Efforts of Argentina’s Informal Waste Pickers to Finance Decent Work and Social Protection through Extended Producer Responsibility Legislation

By Andrés Cappa, Ariel Bertellotti, Mariano Murad, Julieta Campana, Paula Basílico and Florian Juergens-Grant
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Key Points

- Based on the Extended Producer Responsibility (EPR) framework, organizations of informal waste pickers in Argentina have drafted a law that seeks to address both environmental challenges related to the generation of inorganic waste and the lack of labour rights of workers in Argentina's current waste management practices.
- Argentina's draft Packaging Bill requires packaging-producing companies to directly contribute to the financing of inclusive recycling systems, which should ensure improved working conditions and access to some social protections for informal waste pickers.
- The inclusive recycling system to be supported by the draft Packaging Bill is expected to increase waste pickers’ income, reduce working hours, improve working conditions, establish leave entitlements and access to care spaces for workers’ children.
- While the Packaging Bill is mainly framed around improved working conditions and incomes, it does contribute towards social protection as well by funding occupational safety and health provisions, establishing affordable and worker-led childcare services, instituting leave entitlements, augmenting and stabilizing the incomes of workers, and by supporting their ability to access and contribute towards the Social Monotributo tax and social protection scheme.
- The principle of packaging-producing companies directly financing improved working conditions and social protection for self-employed informal waste pickers can set an important precedent in the recognition of firms’ responsibility to ensure decent working conditions and social protection for workers in their value chain, even in the absence of formal employment relationships.
**Acronyms**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AUH-AUE</td>
<td>Universal Child and Pregnancy Allowance</td>
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<tr>
<td>CABA</td>
<td>Autonomous City of Buenos Aires</td>
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<tr>
<td>CAIP</td>
<td>Argentine Chamber of the Plastics Industry</td>
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<td>CAIRPLAS</td>
<td>Argentine Chamber of the Plastics Recycling Industry</td>
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<tr>
<td>CBA</td>
<td>City of Buenos Aires</td>
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<td>CBT</td>
<td>Total basic food basket</td>
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<tr>
<td>CIRA</td>
<td>Children’s Centres for Recreation and Learning</td>
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<td>COPAL</td>
<td>Coordinator of Food Industries</td>
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<td>EPR</td>
<td>Extended Producer Responsibility</td>
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<td>FACCyR</td>
<td>Argentine Federation of Cardboard Collectors, Cart Drivers and Recyclers</td>
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<td>FONAGER</td>
<td>National Fund for Packaging Management and Inclusive Recycling</td>
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<td>FONDEP</td>
<td>National Fund for Productive Development</td>
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<td>GIRSU</td>
<td>Integrated Solid Urban Waste Management</td>
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<td>INSSJP</td>
<td>National Institute of Social Services for Retirees and Pensioners</td>
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<tr>
<td>INTI</td>
<td>National Institute of Industrial Technology</td>
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<tr>
<td>LIMPS</td>
<td>Local Integrated Packaging Management Systems (also known as GIRSU)</td>
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<td>MAyDS</td>
<td>Ministry of Environment and Sustainable Development</td>
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<td>Packaging Bill</td>
<td>Draft Law on Minimum Environmental Protection Requirements for the Integrated Management of Packaging and Inclusive Recycling</td>
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<td>PAMI</td>
<td>Programa de Asistencia Médica Integral</td>
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<td>PE</td>
<td>Popular Economy</td>
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<tr>
<td>ReNaTEP</td>
<td>National Registry of Workers of the Popular Economy</td>
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<td>SDDRR</td>
<td>Deposit, Return, Refund and Reuse System</td>
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<td>SINAGE</td>
<td>National Packaging Management System</td>
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<td>SIPA</td>
<td>Argentine Integrated Pension System</td>
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<td>SMVM</td>
<td>Minimum living and mobile wage</td>
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<td>SPF</td>
<td>Social Protection Floor</td>
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<td>STS</td>
<td>Single Traceability System</td>
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<td>UTEP</td>
<td>Unión de Trabajadores de la Economía Popular</td>
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Introduction

The popular economy (PE), as the informal economy is often called in Latin America, is a complex and deeply rooted phenomenon in Argentina, reflecting structural limitations of the current economic system to generate sufficient formal employment for all workers.

What has changed in recent decades in Argentina is the increasing ability and willingness of this sector to organize itself, in particular through the Unión de Trabajadores de la Economía Popular (UTEP), and to advocate for labour rights that historically have been denied. Informal waste pickers, known as cartoneros and cartoneras in Argentina, have been at the forefront of this struggle for decades, winning victories that were later extended to other popular economy workers.

Contextualized within this struggle, this study analyzes the efforts of waste pickers and their unions to leverage increased environmental concerns and proposed legislation to gain improved access and financing for decent work and social protection. Central to these efforts is the Draft Law on Minimum Environmental Protection Requirements for the Integrated Management of Packaging and Inclusive Recycling1 (hereinafter referred to as Packaging Bill), which has been drafted by the Federación Argentina de Cartoneros, Carreros y Recicladores2 (FACCyR) and agreed upon with the national ministries of environment3 and production.4

The Packaging Bill represents a qualitative leap in a long struggle of this sector for the acquisition of basic labour rights. The initiative is based on the principle of Extended Producer Responsibility (EPR) and seeks to respond to two urgent problems: environmental issues generated by the volume of inorganic waste disposed year after year in open-air landfills; and the lack of labour rights of informal waste pickers in Argentina’s current waste management practices.

