RESEARCH METHODOLOGY

The research was conducted in rural communities of six municipalities of the state of Para: Anajas, Breves, Salvaterra, Braganca, Tome Acu and Igarape-Miri. The study evaluated how does the established partnership for NTFP commercialization benefit the local communities by assessing how different economic activities have contributed or changed to the communities’ wellbeing.

The idea is to characterize the income in each community.

The expectation is to answer the big research question: Are NTFP linked to cosmetic industry a viable alternative for peasant farmers in the Amazon?

The hypotheses are:

1. NTFP activities are not a panacea as it has been promoted and cannot be the solution for environment conservation and development
2. NTFP is not the solution in terms of compete with other more profitable and destructive activities
3. The activities don’t go to resolve the problem of income sufficiency in rural areas. But it does provide a safety net for the vulnerable people and for the forest to keep protected as long they have that
4. The activity is more viable in remote areas where opportunities of income are scarce

With the data I want to show the main income source in each community ranking them in terms of importance.

The proportions show the number one income source in each community.

Bolsa Familiar is not the number one income source as it has been in other Amazonian communities.

According to the literature NTFP extractive activities is being put out as one of the solution for both creating sustainable livelihoods for peasant farmers as well for protecting the forest. But in reality it is not a panacea. Based on the analysis of the data collected in six rural communities, the NTFP represents a small proportion of their overall income, though it may supply families with safety net.

Total annual income was determined by breaking down income by generating activity: x, v, s.

The data included the main product types sold and the income each of them generate.

According to previous studies funded by the company Beraca, the company-community relationship has a positive impact on the community, with a "substitution effect" on family income increases and positive environmental externalities, especially in more remote communities.

In this specific aspect, it was concluded that the NTFP (oilseeds) replaces the cutting of the wood. That's because when families have a higher income opportunity with oilseed collection they stop cutting wood.

I would like to check this conclusion statistically.

The premise defended by the company is that if we observe what the company does and what its local impact is, we can see positive aspects. However, from a more general point of view, incorporating the issue of sustainable development and local development in the Amazon, the broader NTFP impact analysis and results generally will point out to a very reduced impact in terms of well-being without a significant change.

In other words, in general, the activity of collecting forest products proves to be an interesting activity, but it does not generate a significant change in terms of income and well-being for the families involved.

Where there are significant changes in the pattern, including land use and the socioeconomic profile of the families is the case of the species that are being incorporated as agroforestry systems, in which a more intensive process occurs, as it is the case of the acai. The concept and praxis of subsistence production in this context are replaced by a more intensive production practice.

The dataset shows the income extractive activities is number 5 in terms of importance so it does not going to resolve the problem of income sufficiency in rural areas. But it does provide a safety net.

|  |  |  |
| --- | --- | --- |
| **Variable** | **Description** | **Details** |
| location | Rural area of the municipality | In the Amazon, rural areas have been characterized by low human and social capital, and thus high transaction cost as a result of history of boom-and-bust economic cycles, successive failures of development programs and deficient institutional support. People who live in the Amazon’s rural areas are among the poorest inhabitants of the South America, with some of the highest rates of illiteracy and worst health conditions. The region’s poverty is partially the result of its geographic isolation (IBGE, 2006). In general, the communities have remained highly autarkic and rely on similar subsistence practices, including a mix of hunting, gathering, fishing, and small-scale shifting agriculture. The communities also have access to similar sources of monetary income, including the commercialization of timber and NTFPs (e.g., mahogany and Brazil nuts), government subsidies, remittances, payments for jobs in urban areas and wages from labor performed for outsiders (e.g., guides and work on the homestead of colonist farmers) or government institutions (e.g., teachers). |
| community | Name of the community | Sort of neighborhoods in rural villages |
| nfmembers | Number of family members | Number of people living in a household |
| membership | Membership:  0 (non-member);  1 (member);  2 (non-member and non-collector) | Partnerships between companies and forest communities is expanding. Such agreements should enhance the local people economic benefits because companies would aid in the improvement of infrastructure and market access. In the sample, three groups were extracted: (1) the group that neither collects nor integrates the partnership which was coded as 0; (2) the group that is engaged in the partnerships with corporations for NTFP trade which is coded as 1 (member); and (3) the families that are not part of the cooperative and also not involved with forest production at all which is code as 2. |
| NTFP | Non-Timber Forest Product | The sustainable harvest of NTFPs are important for rural communities because they can complement the earnings in times of low income and crop failure or also can occasionally provide significantly higher profits than timber value (Global Forest Atlas, n.d). Peasant farmers are increasingly engaged in company-community partnerships focused on forest products trade. |
| palmito | Palmito | Sort of NTFP used for food market |
| wood | Wood | Some communities work in the wood market because it thought to be more profitable. The literature challenges this view. |
| sawmill | Sawmill | Some communities work in sawmill companies |
| farinha | Farinha (cassava flour) | Cassava flour is made of an edible root (manioc) in a shifting cultivation system. Despite the market bottlenecks, they strive to maintain a balance between subsistence and commercial production and continuously search for opportunities to improve their economic and social conditions. It is one of the main products in rural areas. |
| pepper | Pepper | Amazonian plant domesticated and produced in the region. The municipality of Tomé-Açu is known for a successful agriculture system and is a top black pepper global producer. |
| agriculture | Agriculture | The production of banana, pineapple, passion fruit, cupuaçu and acai is common in the region but the productivity is limited because of the absence of a well-developed production chain for those crops. Roads are in poor condition during the extended rainy season, making it impossible to bring perishable products to the city in time to get a good return. Açai, for exemple, one of the most viable and profitable crops for the region, need to reach the market within 24 h after harvest, and cupuaçu within a window of four days. |
| acai | Açaí | One of the most profitable products of the Amazon |
| passionf | Passion fruit | Fruit produced for local and external market |
| cocoa | Cocoa | Fruit produced for local and external market |
| cupuacu | Cupuaçu | In some municipalities, many smallholders are engaged in production of that fruit. Cupuaçu is harvested during the rainy season, which corresponds to a time when road conditions are the most problematic. Farmers experience serious problems due to the lack of income alternatives and crop options for sales. |
| fishing | Fishing | Some inhabitants practice subsistence fishing combined with other activities that compose the income. |
| chicken | Chicken | Residents create chicken for subsistence and sell the exceeding |
| crab | Crab | Residents create chicken for subsistence and sell the excedent |
| shrimp | Shrimp | Some inhabitants produce shrimp for subsistence or market |
| defeso | Cash Transfers (Fishing Insurance) | Government transfers |
| bverde | Cash Tranfers (Green Grant) | Government transfers and credit for cropping |
| bfamilia | Cash Transfers (Bolsa Família) | The Family Allowance (Bolsa-Familia) is a governmental direct cash transfer program designed to reduce poverty. This monthly household stipend changes according to per person income, number of children and adolescents up to 17 years old, and number of pregnant and lactating women in the household |
| pension | State Pension | Government transfers due to rural retirement and disability retirement. Rural retirement benefits can be claimed by all rural workers who prove they have worked and contributed to social security for at least 180 months, and have met the retirement age (60 years for males and 55 years for females). The retirement income is always equivalent to one minimum wage (~ US $2702 per month); disability retirement, also equivalent to one minimum wage, is a benefit granted to employees incapable of working due to illness or accident, in accordance with a certification by a medical group approved by the office of Social Security. |
| other | Other sources of income | “Jobs” off rural areas, as service providers in urban areas |
| total | Total | Total income generated by the sum of all economic activities; income is come from varies activities |