

Executive Summary

Waste Pickers in Belo Horizonte, Brazil

Recent statistics show the majority of workers in developing countries earn their livelihoods in the informal economy. The Informal Economy Monitoring Study (IEMS) is a qualitative and quantitative study designed to evaluate the reality of these workers' lives. With research conducted over three years in 10 cities, the IEMS aims to provide credible, grounded evidence of the range of driving forces, both positive and negative, that affect conditions of work in the informal economy over time. Informal workers and their membership-based organizations (MBOs) are at the centre of the analysis.

The Research in Belo Horizonte

In Belo Horizonte, the IEMS research was carried out with waste pickers¹ from five cooperatives: Asmare, Associrecicle, Coopersoli Barreiro, Coopesol Leste, and Comarp. Two variables were used to select the sample of 149 informal workers: 1) sex; and 2) the source of the income, with the latter variable divided into those who collect material on the streets with push carts and those who engage in internal activities such as sorting, administrative functions, and operational or political activity within the organizations.

All 149 waste pickers – 100 women and 49 men – completed a survey. Also, 73 of them participated in 15 focus groups (FG) conducted between June and September 2012; five FG involved only women, five only men, and five included both men and women. In addition, key informant interviews were conducted

with city/state officials, an NGO representative, and a representative from the waste pickers' movement as a means of further exploring issues that arose from the study.

Findings

During the research, the waste pickers ranked and discussed factors that helped and hindered their pursuit of a living. Survey findings revealed that, especially for street waste pickers, the MBO is the

¹ In Belo Horizonte, these workers deal only with recyclables, not household waste, and are integrated into the city system. Only two of the five cooperatives have workers who manually gather from the street or households. Most material comes from large waste generators (businesses), left by residents at drop-off locations, or delivered to cooperative sorting centres by city trucks.



Photos: D. Tomich

most important institution. Focus group participants consistently felt positive about being in the cooperatives, which created a supportive environment and a sense of unity and solidarity, while also providing opportunities for work.

Other relationships, however, are key to survival for the waste pickers. The two most negative and important driving forces identified by the waste pickers were those related to “City/Government Policies & Practices” and “Value Chain Dynamics.”

City/Government Policies and Practices

Both focus group and survey findings reinforce the fact that Belo Horizonte’s local government is one of the most important institutions in terms of supporting the livelihoods of workers in the city. The waste picking sector is highly dependent on a city government agency (known as the *Superintendência da Limpeza Urbana*, SLU). A majority of the focus groups shared positive opinions about SLU’s policies and practices, especially the program that provides them with recyclable materials. Many cooperatives affirmed that they would not have enough material without this. However, during the IEMS focus groups, concerns emerged about the current state of the relationship between the city and waste pickers.

The most commonly cited concern was the inadequacy of the infrastructure provided by the SLU, especially relating to space in warehouses. The poor quality and layout of the facilities cost time, energy and money for the waste pickers because it reduces operational efficiency and creates unsanitary and hazardous workplace conditions. The lack of space prevents waste pickers from stocking materials safely to avoid damage from, for example, rain. When material loses its quality, it cannot be sold at the best price. Also, no storage space means material must be sold right away to a nearby buyer, rather than held until it can fetch a higher price.

The infrastructure issue, raised in the majority of focus groups, speaks to the waste pickers’ frustration with work conditions. Many expressed the need to establish a better dialogue with SLU in order to improve conditions. In some cases, waste pickers pointed out that they are the ones who can best solve some of the warehouse layout problems, since they deal daily with the issues. Although they feel solutions should be created in partnership with city authorities, the waste pickers end up devising ways to cope through new systems themselves.

The second most cited problem is the lack of security at the warehouses. One in particular has been broken into several times, and various personal items, as well as equipment, have been stolen. This not only makes the workers scared, it impacts their productivity when they lose computers and the warehouse’s scale. City interventions, including the building of a gate and involvement of city police, have not prevented robberies.

The research highlighted the complexity of the waste pickers’ relationship with the city. On the one hand, the cooperatives are highly dependent on the city; on the other, some claim the city is not responsive enough to their needs or transparent enough in their dealings. An important finding was thus the waste pickers’ desire to improve the relationship with the city as a way of enhancing the conditions of their work. Some discussions brought up in the focus groups reflected on how the relationship with the city was stronger in the past than it is with the current administration.

