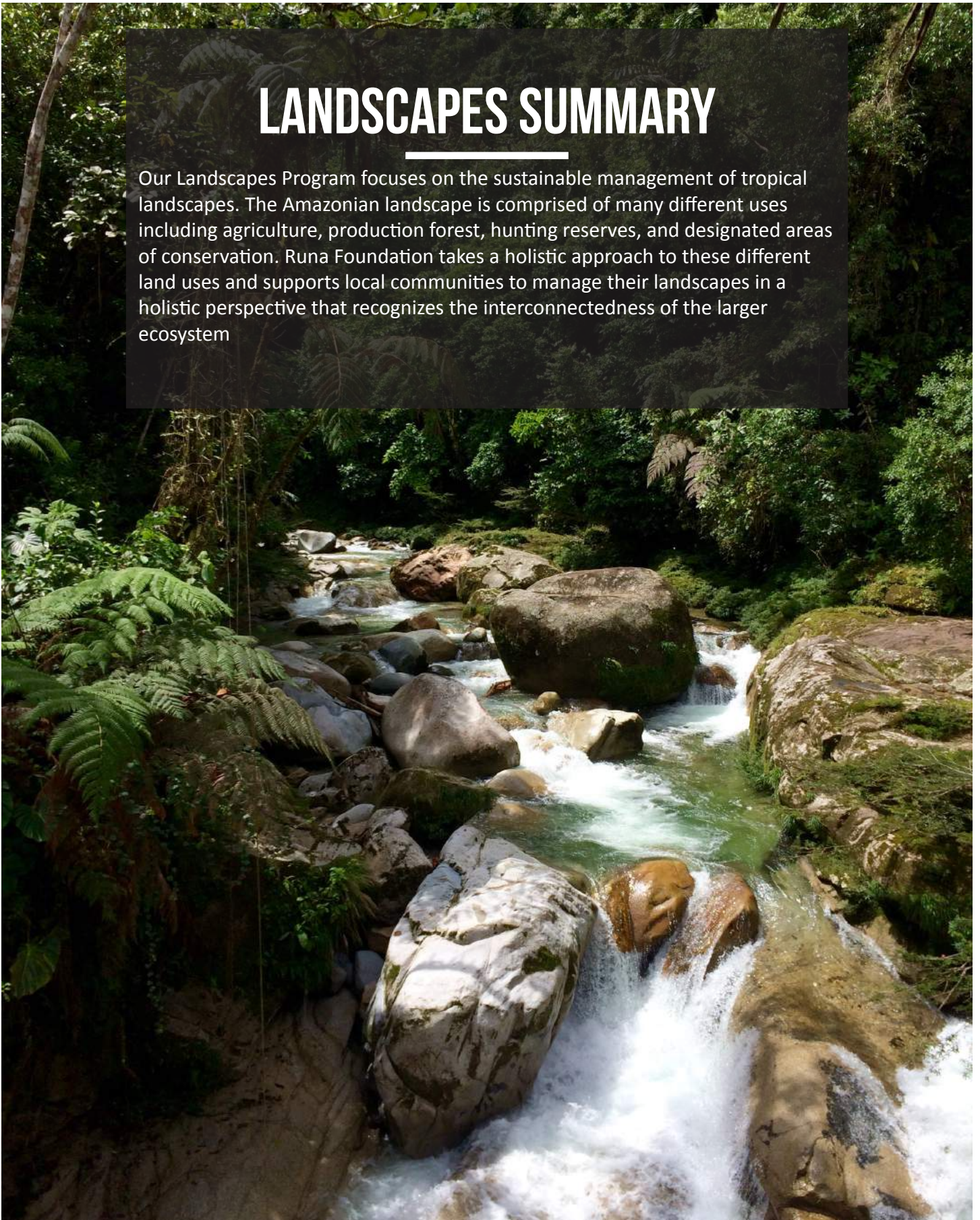
Many forces are destroying the Amazon rainforest. Economic pressure on farmers pushes them to clear the forest to establish mono-crop agriculture, such as soybeans or African palm. Our global dependence on oil and natural gas has ripped open parts of the Amazon, leaving a toxic disaster and a network of roads that give more access to illegal loggers and poachers. Many indigenous groups in the Amazon lack clear property rights, which only exacerbates the problem. In Ecuador, for example, the state owns all mineral rights, giving no direct economic benefit to the indigenous groups who live on top of the state’s oil reserves. Even the ancestral knowledge of the forest’s immense biodiversity is considered property of the state, and there are no clear mechanisms in place to ensure indigenous groups are protected and able to benefit from their knowledge of the forest.