This paper focuses on how the Packaging Bill seeks to foster improved social inclusion, working conditions and access to social protection for waste pickers by guaranteeing funding for worker-run schemes that work towards these objectives. The direct funding of such worker-run programmes is one of the most innovative aspects of the bill and could set a precedent for future laws.5

Key aspects of the Packaging Bill and arguments surrounding EPR will be presented within the framework of the extension of social protection coverage to the informal workers and its financing. To this end, this paper is organized as follows: First, an

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1 Proyecto de Ley de Presupuestos Mínimos de Protección Ambiental para la Gestión Integral de Envases y Reciclado Inclusivo.
2 Argentine Federation of Cardboard Collectors, Cart Drivers and Recyclers.
3 Ministerio de Ambiente y Desarrollo Sostenible.
4 Ministerio de Producción.
5 Another relevant dimension from which the Draft Law could be analyzed is its environmental impact. In this sense, the Draft Law provides significant advances: including a fee that incentivizes eco-design and the incorporation of recyclable materials in packaging, as well as potential energy and raw material extraction savings by promoting the implementation of inclusive recycling systems throughout the country.
overview of Argentinians of labour market and informality will be provided, with a focus on the waste picking/recycling sector. Second, the Packaging Bill and the main debates around the proposal will be discussed. The third section reflects on the potential of the Packaging Bill to expand the coverage of social protection and foster improvements in working conditions for informal workers.

**Waste Pickers in Argentina’s Labour Market**

**Argentina’s labour market and the popular economy**

In Argentina, most waste pickers are informal self-employed workers within the PE. Their union representation is exercised by UTEP. Although the definition of PE and its delimitation is a matter of debate, it is closely related to the concept of the “informal sector”, which emerged within Latin American structuralism (PREALC, 1978; Souza and Tokman, 1976). This definition focuses on the social relations and material conditions of the production process. Specifically, there are two central aspects that define whether an activity is carried out within the framework of PE (OCEPP, 2021): i) the absence of a salaried labour relationship; and ii) labour-intensive activity with a low level of productivity.

Other distinctive characteristics of the PE are the obsolescence or low complexity of machines and tools; self-management (individual or collective), general lack of basic labour rights; shortcomings in terms of productive and administrative management (even in PE organized in labour cooperatives, deficiencies in the organization of production are an important limitation); and a reliance on survivalist livelihood strategies in the face of the difficulties of accessing formal salaried employment. The characteristics of the labour insertion of the PE determine that their level of income is generally below the cost of reproduction of the labour force. Grabois and Pérsico (2019) add that the popular economy is “the way in which popular sectors manage the resources available to them [thus configuring] economic processes immersed in popular culture” (p. 33).

In Argentina, the PE encompasses a heterogeneous set of activities with dissimilar characteristics. These can include urban waste collection, family subsistence agriculture, street vending, textile production, and many other branches of activity.

OCEPP estimates (2021) that the number of PE workers in Argentina represents 20 per cent of the economically active population and 91 per cent of self-employed workers. This segment of excluded workers comprised 3.8 million people in 2021, of which 1.8 million were not registered in the tax and social security system (Monotributo). The last segment is the most unprotected of the PE (46 per cent of the total), as it is not covered by the contributory social security system. The National Registry of Workers in the Popular Economy (ReNaTEP⁶), which consists of the voluntary registration of the workers themselves, counts 3.2 million workers in the PE.

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⁶ The National Registry of Workers of the Popular Economy (Registro Nacional de Trabajadores de la Economía Popular or by its acronym in Spanish ReNaTEP) is a mandate of the Social Emergency Law sanctioned in December 2016, the result of the fight of social organizations. It was created in June 2020 within the orbit of the Secretariat of Social Economy of the National Ministry of Social Development. Its objective is to recognize, formalize and guarantee the rights of workers of the popular economy so that they have access to tools that allow them to enhance their work.
The fact that this sector of intrinsically dispersed self-employed workers has managed to organize itself around UTEP gives it an unprecedented potential for transformation and places this segment of workers at the centre of discussions on what an inclusive development model for Argentina, including the expansion of social protection to previously not covered workers, could look like.

Although there are cross-cutting demands for the entire sector, the particular characteristics of each branch of activity give rise to specific proposals. The creation of FACCyR within the UTEP has been fundamentally geared towards the achievement of concrete improvements in working conditions.

**The waste picker branch of the popular economy**

Although the cardboard industry has existed in Argentina since at least the 19th century, it is at the beginning of the 2000s that the sector gained strength. During that time, the need to express a greater bargaining strength before *galponeros* – material collectors and intermediaries between the waste pickers and the industry – and to have better legal tools to discuss their labour rights pushed the incipient waste picker movement to organize, associate and begin to advocate for better working conditions.

In 2022, according to the latest figures provided by the National Registry of Workers in the Popular Economy (ReNaTEP, 2022), waste pickers represented 3 per cent of the PE, with 95,135 waste pickers registered throughout the country. Given that this registry mainly includes workers organized in cooperatives, it can be assumed that the total number of unorganized waste pickers throughout the country is much higher.

The levels of organization and formalization of waste picking also vary from province to province. Since, in Argentina, the management of urban waste is the responsibility of the municipal authorities (Law 25.916, art. 5°), the level of development of the sector varies considerably by localities and their ordinances.

In this context, the formalization process achieved in the Autonomous City of Buenos Aires (CABA) is often seen as a “test case” at the national level, as the place with the highest level of formal recognition of waste pickers. Since 2007, workers of the Cooperative *El Amanecer de los Cartoneros - Movimiento de Trabajadores Excluidos* (MTE), currently the largest cooperative of waste pickers in the country, began to be formalized. As a result of advocacy by the workers’ collective, the city government established a program, currently in operation, which integrates the waste pickers into the waste collection system of the city. The agreement between the government and worker cooperatives establishes that all materials collected by private sector

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7 The branch registered in ReNaTEP is Recovery, Recycling and Environmental Services, which is subdivided into multiple categories: cartoneros, recyclers, environmental promoters, waste collectors in slums, cart drivers, and recycling plant operators, among others.

