

SOCIO-PRODUCTIVE ARRANGEMENTS OF SMALLHOLDER FARMERS IN THE PALM OIL SUPPLY CHAIN IN THE STATE OF PARÁ¹

ABSTRACT

The present article is a development of the project "Social, Environmental and Corporate Responsibility of the Palm Oil Chain in the State of Pará", dedicated to analyzing the various socio-productive modeling of family farmers integrated into the palm oil chain in the State of Pará, Brazil. The work translates into action criteria and indicators of the "Charter of Commitment for Valuing Decent Work in the Palm Oil Chain", voluntarily signed by Abrapalma in 2016. The document was grounded on the parameters of the International Labor Organization (ILO) and is linked to the Sustainable Development Goal 8 (SDG) defined by the United Nations (UN) - to promote sustained, inclusive and sustainable growth, full and productive employment and decent work for all. The methodology uses bibliographic survey, case studies, and compiles field visits and training courses. With this initiative, Abrapalma intends to contribute to strengthen the inclusion of smallholder farmers into new markets and stimulate collective actions.

Keywords: Palm Oil, Family farming, Smallholders, Socio-productive arrangement, Cooperative, Agro-industry, Agriculture.

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"The task is, not so much to see what no one has seen yet; but to think what nobody has thought yet, about what everybody sees."
(Schopenhauer).

1 INTRODUCTION

The objective of this article is to present peculiarities of the Amazon context and to report actions that value decent work in the Brazilian palm oil supply chain, based on a proposal-oriented agenda led by Abrapalma.

By way of conclusion, such agenda is not a ready-made solution, but a contribution towards local leadership's engagement to address common issues. It also sheds light on the context of precarious work in the Amazon region, as a result of the absence of long-term public policies as well as the low level of human development.

The Amazon is one of the most complex regions in the world and not just regarding biodiversity. According to Gilberto Freyre *apud* Bastos (2014), the Amazon cannot be defined by its hydrographic basin or equatorial forest, but by the existence of a society with cultural unit. This excerpt, by all means, says a lot about what we are going to discuss. Have a good reading!

2 THE AMAZONIAN UNIVERSE

According to the Brazilian Institute of Geography and Statistics (IBGE, 2010), the Amazon is the largest geographic region on the planet, encompassing 6,900,000km². It accounts for 67% of the world's rainforests, including 25,000km of rivers.

The area covers six countries - Brazil, Peru, Bolivia, Ecuador, Colombia and Venezuela. In Brazil, the Legal Amazon covers the States of Acre, Amapá, Amazonas, Mato Grosso, Pará, Rondônia, Roraima, Tocantins and part of Maranhão.

As reported by IBGE (2010), the Legal Amazon represents 61% of the Brazilian territory (5 million km²) and has an estimated population of 20.3 million people. Pará is the most populous state with 7.5 million inhabitants.

Figure 1: Map of Brazilian Legal Amazon.



Source: IBGE.

Also, according to the 2010 IBGE survey, 68.9% of the population of the Legal Amazon live in urban areas and 31.1% in rural areas. Surprisingly, one of the most significant social problems of the region is precarious work in rural areas.

For those who live and work in the Amazon, it seems that Brazilian society has not yet truly questioned about the social Amazon dynamics, about precarious work and under what conditions it persists in the region.

To begin with, some questions shall be raised: What are the limits between learning and exploitation in family farming? Why do some practices abolished in other regions still persist in the Amazon? Why is the subject so deeply analyzed under the influence of ideological bias? Why is the Amazon so invisible?

The answers to these questions permeate the perverse and ommissive lack of interest in tackling the issue as a whole, which would require an in-depth discussion on education, labor force training, social indicators, employment and income.

As long as we believe that the problems related to the Amazon region are caused by and must be solved only by local people, we are exempting public authorities, the consumer market, the financial system and opinion leaders from their responsibilities.

One must ask those self-proclaimed experts on the Amazon reality: Whose sweating brow sustains the local economy? Who are these invisible people, how do they live and how do they organize themselves?

Distortions recorded in studies on the Amazon indicate that scientific short-sighted vision of the region is a consequence of ideological trends, overlapping of law and justice, and the failure of public policies. This set of causes, as said, leads to social invisibility.