We work at the intersection of different cultures, values, and interests. In 2015, we created a new strategy to bring stakeholders together toward a shared vision of social and ecological justice. Our new programmatic areas focus on Livelihoods, Landscapes, Plant Research, and Education. Each program area is designed to bring voice to different areas of injustice. Our Livelihoods program focuses on the people of the forest and their needs, as they remain some of the region’s poorest. The design of the Landscapes program examines the integrity of the ecosystem from a macro-level and how people can better manage the forests and watersheds of the Amazon. Our Plant Research program narrows in on understanding the medicinal and cultural value of individual plants. And our Education program is focused on sharing this information with the world and creating the new environmental leaders of the 21st century.

We invite you to learn more about our work and join us as we continue to grow.

LANDSCAPES SUMMARY

Our Landscapes Program focuses on the sustainable management of tropical landscapes. The Amazonian landscape is comprised of many different uses including agriculture, production forest, hunting reserves, and designated areas of conservation. Runa Foundation takes a holistic approach to these different land uses and supports local communities to manage their landscapes in a holistic perspective that recognizes the interconnectedness of the larger ecosystem



JUNGLE PEANUTS



Originally domesticated in the Amazon basin, the peanut has been a staple crop and an important source of protein for South Americans for millennia. Runa Foundation is working with both smallholder farmers and with Runa to create a value chain for an heirloom variety of peanut known locally as *muru inchi*. It is now being distributed in the United States under the name “Wild Jungle Peanuts” by Essential Living Foods. It is distinguished by its crunchy yet smooth taste and distinctive purple striping. However, one of the issues that we have run into with *muru Inchi* is that it is frequently planted with conventional peanut varieties with which it crosses readily. This has led to the dilution of some of the variety’s distinctive traits within many areas.

Currently, Runa grows *uru inchi* on a 7 ha property alongside the Napo River where rich alluvial soils are especially conducive to peanut production. We are simultaneously working with local producers to create seed banks of *uru inchi* and to recuperate some of the characteristics that make this variety so distinctively delicious. Peanut farming is labor intensive, and consequently, most local production is on very small forest garden plots (20 x 20 m). The tropical climate allows for for three harvests per year, thus ensuring a nearly continual source of income. Yields average 2-3 tones per hectare making peanuts a great alternative for local farmers. Runa Foundation is working to make sure that this supply chain will create additional income opportunities for local farmers and especially for the women's groups who traditionally manage family farms. An added bonus is that peanuts are a member of the Fabaceae family. Therefore, they fix plant available nitrogen that can then be utilized by other products.



WILDLIFE MONITORING



As part of our mission to create sustainable landscapes, Runa Foundation is working with the communities of Santa Rita and Mushullacta in the Napo Province to implement participatory wildlife monitoring and management policies. Both of these communities are located within the buffer zones of national parks and manage forest reserves through Ecuador's Socio Bosque Program. We would like to measure how both guayusa agroforestry systems and forest reserves contribute to landscape-level conservation. This initiative dovetails on a larger research project led by Runa Foundation's Landscapes Program Director, Ian Cummins that looks at the bushmeat trade in the Napo Province of Ecuador ([available here](#)). As part of this program we are working with community members to identify what species live in community forests and how these species can be managed.