8 The Dawn of Waste Pickers - Movement of Excluded Workers.

9 In its current version, the Framework Agreement for the Provision of the Public Service for the Collection of Dry Urban Solid Waste of the Autonomous City of Buenos Aires establishes the conditions under which the so-called Public System of Differentiated Collection (SPRD) is implemented by worker cooperatives.
concessionary waste collecting companies must be sent to Treatment Centres (“Green Centres”) operated by the cooperatives.

**Integrated Solid Urban Waste Management**

The CABA model has become known nationally as has Gestión Integral de Residuos Sólidos Urbanos (GIRSU). In 2020, there were 11 municipalities located in five provinces across the country with GIRSU ordinances about social inclusion (i.e., with priority for the inclusion of informal waste pickers), and 16 localities with an explicit municipal agreement between the local authority and at least one waste pickers cooperative.

The GIRSU system promoted by FACCyR, the trade union tool for waste pickers, consists of the following stages:

- **Initial disposal:** Preferably door-to-door, favouring the link between the waste pickers and the neighbours, and in containers specifically designed for dry solid waste.
- **Collection:** Carried out from the neighbour’s door or the corresponding container, either by hand-pushed cart or on horseback, and organized through a system of pre-established routes among waste pickers.
- **Transfer and transportation:** Done with trucks from the waste picker’s route to a collection and sorting facility (Green Centre), the base of operations of the cooperatives.
- **Treatment:** Separation by hand or by specialized machinery of the different types of recyclable materials at the Green Centre; items are then baled and prepared for subsequent sale to industry.
- **Commercialization as an industrial input:** Once separated, sorted and homogenized, the dry recyclable waste re-enters the production system of the corresponding industries. The main customers are the cellulose industry (paper and cardboard) and industries for different plastics (polyethylene terephthalate [PET], film, etc.) and other recyclable materials.
- **Final Disposal:** Non-recoverable materials are deposited in landfills and treatment plants set up by local authorities for the disposal of non-recyclable solid waste.

The nature and development of each GIRSU system depends to a large extent on agreements between waste pickers and local governments. In those localities where such agreements are non-existent, waste pickers tend to perform mostly door-to-door collection tasks, taking the recovered waste to their homes for subsequent separation and sale to intermediaries (galponeros), and obtaining a smaller fraction of the total income. In jurisdictions with more advanced agreements, collection may also include specific circuits for the so-called “large generators” (public or private institutions that generate large volumes of waste), as well as activities related to environmental protection led by the cardboard industries, who carry out awareness-raising actions, educating citizens on the correct separation at the source and disposal of waste.

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10 Integrated Solid Urban Waste Management.

11 The definitions and volumes that constitute a “large generator” vary according to the regulations of each jurisdiction.
Waste management systems are usually established through agreements, signed between both sectors, in which the municipality signs a contract with the cooperative for the collection and recycling service. These agreements present uneven levels in terms of the provision of social protection and the guarantee of basic labour rights. In most cases, it is the cooperatives themselves that guarantee the physical space for collection, processing machinery and work tools (including uniforms and personal safety equipment), while also paying their workers and trying to improve their access to existing social protection benefits.

Recognizing these shortcomings, in 2021 the National Ministry of Social Development launched the Argentina Recicla program, which explicitly recognizes the “fundamental environmental service” offered by waste pickers (Resolution 642/2021, art 1). The program aims to promote the implementation of integrated waste management systems, improve the working conditions of waste pickers, and strengthen their work process by providing infrastructure, machinery and tools. Through this initiative, the Ministry acts as a facilitator of the waste pickers’ work, providing non-refundable subsidies to cooperatives for their productive development, and facilitating Collaboration Agreements with key government agencies to promote recycling and develop commercial networks. This program, promoted by the FACCyR, represents an unprecedented experience both in the strengthening of the waste pickers’ work and in the implementation of recycling policies at the national level. However, its implementation depends on cooperatives applying for it and does not guarantee the homogeneous implementation of recycling policies at the local level.

Draft Law on Minimum Environmental Protection Requirements for the Integrated Management of Packaging and Inclusive Recycling

In their need to find sources of income for their subsistence, waste pickers began to perform a fundamental task for companies and society as a whole. Waste pickers are responsible for the collection, separation and classification of waste resulting from the production, sale and usage of a wide variety of products, and, in many cases, they are also suppliers of critical material inputs to the industry itself. However, this evident link between workers and the companies is not recognized in any formal agreement, so it could be said that there is an indirect exploitation of waste pickers. Moreover, some of the most important companies operating in the packaging production sector are vertically integrated. This means that the same company or business group controls the production of food and beverage products and their packaging, including the purchase of recyclable material as a critical input. In this sense, the management of a collection and recycling system by companies in contexts of high economic concentration and vertical integration would give rise to transparency problems that would be difficult to overcome.

On the other hand, the activity of urban waste pickers ends up benefiting society as a whole, as their task is essential in the objective of caring for the environment and its resources. However, despite fulfilling this role and benefiting the rest of the population, these workers do not receive the corresponding material (or social) recognition. While in some localities there are management systems that recognize part of this task, they are still a minority at the national level, and their financial compensation often does not fully reflect their contribution.
The Packaging Bill, whose contents will be presented in the following section, is a determining factor in promoting the social management of recycling at a national level, as it establishes the priority participation of urban recyclers in waste management.