For a long time, it was thought that in the Amazon the law of the fittest prevailed. But that has changed, and along with the development of that society the "smart guy" has come to prevail. The big question is: Who is the "smartest" in the Amazon?

Therefore, the absence of public policies allows those planning to invade lands to be the "smart" ones, once judicial measures against disseisin and land invasion are rarely enforced. And consumer pressure for Amazonian products enables the middleman to become the "smart" guy.

After all, would the Amazon be a land of opportunity or opportunists? The truth is that in the region, one who is not "smart" or illegal earns less, although risking everything in a perverse game of hide and seek that generates the well-known stop-go of all initiatives. At the end of this narrative, everyone loses! But does anyone win? Yes, legal instability, rural conflicts and uncertain future.

² Familiar income US\$ 5,5/day, according to the World Bank.

2.1 LAND OF CONTRASTS

The United Nations Food and Agriculture Organization (FAO, 2019) indicates that between 2014 and 2016 poverty² in rural Latin America increased by two percentage points (46.7% to 48.6%), while extreme poverty³ jumped 2.5 points (20% to 22.5%). **In other words, we are impoverishing at a fast pace.**

Figures may seem emotionless, but they reveal that in 2017 there were **59 million people** on the poverty line, of which **27 million** living in **extreme poverty** in rural Latin America.

Do such figures shock you? Let's then take a look at the situation in Brazil. The Summary of Social Indicators (IBGE, 2017) reveals the country of contrasts, even when compared to other Latin American countries.

According to IBGE (2017), there are 55 million people (26.5% of the population) on the poverty line in the country, of which 15.2 million living in extreme poverty. Between 2016 and 2017 another two million Brazilians fell into poverty.

Now, considering that FAO estimates that 59 million people live in poverty in Latin America, then Brazil with its 55 million poor people would be the most miserable country among all, with the aberrant rate of 93% of all Latin Americans living in poverty.

In a regional analysis, the Brazilian North and Northeast regions (which the Legal Amazon consists of) have over 40% of the population living in poverty. **In short, Brazil is a profoundly unequal country and the Amazon a land of contrasts. The richest region on the planet holds a mass of poor and miserable people.**

³ Familiar income below US\$ 1,90/day, according to the World Bank.

Yet, inequality does not only affect the poor. There is also inequality regarding gender (women generally earn less than men) and skin tone (unemployment rate is higher among blacks⁴ and mixed-race people).

Considering that the youth population represents 23% of the whole Brazilian population, note that within this group, 52.5% are employed, but 1/3 earns up to one minimum wage (IBGE, 2017). While 36% of young Brazilians attend school, **22% neither study nor work, encompassing the so-called “NEET” generation⁵.**

Again, what is the real cause of so many maladies? Believe me, there isn't “the” cause, because so many variables are perversely connected. Public development policies adopted in the Amazon region, for instance, have instigated disparities over decades. Although real attempts to minimize social problems occurred, human development was not achieved. Poverty, social marginalization and exclusion became increasingly present from the perspective of the development model adopted for the Amazonian cities.

According to the Institute of People and the Environment of the Amazon (IMAZON, 2013), Amazonian states have poor quality of life. In the region with abundant water, access to safe drinking water and basic sanitation is precarious. In 2009, according to the institution, 34% of the population had no running water, 50% had no sewage collection and 81% of the Amazonian cities had no sewerage system.

In addition, the 2017 Agricultural Census (IBGE) indicates that rural population is aging and young people continue to migrate to urban centers. People over 65 represent 21.4% of rural residents. Eleven years ago (2006) they represented 17.52% (IBGE, 2017), that is, we almost doubled the number of elderly people in rural areas in just over a decade. **In fact, we are not only impoverishing, but experiencing a fast population ageing.**

⁴ As of the 1991 census, the IBGE color or race classification system adopted five categories: white, mixed race, black, yellow and indigenous.

⁵ The term “NEET” refers to the young population outside the labor market and school. It is equivalent in Spanish to “NINI” and Portuguese “nem-nem”.

Among the major challenges in overcoming precarious work in the Amazon is the misjudgment of the peculiarities of family farming. **We are talking about 4 million Brazilians living under such type of social structure**, where, as a matter of fact, public policies do not improve living conditions in order to avoid rural exodus.