To date, we have trained and contracted community members to work as citizen scientists. Their work includes the management of a camera-trap program that effectively samples ground-dwelling mammals and birds and running transects for primates and canopy birds. This information will, in turn, be used to draft community rules related to hunting as well as resource and animal conservation. To date, we have found that these forests provide habitat for brocket deer, tapir, collared peccary ocelots, pumas and a variety of ground dwelling birds. These cameras also show that community forests have high ungulate and rodent densities, indicating that hunting pressure remains low.



LIVELIHOODS SUMMARY

Our Livelihoods Program looks at how local communities and organizations can benefit from the great biodiversity of the Amazonian rainforest. Historically, Amazonian communities have been excluded from the design and creation of supply chains. At Runa Foundation, we work to empower local people and give them equity in new value chains that are based in their ancestral knowledge of the forest's immense biodiversity.



FAIR TRADE CAPACITY BUILDING

Runa Foundation plays an important role in building capacity among indigenous farmers in the Amazon to generate added value for the sale of their products and to comply with the international standards of Fair Trade USA. Runa Foundation works with nearly 3,000 guayusa producers that have organized themselves into 12 associations. Each group of farmers is represented by a nucleus, which consists of a coordinator, secretary, and treasurer. The nucleus was created to represent the voice of the farmers in the Internal Fair Trade Committee. The committee is responsible for making and executing important decisions alongside the association's board of directors to determine the most impactful ways to invest the funds from the Fair Trade Social Premium. The Social Premium fund is generated from an additional 15% payment from total guayusa sales. It is paid to the associations in order to support community development and strengthen the association's organizational capacity. After the Social Premium fund has been invested, the president of the association is obligated to call a general assembly in order to provide the farmers with a financial report in order to promote transparency.



Through our work in the past year, we have continued to collaborate with and support the associations in order to overcome challenges. The new structure of the associations has been created in order to provide a stronger voice to each farmer, to generate knowledge sharing between all participants, and to create greater transparency within the associations in regards to the investment of the Social Premium Fund. We have been working closely with each association to create investment plans that effectively address the needs of the farmers, and in the past year, we have successfully granted payments to half of the associations.



OUR
FAIR TRADE
 WORK



Associations	Investment	Number of Beneficiaries	Amount (\$ USD)
24 de Mayo	Micro-credit loans to farmers	105	\$2,677.93
Mondayacu - Narupa	Fertilizer & machetes	180	\$2,612.12
Wauki Hunapak	Fertilizer	250	\$1,878.65
Tatsayacu	Weed whackers for community use	88	\$1,621.77
Asacapum	Micro-credit loans to farmers	97	\$1,232.78
Uckar	Printer for community use & a high interest savings account	170	\$845.40

CASE STUDY: 24 DE MAYO ASSOCIATION



We are now 102 small farmers in the “24 de mayo Association.” We produce a little bit of corn, cocoa, coffee, rice, naranjilla, and of course Guayusa, we are “guayuseros.” We want to grow as an association. We’re looking for new opportunities that will improve the wellbeing of our families [...]. As our collaboration with Runa grows, we have a better understanding of the premium fund and fair trade. We are stronger, and ready to work in a new project with Runa. We are going to try to have our own Guayusa Collection Centre.” Jose Andi, President of the association “24 de Mayo”



24 de Mayo is a small producer agricultural association located on the border of the Napo and Orellana provinces in Ecuador, and has become an important supplier of fresh leaf guayusa to Runa. In August 2014, upon direct request from the association leadership, Runa Foundation started supporting the association with capacity building around Fair Trade social premium management. Over the last year and a half of working together, 24 de Mayo has shown itself to be a well organized and united association, with strong leadership. Workshops are always well organized and attended, and participation is active by both men and women. 24 de Mayo has shown itself to be an organization that clearly aims to support its producers improve their livelihoods.

