Sharing the benefits arising from the use of biodiversity in cosmetics

The business case

Relying on the natural ingredients it sources in Brazil for its cosmetic product manufacturing and R&D, Natura has engaged in strong partnerships with local communities, who are not only compensated for the supply of raw ingredients, but also rewarded for their knowledge through benefit sharing.

The issue

Sustainability as a business platform

Natura is a Brazilian cosmetic, fragrance and personal hygiene products company that has adopted the sustainable use of Brazilian biodiversity as a business platform since 2000, combining scientific research and the wisdom of traditional communities. The communities' traditional knowledge is leveraged to develop technologies and cosmetic solutions that allow creation of products with differentiated qualities for the consumer, while resulting in socio-environmental gains through partnerships with communities.

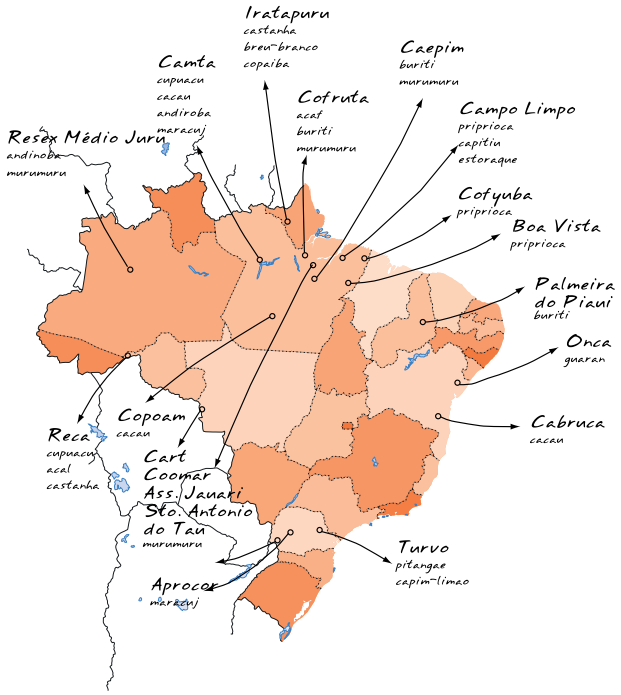
The greatest expression of the sustainable use of Brazilian biodiversity is the cosmetic line Natura Ekos, consisting of around 100 products.

The response

Respecting the criteria of the Convention on Biological Diversity

When developing new products, Natura Ekos establishes partnerships with indigenous communities to source raw materials to be used in the brand's product. To underpin this relationship, it adopts the principles of the Convention on Biological Diversity, seeking to promote fair trade, sustainable use, social development and biodiversity conservation.

Natura has developed partnerships with 26 communities, who, in return for providing access to the natural ingredients and their traditional knowledge, receive direct payments and benefits from other investments made by Natura in local development.



Supplier communities throughout Brazil

The values received by traditional communities in 2009 were as follows:

US$ Thousands	*2009*
Supply	1.531
Benefit sharing	587
Local Development Funds	632
Use of image	8
Training	84
Certification and management	15
Studies, consultancy and support	207
Total	**3.065**

The results

A "win-win" partnership

Natura Ekos is a business model that creates a virtuous cycle, generating wealth for all, whilst returning value to the place of origin:

- The community benefits from Natura's activities because the partnership generates income for families;
- Natura benefits from its business platform because it generates higher revenues through products with greater appeal to consumers;
- Consumers benefit from Natura's initiative because they are proposed products with high quality natural ingredients; and
- Nature benefits from Natura's activities because the community takes care of its forests to ensure a better quality of life for itself and for future generations.

The example of Maracatu project

In March 2010, Natura launched a new toilet soap line under the Ekos brand, which includes in its formula from 20% to 50% of pure oils extracted from Brazilian fruits, such as cupuaçu, cacao, passion fruit and murumuru. Named the Maracatu Project, it marked the expansion of Natura's proposal for the sustainable use of Brazilian biodiversity as a technological platform.

Murumuru, a species to protect

One of Ekos' most successful products is produced from the oil of the murumuru, the fruit of a native palm tree from the Amazon Forest. The extraction work of the oil involves 157 families from the interior of the State of Pará. The murumuru was not considered very useful by the families from that region; not even as food. These trees, which have sharp thorns all along their trunks, stood in the way of the families who were ready to cut them down and replace them with more profitable crops such as the Açaí berry, which is highly prized in both local and foreign markets. Murumuru was at risk of extinction in the region.

Sustainable use of the product to preserve biodiversity and promote social inclusion

Natura's project raised awareness of the value of this species through its stewardship by the communities and, consequently, the potential for generating income by the families through the harvesting of murumuru. Through this model, Natura supported the development of a supply chain that encompasses everything from forest-mapping for identifying the species, to socio-economic and cultural evaluation, as well as the training of communities. This process generated work, promoted social inclusion in a region that faces many social challenges, and helped keep the forest standing strong. Natura estimates that the project provided the preservation of approximately 3,000 trees. From a business perspective, the project allowed Natura to innovate, using an original natural ingredient, while securing its future ingredients supply.

FURTHER INFORMATION
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