The state and federal governments also play a crucial role for waste pickers through the provision of social welfare programs, on which the workers and their families must rely. The two main programs were *Bolsa Família*, a federal government cash transfer program, and *Bolsa Reciclagem*, a financial incentive for waste pickers implemented by the state government of Minas Gerais. These findings corroborate studies that show the effectiveness of government efforts, particularly at the federal level, to reduce the levels of inequality in Brazil. Furthermore, it should be noted that the topic of these programs was mainly brought up by the women participants.

After the SLU, the second most often mentioned positive government force noted by waste pickers was *Bolsa Reciclagem*. Through this program, each cooperative receives money – to distribute to individual waste picker members – based on the quantity and kind of recyclables collected and sold. The funds come from the state treasury. The waste pickers expressed enthusiasm for this program.

Both the quantitative and qualitative findings from the IEMS study emphasize the significant impact certain government interventions, such as social benefits, can have on the waste pickers’ lives.

The relationship with the city population was also raised. Waste pickers noted that the public generally lacks knowledge about the recycling process and lacks respect for the work done by waste pickers in Belo Horizonte. The infrastructure problems exacerbate tensions in the relationship with the community. A worker in one cooperative stated that: “if the warehouse was more organized, people wouldn’t be afraid” to come inside. While discrimination has definitely decreased over the years, greater investments have to be made in terms of educational campaigns. Waste pickers believe this could be done with the help of the city government, as was done in past administrations, particularly in the 1990s.

Value Chain Dynamics

In terms of value chain dynamics, financial insecurity and the low or variable prices of recyclable materials are a great concern for the waste pickers. With regard to low prices – which waste pickers said had the greatest negative impact – one worker emphasized that waste pickers “don’t make the same as they did 15 [or] 20 years ago.”

Also, waste picker cooperatives have not been able to directly sell to recycling industries, so they must rely upon intermediaries – or “middlemen” – of which there are less than a handful, limiting the waste pickers’ options for getting a good price for their materials (paper, plastic, PET, aluminum cans, glass and electronics). According to waste pickers, the decline in prices for their material means they are that much more dependent on these few middlemen. This was listed as a second negative driving force within the value chain dynamic. Finally, a third obstacle discussed was the lack of recycling industries in Minas Gerais – yet another factor contributing to the dependency on middlemen.

The Belo Horizonte recycling cooperatives studied are tied to two different networks of waste pickers’ organizations: Cataunidos and Redesol. Both formed to support joint selling of recyclables and/or semi-processing of materials as a way to move up in the recycling chain.² There is a pressing need to strengthen the two existing networks for commercialization so that efforts for joint commercialization pay off. This would eliminate the dependency on the intermediaries. In this case, MBO networks could play a significant role in forging better contacts in other states.

Finally, despite their concerns about their current economic state, survey findings showed that many workers have an optimistic view of their economic situation in the future.

Policy Implications

Population’s Lack of Consciousness about Recycling

Discussions in the focus groups revealed the population’s lack of respect and knowledge about the recycling process in general. Many waste pickers feel as if the population and community should be better informed regarding how to separate recyclable materials. In addition, various waste pickers mentioned the need for bringing back educational programs, media campaigns and even discussions in schools and the community about the importance of recycling for the city and the environment.

This reflects the need for SLU to invest more in educational campaigns and initiatives that bring to light the work done by the waste pickers in Belo Horizonte. Not only would this establish greater recognition of the waste pickers’ contributions to the city, but might also lead to an increase in the amount of materials sent to the cooperatives. Currently, much material sent to cooperatives – even the material dropped off by individual donors – is mixed with organic waste and filled with rejects.

Ultimately, the lack of the population’s consciousness about recycling should force SLU to rethink its programs. Much of what characterized



Photo: D. Tornich

Belo Horizonte’s public policies in this area in the 1990s was precisely investment in the social recognition of waste picking activities. In fact, one of the movement’s leaders interviewed for this study remembered how Belo Horizonte was known for advances in the organization and dissemination of solidarity economics enterprises, particularly through the creation of waste picking cooperatives. This movement leader also emphasized how Belo Horizonte served as a model for other cities in Minas Gerais and even for other states in the country.