In July 2015, the Foundation successfully launched a new project – “Strengthening the guayusa value chain through producer association development” – that will be able to capitalize on this strong working partnership. The project’s goal is for 24 de Mayo to take charge of certain elements of the guayusa production value chain locally, strengthening the value chain overall. This project will see the association taking responsibility for purchasing guayusa from small producers, transporting it to a local processing plant where the initial stages of drying will take place, and then packaging and selling the guayusa wholesale to Runa.



This groundbreaking multi-actor initiative offers opportunities for the association to capture a larger share of the guayusa value chain's economic benefits. Successfully undertaken, the project will also lead to opportunities for local job creation and business development in a region that is in desperate need of local enterprise that improves economic livelihoods, is culturally appropriate and environmental sustainable. For Runa, closer collaboration with 24 de Mayo may offer opportunities for improved efficiencies and economies, but possibly more importantly, will also generate important lessons on how to work in closer cooperation with agricultural associations. Building this new initiative doesn't come without challenges, limited community experience with economic enterprise, and broad cultural, social, economic differences between actors that will need to work together effectively. But all stakeholders are committed to making this work.

The project is now well underway. Runa Foundation, in collaboration with Plan Junto, the Foundation's technical ally on Sustainable Community Enterprise issues, have completed a detailed Business Plan that establishes the conditions and financial requirements for this project's sustainability. At present, stakeholders are engaged in the initial stages of negotiation of how the project will be implemented. After a thorough capacity building and institutional development process, it is expected that in the second half of 2016, the first ever sale of wholesale guayusa will be made from 24 de Mayo Association to Runa.

A woman with long dark hair, wearing a black top, is shown in a lush green forest. She is using a machete to cut a branch from a tree. The background is filled with dense foliage and trees. The text is overlaid on a dark grey rectangular area in the upper right portion of the image.

PLANT RESEARCH SUMMARY

Runa Foundation works with indigenous groups in the Amazon to document and research their vast knowledge of medicinal plant uses. Many modern illnesses cannot be cured with Western medicine, and we believe the Amazon may hold the answers. To the people of the Amazon, the rainforest is a living pharmacy and they have used medicinal plants to treat the sick for time immemorial. We believe that there are many cures yet to be discovered by Western medicine, in the knowledge held by healers of the Amazon.

PLANT MEDICINE



Deep in the Amazon Rainforest indigenous peoples have lived in harmony with their natural environment for millennia, developing extensive knowledge of the vast array of flora and fauna that surround them. Within these plants they have found remedies for many illnesses for which Western Medicine has no cure. We are working with indigenous communities to clinically study the efficacy of this ancestral knowledge to treat modern health problems.

In 2015 we developed Plantmed- a new platform to encompass our Amazonian Medicine programs and streamline funding activities for our work with partner organizations Rios Nete and Naku. Plantmed is now poised to open both centers in 2016.

RIOS NETE



Runa Foundation partner organization Rios Nete, a Peruvian NGO, will be a state-of-the-art research facility located in the upper Peruvian Amazon that will clinically study Amazonian plant-based medicine. In June, Rios Nete finalized architectural design and became the first Amazonian Medical Clinic to receive formal approval from the Peruvian Ministry of Health. With that milestone achieved, they were able to begin construction of the clinic and research facility in October.

While laying the physical foundations, we have also been working with local communities and public health authorities to understand and improve health outcomes of local people, building the foundational relationships for Rios Nete's future success. This year, in partnership with local communities, health authorities, and our interns, we carried out participatory research projects investigating the intersection of traditional and western medicine in the health behaviors and outcomes in the region. At the request of the district social services department, we developed an in depth Proposal for Public Funding for a district wide anemia intervention which will benefit more than 3000 mothers and children over five years.



NAKU



Naku is a community-based organization of the Sápara people working to preserve, share, and create new value for the Sápara's cultural and natural heritage. In 2015, Naku successfully obtained their business license to operate as a community-based enterprise, setting the stage to achieve their goals of creating new livelihood opportunities while preserving their rainforest and their ancestral knowledge of its plants and their uses. Naku also completed construction of their ceremonial center, welcomed over 100 visitors and completed architectural designs for their new healing center, set to open in fall of 2016.