The Packaging Bill promoted by FACCyR

The draft Packaging Bill was presented in the Chamber of Deputies on October 28, 2021. Although the Ministry of Environment and Sustainable Development (MAYDS) was the institution that formally took it to the parliamentary chamber, the original drafting and design of the project was led by FACCyR based on experiences of trade unions and productive organizations of waste pickers. Later, the text was partially modified by the Ministries of Environment and of Production, arriving at a consensus.

The Packaging Bill's main objectives are as follows:

- Prevent and minimize the impact on the environment caused by packaging and post-consumer packaging (any packaging or packaging material that the holder discards or is required to discard under current regulations after consumption of the product for which it was used).
- Reduce the amount of packaging that is not reusable or recyclable, minimize the final disposal of post-consumer packaging and prioritize reuse, recycling and other forms of recovery.
- Promote life-cycle analysis in packaging design and production processes.
- Promote the commitment of producers, consumers and users to the integrated management of packaging.
- Include women recyclers and recycler workers in the integrated packaging management process and guarantee optimal working conditions for the development of their tasks.
- Improve the environmental conditions of the different sites and regions affected by the informal disposal of packaging.

Three central aspects of the project should be highlighted:

1. Companies' payment of an environmental tax, which operates as an incentive to reduce the production of non-recyclable packaging.
2. The recovery system with state intervention in terms of control and transparency of the quantities and values of the containers.
3. Social inclusion: the use of the funds collected to finance Local Packaging Management Systems (SLGE) with the participation of urban waste pickers’ cooperatives.

The social inclusion aspect in particular distinguishes the Packaging Bill from other legislative proposals and existing EPR regulations related to the management of recyclable packaging at the international level.

The Packaging Bill establishes that producers will be obliged to manufacture products or to use packaging that minimizes the generation of non-recyclable waste and facilitates its reuse, recycling, recovery, or allows for the least harmful disposal for human health.

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12 *Ministerio de Ambiente y Desarrollo Sostenible.*
and the environment. At the same time, they must submit to the enforcement authority (the MAyDS) a management plan on how to realize the objectives of the Bill, supported by an annual affidavit of their packaging processes.

The system is to be financed by the to-be-introduced Extended Producer Responsibility Environmental Tax (TAREP\textsuperscript{13}) to be paid by packaging producers. The TAREP will be established by the MAyDS, which will determine the amount, based, among other things, on the level of recyclability of products and their environmental impact. It may not exceed 3 per cent of the wholesale selling price of the packed product.

The funds collected as TAREP will be distributed as follows:

- 85 per cent of raised funds will be dedicated to the establishment of the National Fund for Packaging Management and Inclusive Recycling (FONAGER\textsuperscript{14}), which will have the functions of financing Local Integrated Packaging Management Systems (LIPMS) – the term used in the Packaging Bill to describe the GIRSU system – and improving the working conditions of recycling workers, among others.
- 10 per cent will be dedicated for the creation of the National Fund for Productive Development (FONDEP\textsuperscript{15}), which will finance the implementation of policies aimed at strengthening productive capacities of cooperatives for recovery and recycling.
- 5 per cent for the Instituto Nacional de Tecnología Industrial (INTI) to provide training services, technical assistance and transfer activities on recycling technologies, recovery and development of new packaging materials to cooperatives.

The Packaging Bill also proposes the creation of the National Packaging Management System (SINAGE\textsuperscript{16}), which will have the role of coordinating and disseminating the LIPMS (the Bill’s term for the GIRSU system, which will be referred to as GIRSU going forward) throughout the country and will implement programs aimed at strengthening those systems. According to the Bill, this system must have a digital platform with at least the following modules:

- Information upload: A single point of reporting of information from the packaging management systems by producers.
- Administration: A management platform to facilitate the duties of the competent authorities and local authorities.
- Dissemination to consumers: A communication channel of consumer obligations.

At the same time, producers may implement a Deposit, Return, Refund and Reuse System (SDDRR\textsuperscript{17}), which consists of mechanisms that ensure the recovery and reuse of containers they place on the market.

The system’s operational control is completed with the creation of a Single Traceability System (STS), which will allow real-time monitoring of the GIRSU and SDDRR.

\textsuperscript{13} Tasa Ambiental de Responsabilidad Extendida del Productor.
\textsuperscript{14} Fondo Nacional para la Gestión de Envases y Reciclado Inclusivo.
\textsuperscript{15} Fondo Nacional de Desarrollo Productivo.
\textsuperscript{16} Sistema Nacional de Gestión de Envases.
\textsuperscript{17} Sistema de depósito, devolución y retorno.
To ensure the inclusion of informal workers, local authorities must submit management plans to the MAyDS that include an Inclusion Plan for already established waste pickers or cooperatives in the area where the system will be implemented. These Inclusion Plans must:

- Guarantee the inclusion and support the organization of waste pickers.
- Outline support provided to the logistics, storage, administration and commercialization tasks carried out by recyclers and local authorities.
- Establish incentives for waste pickers to be registered and incorporated into GIRSU.
- Guarantee continuous training and decent working conditions for waste pickers.
- Promote public awareness of the importance of recycling and the activities of recyclers through permanent campaigns.

Finally, it is planned to create a National Registry of Recycling Workers, which will be publicly accessible and determine eligibility for the benefits of the Packaging Bill.

The Packaging Bill would seek to implement the GIRSU system in localities with more than 50,000 inhabitants.

**Discussion of the Packaging Bill and Extended Producer Responsibility (EPR)**

In advocating for producers to take some responsibility for the recycling process, waste pickers often are confronted by the following question: Why should the producers be responsible for the waste, if the consumers are the ones who have the last contact with the packaging?