Yes, in the Amazon many are compelled to fight for survival, but the laws – designed to the urban context – do not even attempt to understand the complexity of their realities.

For example, in the region's traditional family farming, the whole family is engaged in the production process, but no one in the consumer market, or among scholars, seems to wonder about the boundary between the ideal and the real world, the latter ever more imperative and urgent.

In the harvesting of the acai berry fruit, for example, only children are able to climb the thinner palm trees. But with the increasing growth of the product in the market, boosting in consumption has led to an awkward social phenomenon. The huge consumer market shuts its eyes to the fact that, daily in the Amazon, some 200 to 500 thousand young people, between 10 and 17 years old (PEABIRU, 2016), have to climb the acai palm trees without any personal protective equipment.

Once the acai production chain is not tied to a business project, i.e., there is no easily identifiable culprit, the subject is swept under the carpet of the legal system.

We are talking about Brazil though, a country where the National Household Sample Survey (PNAD, 2015) reports 357.8 thousand children and teenagers – aged 7 to 17 years old - in the labor market, of which 175 thousand (49%) in rural areas.

If Peabiru reports that we might have 500,000 young people subject to precarious working conditions in rural areas, we conclude that 325,000 young people have not been considered, they are invisible. Consequently, they do not

require intervention of public policies.

The labor of poor youth perpetuates a future of social inequality. But then, how to solve this problem provided that the global demand for acai berry continues to grow?

Getting to know the Amazon requires courage. The "smart" ones may survive, but only the strong ones can see the reality of the region. When you gaze long into an abyss the abyss also gazes into you, according to Nietzsche.

3 THE PALM CULTURE IN THE AMAZON

The oil palm (*Elaeis guineensis*) is native of the African continent and has been used since the Egyptian civilization.

Popularly known as *dendê* oil, it was introduced in Brazil in the sixteenth century in the State of Bahia and centuries later reached Pará State (1940).

It is a perennial crop, with a 30-year production cycle and a very versatile oil extracted from the fruit, which is commonly applied in the cosmetics, food, cleaning, textile, steel, pharmacy and biofuel industries. Extraction occurs through a mechanical, solvent-free process.

Brazil is the fifth largest producer in the world, and the State of Pará accounts for over 85% of national production, with 207,000 hectares.

Table 1: Planted area in Brazil.

Situação Atual da Palma de Óleo no Brasil						
SITUAÇÃO POR ESTADO						
PLANTIOS DE EMPRESAS PRIVADAS						
DISCRIMINAÇÃO	ABRAPALMA	N ASSOCIADO	TOTAL PARÁ	RORAIMA	BAHIA	TOTAL GERAL
Idade Plantios						
0 a 2 anos (Formação)	23.194	955	24.148	600	80	24.828
3 a 7 anos (Produção)	96.283	6.149	102.432	2.000	-	104.432
8 a 25 anos (Produção)	31.831	5.580	37.412	-	1.500	38.912
> 25 anos (Produção)	3.168	-	3.168	-	-	3.168
Plantios Subespontâneos	-	-	-	-	23.420	23.420
Área Total (hectares)	154.476	12.684	167.160	2.600	25.000	194.760
AGRICULTORES FAMILIARES/PEQUENOS E MÉDIO PRODUTORES						
DISCRIMINAÇÃO	ABRAPALMA	N ASSOCIADO	TOTAL PARÁ	RORAIMA	BAHIA	TOTAL GERAL
Idade Plantios						
0 a 2 anos (Formação)	3.608	365	3.973	-	-	3.973
3 a 7 anos (Produção)	20.940	3170	24.110	400	250	24.760
8 a 25 anos (Produção)	10.039	610	10.649	-	250	10.899
> 25 anos (Produção)	1.360	-	1.360	-	500	1.860
Plantios Subespontâneos	-	-	-	-	-	-
Área Total (hectares)	35.947	4.145	40.092	400	1.000	41.492
EMPRESAS/AGRICULTORES FAMILIARES/PEQUENOS E MÉDIO PRODUTORES						
DISCRIMINAÇÃO	ABRAPALMA	N ASSOCIADO	TOTAL PARÁ	RORAIMA	BAHIA	TOTAL GERAL
Idade Plantios						
0 a 2 anos (Formação)	26.802	1.320	28.122	600	80	28.802
3 a 7 anos (Produção)	117.222	9.319	126.541	2.400	250	129.191
8 a 25 anos (Produção)	41.871	6.190	48.061	-	1.750	49.811
> 25 anos (Produção)	4.528	-	4.528	-	500	5.028
Plantios Subespontâneos	-	-	-	-	23.420	23.420
Área Total (hectares)	190.423	16.829	207.252	3.000	26.000	236.252

Source: Abrapalma.