EDUCATION SUMMARY

Runa Foundation offers internship and volunteer experiences for local and international students who live and work alongside our team in the Ecuadorian and Peruvian Amazon. This program is geared for people interested in working in the fields of international development, agriculture, forestry, and environmental policy. We work closely with the Universidad San Francisco de Quito and the Yale School of Forestry on the design and implementation of our ongoing research projects.



INTERNSHIP PROGRAM



Runa interns and volunteers continue to play an important role in the execution of our projects in Ecuador and Peru as well as sharing our mission and projects back home. 2015 was another successful year, with our interns and volunteers focusing on exciting projects involving Fair Trade association development, forest conservation in local communities, wild-life monitoring in the rainforests of Ecuador, traditional medicine, and best practices study of small animal production on local Peruvian farms.

In Ecuador, we continued our partnership with local organization, WaterEcuador, to implement an important study on household knowledge of clean water and sanitation. They also investigated local bottling companies on their knowledge of sanitation for distributing clean water in the local town and communities. Our interns also investigated the potential value of cacao shells for tea. Normally a by-product that is overlooked and thrown into waste piles, cacao shells hold the same aromatic taste and flavor as the cacao beans and are great for steeping as tea. Our interns investigated the potential local market value for this product and even inspired a local tea company, ZaZa guayusa, to start using it in their mixed tea beverages.



In Peru, our interns and volunteers successfully completed several important projects that were created from the previous year's studies. Interns produced a Medicinal Plant Manual for the use and propagation of medicinal plants in the communities surrounding Rios Nete Clinic.

Additionally, the manual was used for a project proposal to increase access to medicinal plants within family farms. Our interns also worked on a very exciting project to create a best practice manual for small scale guinea pig production. They also developed a training program and implemented workshops on guinea pig production in four local communities.

LOOKING FORWARD



In 2016, Runa Foundation will continue to grow both in terms of scope as well as the depth of its current program areas. In Ecuador, we will continue to focus on the creation of new value chains that can support local livelihoods and native ecosystems. We will also dive deeper into the guaysua value chain to strengthen local institutions that give a louder voice and ownership to guayusa farmers. In Peru, we plan to expand our work with smallholder farmers and begin new projects focused on ecological restoration and reforestation in the San Martin region, which has historically suffered the highest rates of deforestation and forest degradation in the Peruvian Amazon.