The answer lies in the Extended Producer Responsibility (EPR\(^{18}\)) framework, on which the Packaging Bill is based. The EPR principle seeks to promote environmental protection by extending the responsibilities of product manufacturers to the total life cycle of the product, and especially to its recovery, recycling and final disposal. This concept reflects three fundamental aspects: pollution prevention, life cycle thinking, and polluter pays.

Inappropriate waste management generates gases that increase the greenhouse effect, thus contributing to global warming. Likewise, poor waste management leads to wastage: both at the economic level of waste as a raw material and at the level of the co-benefits of an integrated waste management system, such as reductions of the ecological footprint and pollution, more efficient use of resources and increases in lifetime usability of landfill systems. According to Fernandez Ortiz and Eberz (2018), “the best mechanism for the integrated management of waste and for its use within a circular economy system is the figure of Extended Producer Responsibility”.

This way of understanding responsibility for the final disposal of polluting products has been gaining ground over the last two decades in public, academic and political institutions, and it’s beginning to gain international acceptance. Organizations such as the Organization for Economic Cooperation and Development (OECD) have adopted the approach, defining EPR as “an environmental policy approach in which the responsibility of a producer towards a product extends to the post-consumption stage of a product’s life cycle.”

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\(^{18}\) EPR is a concept introduced in the 1990s by Sweden’s then Minister of the Environment Thomas Lindhqvist.
life cycle” (Besada et al., 2021). As producer companies are the actors with the greatest power within the value chain, it is unavoidable to think that they hold significant responsibility for the use of packaging.

From an economic perspective, the concept of “externality” also helps to explain why producers should take the lead in ensuring the proper management of the production and consumption processes of packaging. This concept is used when the behaviour of any agent (consumer or company) affects the welfare of another, without the latter having approved the agent’s action and without there being a price to compensate those affected. Following this line of thinking, within the economic orthodoxy, the branch of environmental economics was developed, which works on these problems based on the theoretical foundations of the marginalist-neoclassical system. In this area, the environmental issue is analyzed as a problem of information and incentives, due to the lack of property rights over nature. As the “private owners” of nature are not clearly identified, these “goods and services” enabled by nature lack prices that guarantee the sustainability of resources in the medium and long term. This implies that the prices of all products that have among their inputs some good or service from nature do not reflect the environmental cost of production. As a result, these goods are produced in greater quantities than what is socially desirable (Azqueta, 2007), oftentimes resulting in pollution.

Based on this diagnosis, orthodox environmental economics proposes to reconstruct the non-existent prices through the allocation of property rights over natural goods (privatization of natural resources, forest reserves, tradable carbon dioxide emission permits, etc.), arguing that if prices reflect social and environmental costs, the market will automatically arrive at the optimal level of production (Azqueta, 2007). While these proposals do not correspond to the decades of experience that show that the market does not necessarily lead to a sustainable level of production, even when property rights are well defined, it is useful to reflect that even within the theoretical frameworks of mainstream economics, the problem of companies not taking financial responsibility for the full social and environmental costs of their production is well recognized.

The role of the state in systems and efforts to ensure that corporations internalize at least part of the costs of the sustainable management of recyclable waste through the TAREP are thus the main points of discussion. In this regard, the business sector that generally opposes the Packaging Bill does accept the need to compensate for the damage generated by negative externalities resulting from their production on the basis of the EPR. However, they reject the payment of an environmental tax to be collected by the state and intended to finance inclusive recycling systems with the active participation of waste pickers.

However, precisely in the inclusion of waste pickers lies the Packaging Bill’s transformative potential that exceeds the important environmental benefit. The Packaging Bill not only provides a mechanism for state intervention to respond to a pollution-causing market failure (the negative externality on the environment) but also, and fundamentally, implies a role for the state as active guarantor of decent incomes and conditions for the working population. Dedicating the resources generated by the TAREP to the improvement of the conditions in which the workers directly involved in
the packaging production value chain carry out their activities extends the EPR concept to a social and economic dimension, beyond the established environmental one.

Regarding the actors and interest groups involved in the current debate on the Packaging Bill, it should be noted that part of the business sector has spoken in favour of the project, including the Argentine Chamber of the Plastics Industry (CAIP\textsuperscript{19}) and the Argentine Chamber of the Plastics Recycling Industry (CAIRPLAS\textsuperscript{20}). The main opposition comes from the Coordinator of Food Industries (COPAL\textsuperscript{21}), which brings together 35 sectorial chambers representing more than 14,500 companies. This business sector is in favour of having a post-consumer packaging regulation in place and even accepts that the regulation should be based on EPR principles, extending the responsibility for the use of packaging along the entire value chain, in which the producer finances, manages and recovers the post-consumer packaging that it puts on the market, and in which the remaining producers recycle and valorize the recovered materials.

However, opponents reject state control over the recycling system and the mandatory inclusion of informal waste pickers. Proposals from opposing business groups consist of a private or mixed-management system that allows individual private systems, joint public-private systems, joint private systems, own deposit, return and return systems or other.

A novelty of the discussion in Argentina regarding this proposal for a Packaging Bill is that the waste pickers are central stakeholders. Based on their organizational background in UTEP and FACCYR, they are not only those who have proposed and presented the Bill, but they also play an active role in both the trade union and in the political field. Two main strategies that have been implemented deserve to be highlighted:

- Direct action and campaigning activities, including climate action days to make visible the lobbying of companies such as Coca-Cola against the proposed Packaging Bill, demonstrations in front of the National Congress, the “Recycling in Our Hands” campaign highlighting the importance of the work of waste pickers throughout the country.
- The construction of a political network of allies in defence of the Packaging Bill, for example by supporting waste picker workers to occupy seats as a National Deputy.

