FUNCTIONAL FOODS: FAD OR PATH TO PROSPERITY?

<table>
<thead>
<tr>
<th>What are functional foods?</th>
<th>Who produces them?</th>
<th>Where are they consumed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functional foods are foods that purport to have additional health benefits beyond basic nutrition.</td>
<td>They are typically produced by smallholder farmers in Latin America.</td>
<td>They are consumed by health-conscious consumers from developed countries, and middle- and high-income consumers of Latin America.</td>
</tr>
</tbody>
</table>

How to strengthen smallholder farmers of functional foods?

As demand of functional foods increased:
- Prices paid by consumers increased.
- Farmers’ supply increased.
- Farmers’ access to higher-value domestic and international markets increased.

How to strengthen value chains of functional foods to secure their sustainability once the boom ebbs?

Looking forward:
- Will demand continue increasing?
- What happens if markets saturate?
- Will the value chain be willing to pay fair prices to producers?

Focus countries and products:

- Acai: High level of antioxidants
- Native potatoes: High level of antioxidants, vitamin C, iron, and zinc
- Chia: High level of protein
- Quinoa: High level of protein
- Native cacao: High level of antioxidants
- Blue maize: High level of antioxidants
- Maca: Vitamins and minerals