In Pará, the supply chain includes over 23 cities, established through the following strategies of spatial occupation: a) land

purchase; b) lease; c) integration with family farmers.

The system for the integration of family farmers to the agroindustry is a strategy based on a contract between farmers and a processing company, with purchase guarantee (AQUINO, 2013).

Abrapalma estimates that 1,124 family farmers are integrated into the agroindustry over 40,000 hectares (ABRAPALMA, 2014). Although integration is a longstanding practice in Brazil - dating back to 1960 (HOMMA, 2014) - in Pará, arrangements have their own rhythm and the first experiences only took place in 1999, gained momentum in 2002 and crystallized as of 2010, with its own line of credit - Pronaf Eco dendê (BASA, 2012).

The Amazon region presents a gap of half a century compared to other regions of the country where integration is exercised. In addition, it took more than a decade - 11 years to be exactly - to receive support from the government.

The Dendê Agroecological-Economic Zoning (ZAE-Dendê) determines the Amazon region as a priority area (EMBRAPA, 2010), though it restricted the expansion of the crop to already degraded land. The Sustainable Palm Oil Production Program prioritized environmental safeguards, which was highly positive and audacious.

The crop is distributed throughout the northeastern region of the state and its largest concentration area is located in the Tomé-Açu microregion, with 76.4% of the planted area (Abrapalma, 2019).

Since we're discussing the Amazon, let's get a closer look - as a social sample - at the cities of Tomé-Açu and Tailandia, located in Pará.

In Tomé-Açu, the 2010 census (IBGE) counted 56,518 people. In 2017, the employment-to-population-rate was 13.4%. Comparing to the other 144 cities of Pará, the City was ranked 22nd, i.e., even with such low employment rate, it was among the 30 top cities in the State (IBGE, 2017).

With respect to the city of Tailandia, the 2010 census counted 79,297 people (IBGE). In 2017, employment-to-population-rate was 11%.

Only 2.6% of households in Tomé-Açu have access to proper sewerage systems and 2.7% to suitable urbanization, such as manhole, sidewalks, street paving and curb. On the other hand, in Tailandia, 5.4% of households have access to sewerage systems and only 1.4% to adequate urbanization. Figures do not lie, and regarding these two cities they reveal the concentration of extreme poverty in the richest region on Earth.

The state of Pará has 46% of its population living below poverty line (IBGE, 2017). In just one year, the number of people living in poverty and extreme poverty increased throughout the state. **This amounts to 3.6 million poor people plus 1 million living in miserable conditions in 2017 (IBGE).**

4 A PROPOSAL-ORIENTED AGENDA

In November 2016, Abrapalma signed and announced in the auditorium of the 8th Regional Labor Court in the Capital Belém, the **Charter of Principles on Decent Work in the Palm Oil Supply Chain**.

The document was designed based on the International Labor Organization (ILO) Decent Work Agenda and grounded on four pillars: a) fundamental rights; b) job creation; c) social protection; d) social dialogue.

Since then, Abrapalma has been working to survey and stimulate socio-productive arrangements in its area of influence. The actions have prioritized identification of organized groups, encouraging qualification, stimulating women's empowerment, promotion of decent work, effective action against child labor and inclusion of young people and people with disabilities (PWD).

The initiative involved independent consultants in two stages:

i) In 2016, for diagnosis, return to society with executive summary, promotion of an event with the academia and signing of the Letter of Commitment. These activities were conducted by consultants Leandro Morais and Daniel Menezes;

ii) The second phase started in 2018 and is still ongoing. It involves mapping local actors and their productive systems, promoting training and stimulating solidarity economy. It is being led by consultant Katia Garcez.

