



Cooperative dos Agricultores do Vale do Amanhecer (COOPAVAM) purchases and processes Brazil nuts from smallholders and indigenous communities in the Amazon Forest located in the northwest region of Mato Grosso and parts of Rondônia. It owns a processing plant that converts these nuts into oil and flour. COOPAVAM sells these to manufacturing companies in the food, health, and cosmetics sectors. COOPAVAM has offtake agreements to sell nut oil to partner institutions such as Natura (one of the world's largest beauty companies) and Jasmine (major health and food company in Brazil).

### IMPACT OVERVIEW

Provides sustainable income to the indigenous communities of Mato Grosso and also promotes conservation of the Amazon Forest

- 66 smallholder farmers and over 400 nut collectors
- Over 80% women in its workforce

### COMMUNITY



#### Country

Brazil

#### Municipality

Juruena

#### Indigenous tribes

Mundurucu, Cinta Larga, Zoró, Kayabi, Suruí and Apiaká

COOPAVAM has an established relationship (by way of a formal commercial agreement) with six indigenous tribes and employs more than 400 nut collectors. These tribes are noteworthy because they include the Surui, who have only had contact with the outside world for forty years, and the Apiaká who only number about 1,000. COOPAVAM pays its nut suppliers above average prices and provides free workshops to disseminate best management practices for non-timber forest products. Through these efforts, COOPAVAM supports the conservation of



thousands of hectares of Amazon Forest while providing a source of livelihood for multiple indigenous communities. The photo above, which refers to these indigenous communities as “*sentinelas da floresta*” (forest sentries) captures the essence of COOPAVAM’s work.

## Impact Background

The Amazon rainforest represents over 60% of the world’s rainforest and is a critical part of the planet’s ecosystem. It produces roughly 6% of the world’s oxygen and acts as a carbon sink, absorbing some 86 billion tons of carbon or more than a third of all carbon stores in tropical forests worldwide. It also has one of the most diverse ecosystems, home to 10% of the world’s species, with 1,300 bird species, 3,000 species of fish, and 430 species of mammals. More than half of this forest lies in Brazil.

Over the past years, there has been a growing global concern over the degradation of the Amazon rainforest due to uncontrolled and massive deforestation. Interventions have been made to dramatically reduce deforestation in the Amazon including commitments from major commodities traders and meat companies. Consequently, between 2009-2014, Brazil experienced the lowest ever Amazon deforestation rate on record. However, this progress was cut short in 2019 when the Brazilian government prioritized policies that weakened environmental protection laws. As a result, deforestation rates soared to its peak. In the Brazilian Amazon alone, the rainforest lost 13,235 square kilometers between August 2020 and July 2021, the highest recorded annual level of deforestation in 15 years.

One of the highest rates of deforestation occurred in the state of Mato Grosso in Brazil. Between 2018 and 2019, the state accounted for 17% of all deforestation in the Amazon and has lost 1,600 square kilometers of forest, most were done through illegal means.. The escalation of illegal deforestation also affected the over 40 culturally diverse indigenous groups living in the area. These communities suffer disproportionately from miners, loggers and cattle ranchers who encroach on their ancestral lands.

As Brazil seeks to weaken its legislation protecting indigenous reserves and to turn a blind eye towards illegal encroachment on indigenous lands, it becomes even more important that Amazonian tribes maintain their sovereignty and economic self-determination. To that end, there has been a growing call to encourage forest-based economic activities that do not deplete natural resources. Brazil nut extraction and processing is key to reconciling sustainable economic growth and forest conservation in the Amazon. Brazil nuts, also known as Pará nuts, are harvested from the fruit (bur) of the chestnut tree, which is one of the tallest trees in the Amazon rainforest.

Brazil nut collection provides livelihood to over 60,000 families in the Brazilian Amazon, including Mato Grosso, with an average of 40,000 tons of native nuts sold each year. It has boosted indigenous tribes' income by almost tenfold in some instances and has become the major source of revenue for the communities involved. It has also employed women particularly in the processing of these nuts.

Brazil nut trees produce at their highest levels in healthy and primary forests. Therefore, nut collectors are incentivized to protect the entire forest to access high-quality crops. This gives the collectors an important role in protecting the large areas of rainforest from deforestation and other predatory activities. By supporting the Brazil



nut industry, we are promoting a sustainable rural livelihood that directly contributes to the conservation of the world's most important forest.

## Impact Delivery

Since its inception in 2008, COOPAVAM has worked to improve the Brazil nut supply chain and support native communities living in Mato Grosso. Its storage and processing facilities converts nuts into use for different

manufacturing companies. It has offtake agreements to sell nut oil to business partners including Natura, Jasmine, and Carrefour Brazil. It continually expands the market for Brazil nuts and has even started exporting products to Swiss fair-trade company Gebana in 2020, despite the challenges posed by the COVID-19 pandemic.

COOPAVAM is the only enterprise in the Brazilian Amazon that has a long-term, contractual relationship with indigenous communities under mutually supportive fair-trade agreements. With this, nut suppliers are being paid above-average prices compared to what middlemen offer. COOPAVAM also ensures that indigenous communities have a voice in the negotiations of price and volume discussions.

*Improved socio-economic conditions*

- Provided USD 2 million of income for the indigenous communities since 2008
- Generated jobs and fair loans for 66 families of smallholder farmers and 400 families from six indigenous groups

*Increased women involvement*

- COOPAVAM itself is female-led and employs women in key areas of its organization
- Over 55% of its associates, 70% of plant workers, 50% of the board, and 66% of fiscal board members are women

*Provision of technical, logistical, and operational support*

- Provides trainings to indigenous communities on safety practices in nut collection
- Builds community capabilities for forest management and protection of indigenous territories
- Also provides accounting and financial management workshops to communities involved