The efforts of waste pickers reflect the Declaration of the International Alliance of Waste Pickers, which states that “there can be no EPR system that is just and effective, socially and environmentally responsible, if it does not work together with waste pickers and their organizations” (GlobalRec, 2021).

In the next section we will discuss the expected impact of the Packaging Bill on the working conditions and social protection of waste pickers, based on experience observed in the GIRSU system.

\textsuperscript{19} Cámara Argentina de la Industria Plástica.
\textsuperscript{20} Cámara Argentina de la Industria de Reciclados Plástico.
\textsuperscript{21} Coordinadora de las Industrias de Productos Alimenticios.
Expected Improvements in the Incomes, Working Conditions and Access to Social Protection of Waste Pickers through the Packaging Bill

Incomes and working conditions
In this section we will reflect on the implementation of the GIRSU system in CABA, where its implementation is paradigmatic in terms of its modality, scope and impact, becoming an example of the policy to be implemented. Currently more than 6,500 waste pickers are included in the CABA Agreement.

The benefits of the GIRSU system for waste pickers can be analyzed along the following dimensions:

1. Improvements in the monthly income obtained by waste pickers.
2. Reduction of working hours and improvement in the safety, hygiene and health conditions in which the activity is carried out.
3. Formalization through the Social Monotributo, enabling access to health and pension coverage.
4. Licensing scheme that grants rights in cases of illness and pregnancy. Regime establishes 90 days for medical reasons before childbirth and 90 days of postpartum maternity leave. It also establishes 15 days of sick leave.
5. Access to care spaces that avoid situations of child labour and allow women to engage in paid work activities – both as waste picker and through paid care work in these spaces.

The CABA Agreement allows for reduced working hours for waste pickers, as well as obtaining a higher price for each kilogram of materials collected, since the marketing is carried out collectively by the cooperatives. The agreement helps improve the working conditions for the treatment of waste in properly conditioned spaces and with machines and tools, according to the volume of material to be processed (conveyor belts, balers, lifters, storage silos, etc.). At the same time, it improves the working conditions by reducing the number of street transfers of the collectors (who are now organized in limited routes and with the logistics of trucks arranged by the local government), and by the creation of Green Centres, where the waste pickers carry out the work of separation and classification. These spaces allow people to stop depositing the materials in homes, improving living conditions in homes and the habitability of the neighbourhoods where they live.

In addition, the system involves public investment in containers on public roads exclusively for the disposal of recyclable material, which facilitates collection. From 2017, a transition process began in which many waste pickers of CABA gradually left their carts and began to organize collection by blocks, coordinating with trucks at specific points. In this way, the collection activity organized by the cooperatives tends to reduce street-level work and makes their work safer.

The agreement also provides for what can be called formalization of waste pickers through the provision of uniforms, bags, credentials and the payment of a monthly allowance (called “incentive”) as a complementary remuneration for the collection work.
The incomes of formalized waste pickers working in CABA arise from the sale of the collected and processed material and from the fixed additional amount paid by the Government of CABA based on the agreement signed with the cooperatives, which is updated annually by negotiation between the parties. Thus, each waste picker receives an income consisting of a fixed part paid by the government and another variable part, which depends on the amount of material collected and whose distribution criteria are organized by each cooperative. According to Bertellotti and Cappa (2021), the average monthly income of waste pickers working under the CABA Agreement in 2019 was equivalent to 1.85 minimum wage and covered 79 per cent of the total basic food basket (CBT) of a typical household.

The “incentive” paid by the government represents 54 per cent of total labour income. Since this is a fixed income, the greater the amount of material collected by workers, the greater the proportion of income explained by the variable component, which arises from the sale of the material. Thus, similar to the role of the Complementary Social Wage\(^\text{22}\) for other branches of PE, the incentive received by the waste pickers works as a complement to their income and operates as a stabilizer, allowing compensation for potential drops in the amount of material collected and, therefore, of the variable income. This situation became evident during 2020 with the restrictions imposed by the COVID-19 pandemic. However, the fluctuations in variable income may occur for other reasons, such as the decrease in available material due to the economic crisis or due to injury or illness of workers (Bertellotti and Cappa, 2021).

Finally, an important benefit granted by this Agreement regarding the improvement of working conditions has to do with the access to a leave scheme or “justified causes of absence”. Workers can now take leave regarding pregnancy, maternity, adoption, marriage, death of family members, illness of themselves or family members. Leave can furthermore be taken following experiences of gender-based or intra-family violence. There is also annual and paid study leave.

**Access to social security**

Argentina’s social security system is organized around five basic pillars of contributory coverage.

- First, pension coverage, which includes old age, disability and death insurance, is organized around a general national system – the Argentine Integrated Pension System (SIIPA) – of a contributory nature. The system requires 30 years of contributions to qualify for the benefit, and it is complemented by a non-contributory basic pension benefit for low-income older persons.
- Second, a Family Allowance scheme, consisting of a contributory scheme for registered formal workers and SIIPA beneficiaries, and a non-contributory scheme providing coverage to unemployed and informal workers through the Universal Child and Pregnancy Allowance (AUH).

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\(^{22}\) The Complementary Social Wage is a monthly benefit that the national government transfers to the beneficiaries of the Potenciar Trabajo (Empowering Work) Program. It acts as an income supplement for workers in the PE and other informal workers.
Third, the health system comprises a fragmented structure that combines four subsystems:

- Prepaid private medicine companies, which provide coverage to the population with greater purchasing power.
- Trade union social welfare funds (*obras sociales*), financed with mandatory contributions from registered workers.
- The National Institute of Social Services for Retirees and Pensioners (INSSJP23), which is a single provider for those who receive pensions and is financed with contributions from all those who are formally employed. The equivalent of the social welfare funds for this population group is the *Programa de Asistencia Médica Integral* (PAMI).
- Public health care that provides service through a network of provincial and municipal hospitals free of charge to the population. This is the access to health care for the lower-income population.