Abrapalma's activity is based on the concept of corporate social responsibility, that is, involving the entire supply chain (customers, employees, suppliers, communities and society).

Such line of work is also aligned with the Stakeholder Theory as any group or individual who can affect or is affected by the achievement of the organization's objective. (Schommer, 1999).

The purpose of the association is to identify opportunities for the development of smallholder farmers.

The two stages of the work started with interviews with the companies affiliated to Abrapalma.

With this initiative, Abrapalma has already trained about 500 family farmers on the following topics:

- Income increase;
- Farm management as business opportunity;
- Productivity increase;
- Access to new markets;
- Use of technology, among others.

To that end, field work was carried out in the cities of Santo Antonio do Tauá, Tomé-Açu, São Domingos do Capim and Tailandia (ABRAPALMA, 2019).

Some partnerships were also established:

- a) Sebrae - training on entrepreneurship, costs, direct sales, financial planning

and business models;

- b) CIEE - Virtual Knowledge Program for youth with career guidance and skills development;
- c) Embrapa - lectures on research, innovation and sustainable business;
- d) Earthworm - social landscapes for the inclusion of young people, women and people with disabilities
- e) Emater e Semas - technical assistance and Rural Environmental Register;
- f) BASA - financial settlement and access to Pronaf Eco-Dendê;
- g) ICRAF - sustainable market and certification;
- h) MAPA - food security and access to the National Family Farming Seal.

With the help of local associations, cooperatives and unions, smallholders and family farmers - within Abrapalma's catchment area - were involved in the following activities:

- a) Drone workshop and lectures on cooperatives and solidarity economy, access to sustainable markets, professional training and decent work;
- b) Workshop on innovation, sustainable business and decent work throughout the palm supply chain, financial settlement and access to the Rural Environmental Register for environmental regulation compliance;
- c) Debates on technological innovation, financial management and access to sustainable markets, organic agriculture, productive diversification and decent work.

4.1 SOCIO-PRODUCTIVE ARRANGEMENTS

The purpose of associativism is achieving technical, professional, economic and social benefits for people with common interests. From a market point of view, it is a way to

survive (ABRAPALMA, 2019).

Collective action is opposed to the traditional labor relationship in Brazil. For Guimarães (1998), the symbol of full employment is no longer a formal registration. After all, every form of work raises worker's self-esteem when allows him to provide for his family. This symbology can give meaning to life and bring "value" to society.

For the Ministry of Agriculture (Brazil, 2016) voluntary rural associations are an alternative for workers and smallholders to participate in the market on competitive terms.

When there is formalized cooperation, production and marketing of goods and services can be more profitable (ABRAPALMA, 2019). The goal shifts from individual to the group, from private to collective in a context of solidarity and respect for the local culture.

According to Singer (2000), it is necessary that workers acquire knowledge in order to reach solidarity economy. This offers innovations, such as community banks, exchange clubs and new lines of credit.

Mapping of the social landscape conducted by Abrapalma suggests the need for qualification and fostering of the 33 identified local productive arrangements, of which 27 associations, 3 cooperatives and 1 consortium (ABRAPALMA, 2019).

Most farmers associated with palm oil extraction companies in Pará produce in consortium regime and Abrapalma estimates twenty species of crops, in the following scale of importance:

- a) Cassava;
- (b) Beans and pepper;
- c) Corn;
- d) Acai, rice and cupuassu;
- e) Banana, papaya, passion fruit and cocoa;
- f) Peach palm, orange and lemon.

The basis of agricultural activity of traditional communities in northeastern Pará is cassava, encouraged by Abrapalma's affiliates after the insertion of industrial crops.

As presented by Monteiro (2018), the production of these crops in areas of extreme poverty, such as the northeast of the State, contributes for the food security of the population and breaks the paradigm of parallel intercropping.

Brazil does not know the Amazon, says Freitas (2012). Resources directed to this region - so complex in socio-biodiversity and geographically isolated - do not meet the principles of equity and justice.

In the Amazon, solidarity economy is a strategy to circumvent unemployment and guarantee food for the hungry.