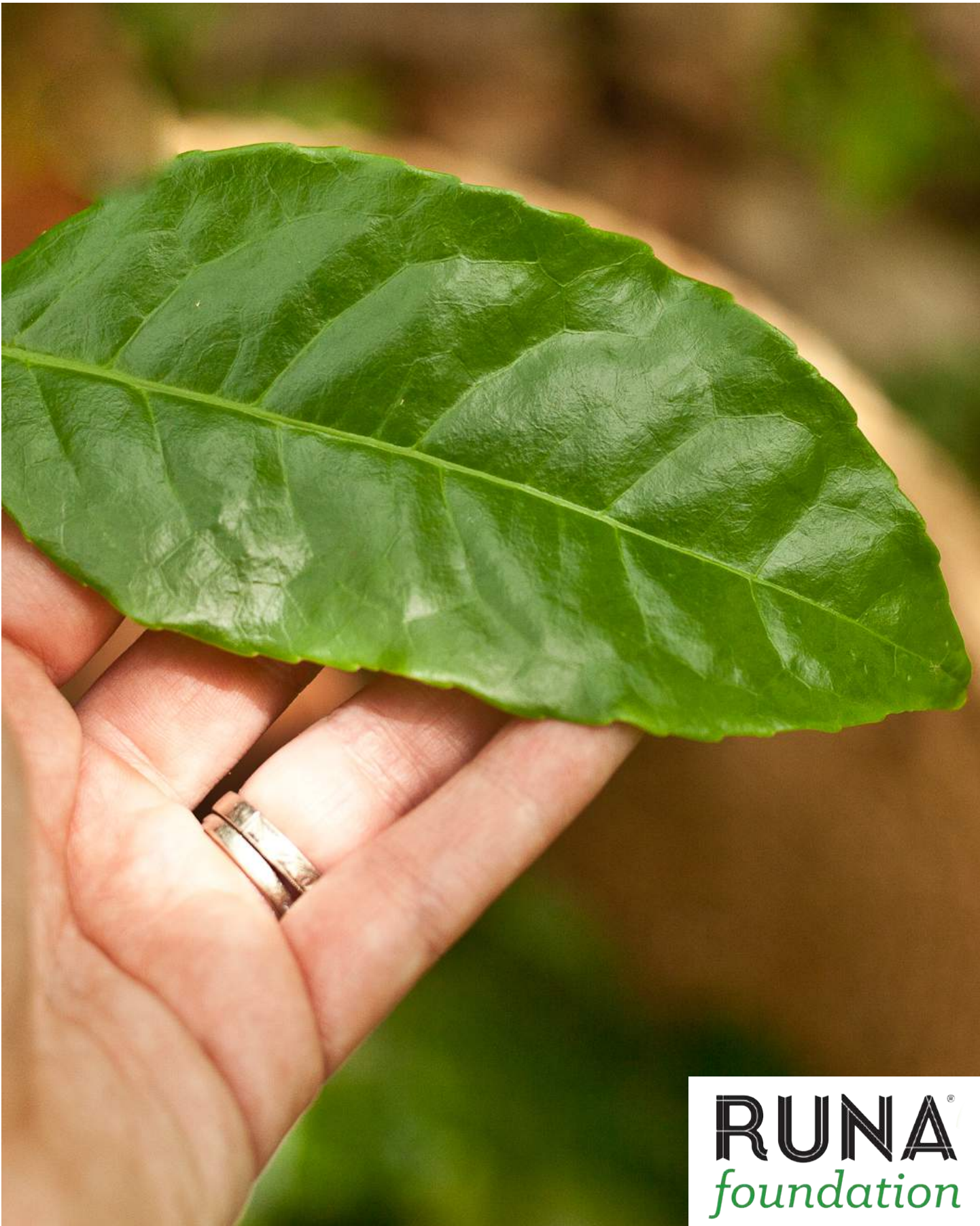
For the past six years, the main focus of our work has been in the Napo province of the Ecuadorian Amazon. This year we are expanding to new parts of the country. We have expanded our Landscapes Program to include aggressive new conservation targets. We will be working with over 100,000 hectares of primary rainforest in the Pastaza province with the Sapara people to create integrative forest management plans. In Napo, we will establish the first public-private partnership of its kind to reforest 150 hectares of communal land on indigenous territory using a mix of private donations and government subsidies.



Our Livelihoods Program will begin new work in the sierra of Ecuador working to create the first indigenous women's association of agave producers. Agave is a native plant to the drier regions of the Andean mountains and has been cultivated and harvested by indigenous groups for hundreds of years. In Napo, we will continue to work with the 24 de Mayo Association to strengthen their business model and look for innovative ways to finance the world's first indigenous-owned guayusa factory.

In Peru and Ecuador, our #Plantmed initiative of our Plant Research Program will finish construction on two clinics that will be used to preform research on traditional Amazonian Medicine. Rios Nete in Peru will host its first patient trip focusing on the treatment of autoimmune disorders. The Naku wellness center in Ecuador will open in June of 2016 and host a group of doctors and nurse practitioners from Yale University to create a long-term research program.

We are very excited for this coming year. Please follow our progress on social media and through our mailing list. Email us to see how you can get involved and help us support the local people, plants, and animals of the Amazon.



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