

Quinoa stocks as indigenous tradition?

In 2012, about 65% of world's quinoa exports came from Bolivia. Products in our markets, stories and information is often restricted to Bolivia, which has the reputation of being quinoa's country of origin. The origin of the so-called Inca-grain is the area around the Titicaca Lake which in fact is both in Bolivia and in Peru. Iliana Peralta, born in Peru and living in the Netherlands for 23 years is about to set up a quinoa processing company, which is going to import organic and fair quinoa from farmers in Peru and Bolivia. Knowing both sides of the market, we ask her about her estimation of the current situation in Peru.

Recorded by Annika Gabriel, 1 November 2013

Can you explain us what is happening on the Peruvian quinoa market these days?

In my company, I am facing the issue of price variation. That has to do with the general dynamics in the Peruvian market. The quinoa boom of 2013 has effects on the prices. The demand has been increasing un-proportionally to the production of quinoa. The statistics show export figures until 2012, but it is obvious, that the demand is increasing.

Can you tell, who or what is responsible for the price increase?

It is a natural consequence of the supply and demand situation in 2013. Due to the increasing request, the farmers can decide to sell their products at the best price; the current situation allows them to do that. Additionally, they have lost some of their harvest owing to the weather conditions. There have been droughts, frosts and strong winds. Due to the mentioned reasons, prices have been increasing from \$3000/ton to \$6000/ton since the beginning of the season 2013 in April until now.

What about speculators? Is speculation contributing to increased prices?

I think that speculation is done to a neglectable extent. It is part of the Andean tradition to build up a stock of produce after the harvest. This stock is used for own consumption, for bartering with other families for other products and finally for selling small amounts of quinoa in times of need. In the indigenous producing areas, there is not enough infrastructure for stocking quinoa in big quantities.

Is the situation in Peru comparable with the Bolivian one?

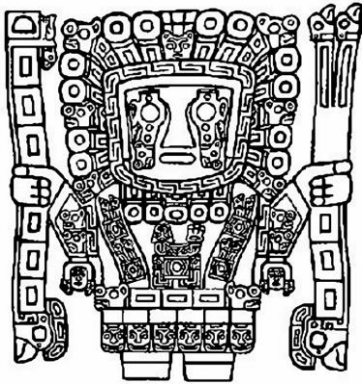
First of all, there are differences in the quinoa itself. The Bolivian grain is bigger and more consistent. The Peruvian one is also consistent but more tasty (laughs). In Peru, quinoa is less produced for the export market rather than for internal consumption. Only 25 to 30% of the total produce have been exported in 2012. That's due to the Peruvian government which is investing much effort and attention in promoting the consumption of quinoa within the country. But in terms of market dynamics, the behavior in the Bolivian and the Peruvian market is the same: although production has been increasing, it is not enough to satisfy the international demands which we can see in the prices.

How do you think about the criticism on the quinoa boom?

I do understand that certain companies decide to turn their back to the quinoa business since it is too unpredictable and prices are utopistic. But if one company decides to not buy quinoa anymore, there will be a next buyer. Countries that have not imported quinoa until now, start being interested.

What do you think will happen with the quinoa world in the next year(s)?

The demand for quinoa will still increase. Non-South-American countries will not only be consuming quinoa but also stimulate knowledge and promotional campaigns and innovations.



Wiracocha, creator god in the pre-Inca and Inca mythology