Abrapalma believes and encourages collective socio-productive arrangements as a way to circumvent the infinite delay of public policies that never reach the interior of the Amazon region.

The solidarity economy gives social visibility to those who do not exist statistically!

4.1.1 Association

The history of social organization in the Amazon is characterized by mobilization and demobilization processes. However, associativism is an essential component of the human development process for the communities living in the region (Monteiro, 2018).

According to Sebrae - Brazilian Micro and Small Business Support Service, the **association performs a social activity**, has simplified management and is dedicated to topics such as political representation, culture, assistance, education, class interest and philanthropy.

According to FAO (2018), associative strength ensures greater efficiency and, therefore, plays a key role for those who are able to produce but do not have access to the market.

Figure 2 shows how an **association** is structured and operates.

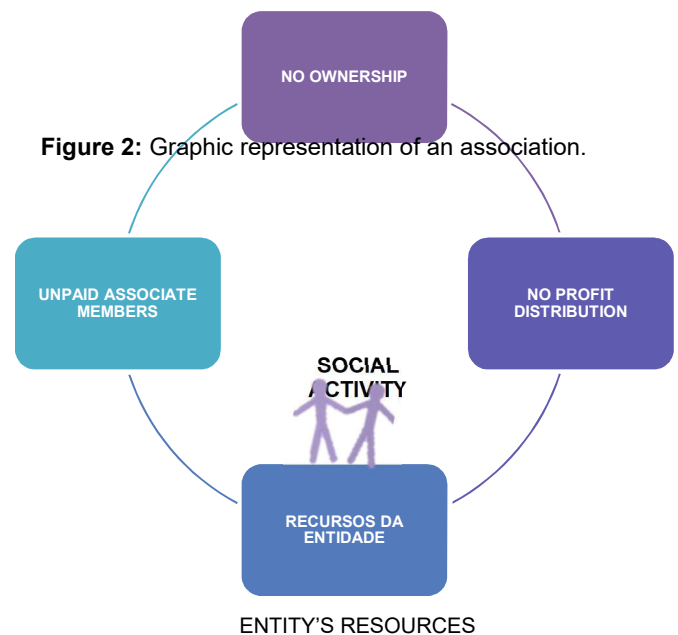


Figure 2: Graphic representation of an association.

Source: Abrapalma (2019).

• Legal framework: Constitution; Law 9.790/1999; Law 10.406/2002 (Civil Code); Law 13.019/2014; Law 13.151/2015.

According to the Brazilian Civil Code, an **association** requires at least two people, who form the assets of the entity from the collection of regular contributions, donations or funds. In short, the association has no share capital and this makes it difficult to obtain financing.

During the second stage of the agenda for decent work in the palm supply chain (ABRAPALMA, 2019), 27 associations were mapped within the affiliates' area of operation. Of these, 14 were in the area of influence of the Archer Daniels Midland Company (ADM), 9 in the area of Belém Brazil Bioenergy Brazil (BBB) and 4 within the region of Agropalma.

4.1.2 Cooperative

Also, according to Sebrae, **the cooperative has mainly an economic objective** and seeks to enable the business feasibility in the market. It acts as a means to develop a commercial activity collectively.

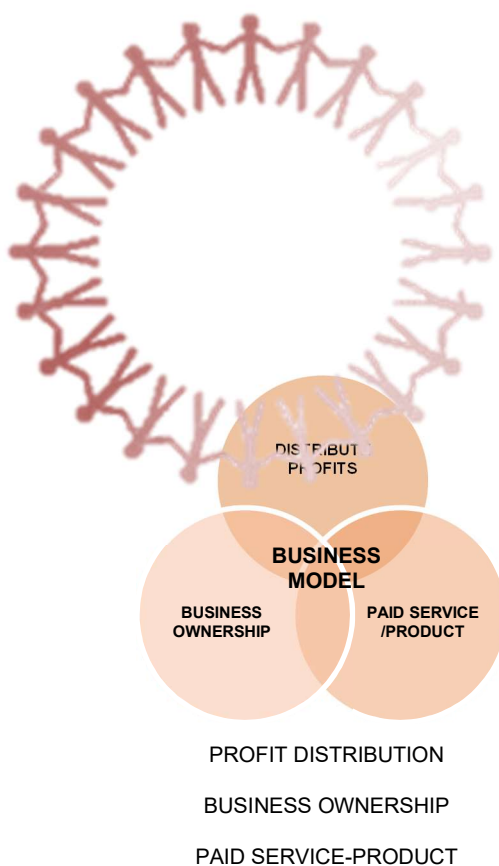
The form of organization of cooperative work

is perhaps the most representative of solidarity economy. The production cooperative, for example, considers worker participation. Therefore, if the worker produces little, he earns little, if he produces a great deal, he earns a lot, and if he does not produce, he earns nothing.