Fourth, unemployment coverage is made up of insurance financed with contributions, covering formal workers, with the exception of workers included in the National Agrarian Labour Regime and domestic service workers. The regime is very limited in coverage and amount provided.

Finally, the social security system is completed with occupational risks insurance, which includes benefits for accidents at work and occupational diseases for formal workers. These benefits are provided by private institutions created specifically for these purposes (Labour Risk Insurance Companies) under the oversight of the Social Security Secretariat.

Despite its contributory core, the Argentine social protection system has been moving towards the universalization of social benefits through a greater reliance on non-contributory schemes, which complement contributory social security. The universalization has so far mainly focused on pensions and family allowances. In the first case, a basic pension is financed from taxes and not from contributions on the payroll of registered workers. In turn, more than half of the pensions and retirement benefits of the contributory system have been granted through moratoriums that allowed access to benefits to people who had not made contributions for 30 years. In the second case, 55 per cent of family allowances for children and pregnant women corresponds to the non-contributory system (AUH-AUE), i.e., they are received by people without registered formal employment and financed with resources from general taxes.

The adaptation of the social security system to extend universal coverage of the non-working-age population – older people and children – was a response to the high degree of informality of the Argentine labour market. The structural heterogeneity of Argentina’s economy implies precarious forms of labour for large portions of the economically active population, which limits the ability of a purely contributory social security system to achieve universal coverage. In order to overcome this challenge, non-contributory social protection had to be strengthened, guaranteeing benefits regardless of the labour trajectory.

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23 Instituto Nacional de Servicios Sociales para Jubilados y Pensionados.
In addition to expanding non-contributory social protection, Argentina has sought to increase the inclusivity of its contributory systems. The registration mechanism that allows self-employed workers to access social security coverage is the Simplified Regime for Small Taxpayers (Law 24.977) known as Monotributo. This regime covers self-employed workers with a maximum annual turnover limit, whether they carry out their work individually or in cooperatives. The Monotributo establishes monthly payment obligations in two components: tax (Value Added Tax and Income Tax) and social security, which includes contributions to health insurance and to the Argentine Integrated Pension System (SIPA\textsuperscript{24}). However, self-employed workers are not included in the contributory coverage for unemployment and occupational risks that protects formal workers.

Within the overall Monotributo regime, the tool specifically designed for low-income PE workers is the Social Monotributo. This special regime allows the labour registration of activities with an annual gross income of $466,201 pesos in June 2022 (equivalent to approximately USD 3,330). Those paying the Social Monotributo are exempted from the payment of the tax component and the social security contribution. The period worked under this modality is used to calculate the pension via the SIPA. In addition, the state subsidizes 50 per cent of the social health protection contribution. Thus, the amount payable by the workers of the PE as Social Monotributo is reduced to only 50 per cent of the contribution to the social health protection system.

However, the system is not free of problems. On one hand, due to the low amount of the contribution to the social health protection system, the dedicated health-care providers managed by trade unions (obras sociales in Argentina) are often not able to provide an adequate level of service, resulting in contributors being treated in the public hospital network without being covered by conventional health insurance. Furthermore, since its establishment in 2007, the coverage of the Social Monotributo has remained limited. It currently covers 440,000 workers, which represents just 14 per cent of those registered in the ReNaTEP database of PE workers.

An intrinsic characteristic of the PE sector are low and irregular incomes. Therefore, in addition to the traditional branches of social security\textsuperscript{25}, PE workers face an additional contingency: poverty despite being full-time workers.

In Argentina, poverty is not a phenomenon exclusive to people outside the labour market. On the contrary, a significant portion of the employed population lives in poverty. In the first quarter of 2022, the unemployment rate was low in historical terms (7 per cent). However, more than 40 per cent of workers in the PE had incomes below the national poverty line.

In view of this scenario, the public policy response has been the extension of permanent income transfer programs that provide a monthly benefit. Currently, two programs can be highlighted as being the largest: the Tarjeta Alimentar (Food Card) and the Potenciar

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\textsuperscript{24} Sistema Integrado Previsional Argentino.

\textsuperscript{25} Medical care, sickness, unemployment, old age, employment injury, family, maternity, invalidity and survivors’ benefits.
Trabajo (Boosting Work) program.\textsuperscript{26} In the specific case of waste pickers in CABA there is, as mentioned above, an agreement that grants a salary supplement – not compatible with other benefits – to approximately 6,600 cooperative workers.

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The organization of care and waste pickers' children's centres
The dynamics of work in the cardboard industry usually imply difficulties in guaranteeing the care of children and teenagers. Since it is a job that is frequently performed in the afternoon and evening, oftentimes between five in the afternoon and midnight, a time when there is no state public offer of care, it is common for families to go out collecting waste with their children. Another strategy is for older children to stay at home taking care of younger ones, which entails several dangers. In addition, this is a sector that, due to its socioeconomic situation, generally cannot cover its care needs by paying for them in the market. As a result, many rely on family-based care strategies in which women (in most cases) stay at home while the men go out collecting, which reduces family income, deprives women of opportunities for paid work, and entrenches gendered-divisions of paid and unpaid labour.

Based on this diagnosis and accompanying the formalization of workers from El Amanecer de los Cartoneros-MTE, through the GIRSU, the first care space of the waste picker branch was established in 2009. It was called El amanecer de los pibes, meaning "the dawn of the children". It is an exclusive care space for the sons and daughters of waste pickers covered by the CABA Agreement. It currently provides care for more than 200 children and adolescents, ranging from 45 days to 15 years old.

