



INITIATIVE FOR RESPONSIBLE CARNAUBA

SUMMARY

SOCIO-ECONOMIC CONDITIONS AND BIODIVERSITY STATUS IN CARNAUBA PRODUCTION AREAS

A Case Study | Summary

Environmental and social challenges exist in Northeast Brazil, where the extraction of Carnauba wax takes place, including high rates of deforestation, degradation of local biodiversity, persistent drought, rapid expansion of invasive species, as well as poor working conditions and low pay. These problems are often systemic, with a wide range of factors involved that contribute to the challenges. .

A study was conducted in late 2019 on the socio-economic situation of Carnauba field workers and the biodiversity status in and around the production areas in the two most important production states, Piauí and Ceará.

The research was conducted by the University of Ceará.



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The study was produced as part of the Initiative for Responsible Carnauba (IRC) by the Union for Ethical BioTrade (UEBT), which acts as the Secretariat of the IRC

Interviewed

- 58 field workers
- 7 producers
- 3 workers' union representatives

Research methods

- Desk research
- Semi-structured interviews

About the regions and sector

- Piauí and Ceará are located in the Northeast Region of Brazil, considered as Brazil's most impoverished region.
- Slavery-like working conditions and child labour occur in several economic sectors in the Northeast Region.
- Carnauba production occurs in two biomes of great ecological importance: the Cerrado and Caatinga, which cover respectively 22% and 11% of the national territory.
- Both biomes are in process of degradation and lack official protection status.
- The biggest threat to these ecosystems is the clearing of land for pasture and monocultures.
- Other threats include hunting, wildfires, extractive industries, and the spread of invasive species (especially the rubber vine).
- Almost 20,000 tons of Carnauba powder were produced in 2019.
- 95% of Carnauba powder and wax is produced in Piauí and Ceará.
- Between 100,000 to 200,000 rural workers are involved in Carnauba.
- Leaves of the Carnauba trees are harvested in the dry season, when other economic activities are not available. A powder is extracted in the field from the cut leaves.
- Field workers usually work for a 'producer', who collects the extracted powder and sells it to Carnauba processing companies. The processing companies transform the powder into wax.
- To improve working conditions in the Carnauba sector, the Brazilian government has implemented a regulatory instrument that ensures the respect of basic labour rights, including no workers under age 18 and provision of drinking water, shelters and Personal Protective Equipment in fields.

About the Initiative for Responsible Carnauba

The Initiative for Responsible Carnauba (IRC) was launched in 2018 with the objective to promote responsible Carnauba supply chains for the benefit of people and biodiversity in Brazil. The initiative involves Brazilian and international actors of the Carnauba wax production industry, as well as government and civil society institutions.

It aims to support Carnauba processing companies in improving the living and working conditions of workers in Carnauba powder and wax extraction and promoting biodiversity in the Carnauba production areas.

FINDINGS

Working conditions

- Time spent by workers in Carnauba extraction varies from 3 to 6 months a year.
- Hours are long and sometimes excessive.
- According to workers' unions, young workers are sometimes involved in light work. The union representatives also confirmed that labour exploitation exists but that it is not limited to the Carnauba sector.
- No cases of forced or child labour were found during the interviews.
- Workers have witnessed improvements in recent years, including better wages, more respect of workers' rights and an increased formalisation of workers by the employers.
- However, there are still limitations: 15% of workers interviewed do not receive the monthly minimum wage from Carnauba extraction activities, are not formalised and do not have social security.
- Few field workers are union members.
- Health and safety have improved with distribution of Personal Protective Equipment and some training for machine operators. Training is limited for field workers and first aid equipment is sometimes lacking in the field; workers are often responsible for their own medical care.
- Carnauba field workers have to be provided with meals and water in the field, and some also are provided with accommodation. Most workers interviewed are satisfied with these services, but say improvements, particularly in accommodations, are still needed.

Workers' formalisation

In Brazil, workers have an Employment Record Book, which can act as contract and social insurance identity card. Having a registered Employment Record Book ensures vacation pay, sick pay, accident allowance and pension rights for workers.

Still, many Carnauba workers are reluctant to have this formalisation, as they fear losing other government help (Bolsa Família) or social security benefits such as rural retirement, a special program for rural workers. All of these have caps on working hours or income levels, after which the workers lose the right to access these benefits.