As a rule, the distribution of profits in the cooperative is done in an equitable and non-egalitarian manner. That means passing on the amount due by production but not equally among those who worked and those who did not work.

Figure 3 graphically proposes the structure and operation of a **cooperative**.

Figure 3: Graphic representation of a cooperative.



In accordance with Law 5.764/1971 that regulates the subject in Brazil, in order to create a cooperative, it is necessary to bring together **at least 20 people**, who need to **contribute with paid-in capital**. The

cooperative may receive donations, undertake loans and invest in capitalization processes.

• Legal Framework: Constitution, Law 5.764/1971 (Cooperative Law), LC 130/2009 (National Cooperative Credit System), Law 12.690/2012 (Work Cooperative), Law 9.867/1999 (Social Cooperative), Decree 8.163/2013 (Social Cooperative and Associativism Support National Program), Law 10.406/2002 (Civil Code), Decree 3.017/1999 (Cooperative Learning National System), State Law 7.780/2013 (Pará Cooperative Law).

The state of Pará has 174 cooperatives with 65,881 members, generating 4,822 direct jobs. (OCB / PARÁ, 2017).

Data collected in technical visits and interviews with the social actors that make up the palm oil value chain in Brazil reported our affiliate Biopalma with 2 family farmer cooperatives and ADM with 1 family farmer cooperative (ABRAPALMA, 2019).

During the development of the agenda, Abrapalma faced some resistance among the farmers when it comes to cooperative. This indicates lack of knowledge about the potential of this socio-productive arrangement or lack of a trusting environment among smallholder farmers.

In this sense, the respondents pointed to the need of training courses (on cooperative), especially for agricultural production, as a first step towards creating a cooperative.

Among the possible conclusions, on one hand it is perceived lack of knowledge on the subject, but on the other hand willingness to obtain this qualified knowledge.

4.1.3 Consortium

Consortium has no legal personality and consortium members are bound under the conditions provided in the contract. Each one responds for their obligations, **without presumption of solidarity**. One of its purposes is **service contracting**.

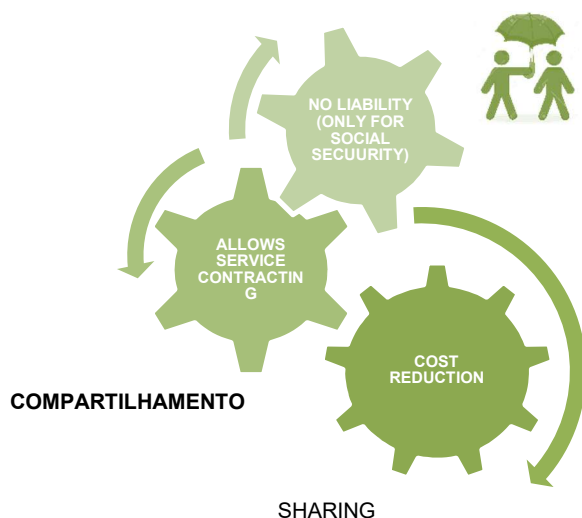
The **simplified consortium of rural producers** is provided for in Normative Instruction 68/2002 of the National Institute of Social Security (INSS). This socio-productive arrangement is a depersonalized entity, formed by the union of individuals, equated

with them for social security purposes.

In general, the main objectives of a simplified **consortium of rural producers** is to enable the regularization of hiring labor and cost reduction.

In this operational model, members are **jointly and severally liable for social security obligations**. Figure 4 below shows the **consortium** modeling.

Figure 4: Graphic representation of a consortium.



Source: Abrapalma (2019).

• Legal Framework: Law 8.212/1991, Law 10.256/2001, Decree 3.048/99, IN 68/2002-INSS.