This experience was replicated with the opening of the Children's Centres for Recreation and Learning (CIRA), whose structure and way of operation are adapted to the work dynamics of PE waste pickers and their families. For instance, they are open during the

\textsuperscript{26} The Alimentar card grants a benefit of between USD 64 and USD 128 per month to 2.4 million adult AUH recipients, for having dependent children and not having a registered job; and the Potenciar Trabajo program, which covers 1.3 million PE workers and grants a benefit equivalent to half SMVM, requires in exchange a labour or training consideration. These two benefits are compatible, and the same person may receive both. Income transfer policies that include labour and/or training compensation mechanisms are complemented with other programs with a lower scope such as training and employment insurance, youth for more and better employment, among others, which reach 174,000 people (SIEMPRO, 2022). Potenciar Trabajo also includes the full coverage of the Monotributo Social (and with it the social security contributions), however, since the MS requires a separate registration and many are unaware of this situation, few workers have access to this benefit.
hours of the collection routes and provide buses for the transfer of children between the care space and the Green Centre or other meeting points along the waste collection routes. These childcare spaces evolve from being a nursery where children are simply looked after towards socio-educational spaces that bring together education, recreation with dignity and rights while their families are working.

Summarising, the CIRAs of the MTE enable:

1. Workers in these branches of the PE to work and have guaranteed care, which is particularly important for women who previously had to forgo paid work due to their care responsibilities.
2. Increased family incomes, since all adult members can pursue paid work.
3. Avoiding situations of child labour, which is common in these forms of work.
4. Guaranteeing children and teenagers spaces with the infrastructure, personnel and pedagogical capacities for growing and learning.
5. Generating new jobs for families in the PE, mainly for women, as educators, cleaners, cooks, among others (Campana and Rossi Lashayas, 2022).

This care strategy, which arose from the GIRSU (although not formally included as part of the GIRSU system), is central to meet both the work needs of the waste pickers and their children, including the prevention of child labour, which is common in the sector. The objective proposed by the El Amanecer de los Cartoneros-MTE cooperative is the existence of a care space for each Green Centre, with the capacity to receive the children of the families linked to that centre.

Towards Decent Work and Equitably Financed Social Security for All Workers in the Popular Economy

Within Argentina’s labour market and the PE, waste pickers are among the most affected by informality and social exclusion. Waste recovery work in most of the country continues to be carried out in precarious and unsafe conditions, with low incomes and without basic labour rights. In this context, the establishment of FACCyR and UTEP, as trade unions for the sector, has been significant and resulted in the articulation of a series of demands and campaigns resulting in substantial gains in labour rights, which have, in turn, set the stage for greater formalization of the sector.

The GIRSU system developed by FACCyR and UTEP is a key driver of progress. It has led to important improvements in the working conditions of waste pickers. The most advanced experience is CABA’s GIRSU system. Waste pickers under the CABA Agreement work in better hygiene and safety conditions, with higher incomes, a shorter working day and benefit from the formalization provided by the cooperative itself and improved access to Social Monotributo, which provides some social protection coverage.

Based on the experience of waste pickers, in particular with regards to CABA Agreement, and recognizing the positive environmental impact they have on the recovery, sorting and recycling of waste, FACCyR developed a draft Packaging Bill based on the principle of EPR. The development of this Bill represents an innovation at the international level, due to the fact that the proposal arises from within the sector’s own organizations and is the result of dialogue and articulation among waste pickers from around the world.
The Packaging Bill raises the possibility of extending the financing of the GIRSU systems to the national level, which would imply formalizing the work of waste pickers in cooperatives, improving their working conditions and extending social protection coverage. While the Social Monotributo is nominally available to any independent worker who meets the requirements, cooperatives have been crucial in ensuring that waste pickers benefit from the scheme through support and accompaniment of cooperatives or union representatives in the registration, but also by ensuring that workers have stable-enough incomes to pay the required contributions.

The Packaging Bill is mainly framed around improved working conditions and incomes. While, in a narrow sense, the Packaging Bill is not geared towards expanding access and financing to social protection, it does make significant contributions towards what can be considered social protection in a wider sense, by:

1. Financing improved occupational safety and health (OSH) provisions and safer working conditions.
2. Establishing affordable and worker-led childcare services.
3. Instituting leave entitlements.
4. Augmenting and stabilizing the incomes of workers through the “incentive” payment.
5. Supporting workers’ ability to access and contribute to the Social Monotributo.

Furthermore, the Packaging Bill represents an innovation in addressing a key challenge in the financing of social protection for self-employed informal workers. Waste pickers, like many informal workers, are self-employed, and therefore lack an employer who can contribute to the financing of their social protection. This means that self-employed workers are either expected to finance social protection entirely on their own, or rely on support from the state, which can come in the form of subsidies or non-contributory schemes financed from general taxes. Non-contributory schemes are essential to achieve universal social protection, in particular by providing at least a basic income floor for those without sufficient contributory capacity or labour market attachment to rely on contributory social insurance. However, benefits of non-contributory schemes can be of limited adequacy – as the case of the Social Monotributo highlights. Furthermore, relying entirely on general taxation effectively relieves corporations who may benefit from the labour of informal workers from any responsibility to contribute to the financing of social protection.

In this context, a central innovation of the Packaging Bill is the Environmental Tax (TAREP), which compels packaging-producing companies who benefit from the labour of informal workers (by collecting and recycling their products and thereby addressing EPR obligations) to directly finance improvements in their working conditions and access to social protection. That those who benefit from labour should contribute to the financing of social protection of workers is both a century-old principle at the foundation of social protection systems around the world and a potentially far-reaching innovation when applied to self-employed informal workers contributing to national (and global) value chains.
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About WIEGO
Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org.

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