However, formalisation brings benefits to all actors of the supply chain, by ensuring dignified working conditions and rights to compensation when sick or injured. It also gives employers legal security.

Livelihoods

- Access to school improved compared to previous generations: while more than half the workers interviewed did not complete elementary school, most of their children attend school.
- Most households feel satisfied with their housing and access to basic services, such as drinking water and food, education and health services. However, one-quarter of households do not have access to drinking water.
- Households identified there could be more improvements in all areas, for instance increasing the number of hospitals and health professionals, renovating schools and health centers, providing school transportation and school meals.
- The majority of household income is spent on energy, water and food and little is left for unexpected needs, or medium or long-term plans.
- In the dry season, only Carnauba-related work is available, and work opportunities in the rest of the year are limited to activities such as subsistence agriculture or construction work, which are generally not paying the minimum wage.
- Only 12% of the households interviewed were at or above the poverty line.



Biodiversity

- Workers have a high awareness of local biodiversity, including local species and practices that support or hinder the ecosystem.
- However, several workers practice hunting.
- Local species and habitat management is poor: the protected areas that exist are not clearly listed or managed and most workers are not aware of their status.
- There are no public management plans in place for Carnauba forests that could support and protect the forests from threats such as invasive species and fires, but local processing companies are taking action against invasive species.

Threat of invasive species

Carnauba production areas are threatened by the rubber vine (*Cryptostegia madagascariensis*), a plant originating from Madagascar.

This invasive species competes with other (mainly native) plant species by blocking their exposure to light, eventually leading to their death. Field workers interviewed reported that the rubber vine is negatively impacting their work.



RECOMMENDATIONS FOR THE SECTOR

To respect workers...

- Ensure minimum wage and social security for all workers.
- Increase access to workers' unions to enhance workers' understanding of labour laws and their rights.
- Ensure workers use Personal Protective Equipment, increasing access of all workers to safety trainings, provide first aid equipment and make medical care available in the field.
- Improve accommodations, for instance by providing adequate thermal insulation.

To support livelihoods...

- Contribute to infrastructure improvement and access to basic services such as schools and medical clinics.
- Support income diversification through economic activities linked to Carnauba that last throughout the year such as silvicultural management of Carnauba forests (e.g., eliminating invasive plant species).
- Support programmes to develop other sources of income for local communities (e.g. family agriculture, handicrafts from Carnauba materials).

To conserve biodiversity...

- Train workers on biodiversity and inform them of nearby protected areas, the protection of native flora and fauna, good collection practices and the proper handling of the rubber vine.
- Establish a management plan for Carnauba forests, including mechanical control of the rubber vine and the restoration of degraded areas, or discuss with the local government for the establishment of public management plans.



About the study

This study was produced for the Initiative for Responsible Carnauba (IRC) by the Union for Ethical BioTrade (UEBT) acting as the IRC Secretariat, in collaboration with the State University of Ceará and the Private Business Action for Biodiversity Project, through a partnership between the Ministry of Agriculture, Livestock and Food Supply (MAPA) and Deutsche Gesellschaft für Internationale Zusammenarbeit GIZ GmbH, funded by the Federal

Ministry of the Environment, Nature Conservation and Nuclear Safety (BMU), through the International Climate Initiative (IKI).

UEBT is a non-profit association that promotes sourcing with respect. We work to regenerate nature and secure a better future for people through ethical sourcing of ingredients from biodiversity. We aim to contribute to a world in which all people and biodiversity thrive.

Picture references HARVESTING CARNAUBA PALM *COPERNICIA PRUNIFERA*. INSET IMAGE: CARNAUBA WAX. THIS PAGE: DRIED CARNAUBA LEAVES ARE HARVESTED. © PEDRO HELDER PINHEIRO. INSET IMAGE: LEAR'S MACAWS (BLUE PARROT) *ANODORHYNCHUS LEARI*.



UNION FOR ETHICAL BIOTRADE

De Ruijterkade 6, 1013 AA, Amsterdam, The Netherlands | Telephone: +31 20 22 34567 | Email: info@uebt.org

Representation in Belém, Brazil | Ghaziabad, India | Antananarivo, Madagascar | Hanoi, Vietnam

Connect with us www.uebt.org | www.linkedin.com/company/uebt

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