According to the leader, recent city government administrations have distanced themselves from waste pickers. In her opinion, there has been a recent trend to leave matters concerning waste pickers to the Social Work Secretary, instead of SLU, which deals directly with the selective waste program. In her opinion, the problem is that there is no dialogue between these two secretaries.

The representative from the NGO INSEA further reinforced this opinion by claiming that the strained relations between the waste pickers and SLU began a few years ago. The demobilization occurred as a result of a political sanitization in the downtown area of the city, which included various attempts at eliminating waste pickers from the streets. These efforts came about because there was also a weakening of selective waste collection.

These views reflect a clear demand for establishing better ties, as there was in the past, between waste pickers and SLU. In addition, it is essential to reconsider implementing programs that highlight the value of the work done by waste pickers. This would facilitate a greater connection between the population and these informal workers. In other words, the lack of the population’s consciousness is associated with SLU’s vision for recycling in the city. Hence, this concern illustrates how important it is to monitor SLU’s policy programs and shifts in perspectives. Such an analysis and understanding of

² Dias, Sonia M. 2011. *The Municipal Waste and Citizenship Forum: A Platform for Social Inclusion and Participation*. WIEGO Technical Brief (Urban Policies) No. 5. Manchester, U.K.: WIEGO.

SLU's position, in terms of waste picking activities, will reveal what policy routes are most beneficial for the waste pickers.

Infrastructure Problems

An overwhelming complaint that emerged in this study relates to the warehouses' poor infrastructure and design. Lack of space, disorganization and problems with equipment add an extra burden to the waste pickers' workload. Such problems directly impact the waste pickers' health and personal relationships within the warehouses. One of the issues that frequently came up during the focus groups was the presence of rats, creating for an unsanitary and even dangerous work location. Furthermore, the waste pickers feel policy makers and city government officials do not take into consideration their suggestions and perspectives when designing new warehouse layouts.

SLU's authority recognized the difficulties arising from the infrastructure at the warehouses, which is attributed to the fact that many warehouses were improvised as spaces for recycling. In these cases, the authority believes not much can be done in terms of altering the layout.

A clear policy implication involves SLU's willingness to deliberate more closely with waste pickers on future infrastructure. Not only is more careful planning advisable, so is evaluating how to make the working conditions safer for the waste pickers. New technological advancements and equipment that would improve the efficiency of the recycling process should also be evaluated.

Ultimately, this points to the need for seriously considering infrastructural planning, particularly with any plan for expanding the city's recycling program.

Strengthening of MBO Networks

Focus group discussions revealed the lack of strength of the MBO Networks to help cooperatives commercialize their materials in a manner that would challenge the current value chain dynamic. Currently, and as shown in this report, there is great dependence on intermediaries. In addition, many participants were not entirely aware of the roles MBO networks play in their cooperatives and work situation. This reflects the need for more communication between the cooperatives, MBO networks and even NGOs that support the waste pickers.



Photo: D. Tomich

Social Welfare Programs

The study reinforced the notion that the city, state and federal government help lower-income families by providing either cash transfer programs or incentives for the work being done. These programs reflect the federal government's shift in the last 10 years in strengthening social welfare programs to eradicate poverty in its diverse forms.

Discussions highlight the reliance on programs such as *Bolsa Família* as an additional and essential financial support, particularly in times of instability related to the market or internal problems at the warehouses.

The recently implemented *Bolsa Reciclagem* is also an important program that has the objective of providing an incentive for cooperatives and associations as reinforced throughout this study. Waste pickers see this as a way out of frequent periods of financial instability. When there is a decrease in the amount of material sent to the cooperatives, the waste pickers' earnings consequently decrease, and these workers depend much more on government social welfare policies.

The findings presented reveal that given the impacts of crises and economic instabilities, informal workers of the recycling sector in Belo Horizonte have to rely on government programs. In this sense, the newly implemented *Bolsa Reciclagem* is an advance in terms of guaranteeing the social protection of this sector.



Inclusive Cities: Launched in 2008, the Inclusive Cities project aims to strengthen membership-based organizations (MBOs) of the working poor in the areas of organizing, policy analysis and advocacy, in order to ensure that urban informal workers have the tools necessary to make themselves heard within urban planning processes. Inclusive Cities is a collaboration between MBOs of the working poor, international alliances of MBOs and those supporting the work of MBOs.

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