Law 10.256/2001 defines the institute as the gathering of individuals with the sole purpose of directly hiring rural workers in order to provide services exclusively on their properties.

The legal relationship is established through a private contract signed by the community, which undertakes responsibility for the workers' hiring costs. Solidarity is guaranteed by the constitutional document, signed by all and registered in the notary's office.

Fonseca (2000) states that the consortium of rural employers is the union of individual rural producers, with the purpose of a common registration of rural workers in order to dilute hiring costs.

The consortium of rural employers is the newest hiring model in the field and Abrapalma give emphasis to the case of our affiliate Agropalma who, in 2013, created the Arauaí Rural Employees Consortium, in the city of Moju. This consortium attends 60 family farmers, employs 32 workers and distributes an average monthly income of R\$ 4,810.00.

A considerable portion of the production from farmers who are part of the palm chain in that City comes from traditional crops and is sold in free markets.

In Arauaí, similar to other integrated communities, the agroforestry system stands out. Figure 5 below shows one evidence of the progress in the field after the assembling of consortium communities.

Figure 5: House of Benedita Nascimento, president of the Arauaí Consortium, in the beginning of the project and nowadays, Moju (PA).



Photo by Debora Nascimento, 2018.

4.2 COMPARING SOLIDARITY AND CREATIVE ECONOMY

In all sectors of the Brazilian economy there are informal workers. This is due to the high cost of hiring, especially taxes and extraordinary charges, which, after all, does not benefit workers. In rural areas, there is also educational and health care demand.

Solidarity economy is an alternative to the process of social exclusion, since it is

capable of fighting poverty considering that it guarantees quality of life beyond employment.

Solidarity economy is a social movement to face extreme poverty, which challenges long-standing Amazonian issues, such as the absence of laws on traditional knowledge, the frailty of technical assistance policies, and the mismatch between legislation and the life of the family farmer.

Lopes (2011) reports that the consortium of rural employers as a practice of social organization emerged before any legal initiative, as a solution to a demand of practical life.

Hiring rural workers through a consortium of rural employers brings legal certainty and repeals the action of intermediaries. Workers are directly and simultaneously hired by different employers to whom they provide services, with guaranteed registration.

Another comparative advantage is the reduction of labor costs. Since it is a single contract, expenses are apportioned by the producers, in accordance with the period labor was performed. There are also advantages for the worker, as the increased hiring period makes employment contract uninterrupted.

With the consortium it is possible to encourage formal work, combat turnover, reduce litigation and guarantee fundamental labor rights.

5 FINAL CONSIDERATIONS

Apart from its colossal extent, the Amazon is a land of contrasts. The region is globalized by the weight of decisions that have substantial impact on it, but meanwhile it is a pre-modern region with social issues that have persisted for centuries.

Labor crisis is a symbol of modern times. It is imperative that we notice and understand our time in its entirety, and consequently settle accounts with the invisible or eclipsed people.

The Amazon combines a broad range of experiences and such universe still needs to be explored. Dialogue is a key to reading the region as it allows society to convert its contradictions into a pact for coexistence.

Investing in dialogue results in negotiated spaces, agreements for common good and promotion of social justice. Interacting is recognizing antagonistic interests, but above all be willing to conciliate.

Abrapalma believes that workers who are part of its production chain can lead a historical moment of labor reinvention in Brazil, with new solidarity and sustainable strategies.

By the recent decision of the Supreme Federal Court in the midst of ADPF No. 324, proposed by the Brazilian Agribusiness Association (ABAG), which now allows outsourcing for intermediate and core activities, Brazil inaugurates a new labor culture, through entrepreneurship and partnership.

Solidarity economy is a step beyond outsourcing labor. Cooperative is a model of economic insertion that places man at the center of the production process. Beyond the economy, there is work as a source of social achievement. It is all about empowering the smallholder farmer to be the master of his destiny.

Solidarity economy encourages workers' mobilization in order to create and manage socioeconomic alternatives that fit their needs. It is an economic, but above all, political and cultural practice, promoting the resignification of worker's social insertion.

In the land of contrasts, it is not the strong and "smart" who survive. Whoever joins forces will survive!

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