

# Benefit Sharing in practice: Natura Cosmetics



## Natura Cosmetics: Policies and practices on fair and equitable benefit sharing

Natura ([www.natura.net](http://www.natura.net)) is one of the world's leading companies in the cosmetics and personal care sector. Established in Brazil in 1969, Natura is guided by the principle of "Well-Being-Well", which embodies people feeling good about both themselves and the world around them. Natura is a founding member of the Union for Ethical BioTrade (UEBT).

Biodiversity, so rich in a country like Brazil, is central to Natura's commitment to sustainable development. Natura is dedicated to contributing to the conservation of biodiversity by developing new ingredients and products based on sustainable use and the equitable sharing of benefits. For example, distinctive features of the Natura Ekos Line, launched in 2000, are its roots in Brazilian biodiversity and the partnerships built with local communities to share the resulting benefits.

## Benefit Sharing in Ethical BioTrade

Equitable sharing of benefits from biodiversity is at the core of Ethical BioTrade, which seeks to advance incentives at the local level for the sustainable use of biodiversity, as well as adequate recognition of the contributions of local actors. The Ethical BioTrade standard addresses benefit sharing in both sourcing and research and development activities. "Benefit Sharing in Practice" provides concrete examples of how members of the Union for Ethical BioTrade (UEBT) are working towards equitable sharing of benefits in their policies and practices linked to natural ingredients.



## A policy for the sustainable use of biodiversity and traditional knowledge

In 2010, Natura adopted a 'Policy for the Sustainable Use of Biodiversity and Traditional Knowledge' as a way to structure and formalize its approaches and experiences on issues linked to conservation, sustainable use and access and benefit sharing. This policy, which is publicly available, establishes the manner in which the company conducts biodiversity-based research and development. For example, Natura commits to the principle of prior informed consent, as well as to transparency and openness to dialogue in its relationships with suppliers, communities and other partners. Specific directives are provided on issues such as bioprospecting and equitable benefit sharing.



## Sharing of benefits

Natura shares the benefits from using genetic resources and associated traditional knowledge with local producers or communities, in line with national legislation implementing the Convention on Biological Diversity (CBD). Benefits to be shared are determined jointly with the local producers and communities. To advance dialogue and more balanced negotiations, Natura offers independent technical support for local associations and communities to understand and safeguard their rights.

Certain parameters are established for the sharing of monetary benefits. For the use of genetic resources, benefit sharing is linked to the development and effective use of raw materials in Natura products. When providers are local producers and local communities, these groups are entitled to a percentage of the net income from the sale of these resulting products. In addition, they receive an advance payment at the moment that a raw material is developed and found to be suitable for Natura products, even prior to the development and commercialization of such products. Benefit sharing agreements generally cover three years, which is the average time that a product remains active in the company's portfolio.

For traditional knowledge associated to a plant in development and its use as raw material in Natura products, benefit sharing is linked to the access of such knowledge from a local producer or community. An initial payment is made at the end of the research phase, recognizing that the knowledge increases the company's potential for developing new products. If this potential materializes and the knowledge results in the launch of new products, Natura negotiates another payment with the indigenous community.



## Bioprospecting

In cases of access to new plant species or their derivatives, whether for research, bioprospecting or technological development, the Natura policy requires prior informed consent from and, if applicable, mutually agreed terms with the providers. Additionally, its bioprospecting activities take into account considerations linked to the conservation and sustainable use of biodiversity. For example, priority is given to plant material harvested with environmentally sound techniques. Benefits shared with the providers in the context of bioprospecting are agreed upon and treated independently of negotiations on sourcing activities or on the use of genetic resources and traditional knowledge linked to known species and ingredients.

## Putting in practice benefit sharing

Since 2000, Natura's approach of developing partnerships with providers and their communities has generated income for hundreds of families and driven local sustainable development in diverse regions of Brazil. In 2011, as described in detail in its annual report, Natura worked with 32 communities representing 3,235 families. The income of these communities reached 10 million Reais (approx. 3.8 million Euros), of which 1.6 million Reais (approx. 610.000 Euros) were benefits shared for use of biodiversity and associated traditional knowledge.

Despite these achievements, Natura is aware that the issue of access and benefit sharing is new and complex. Moreover, local producers and communities involved are often facing social and economic difficulties, in addition to living within vulnerable ecosystems. Given these challenges, Natura continues to monitor and improve its policies and practices on fair and equitable benefit sharing, including with support from external organizations. Moreover, it continues to engage with the competent authorities towards a legal framework for access and benefit sharing that drives research and development, the conservation and sustainable use of biodiversity and the recognition of the contribution of local producers and communities.



## Contact UEBT

UEBT is a membership-based, non profit organisation - [www.ethicalbiotrade.org](http://www.ethicalbiotrade.org).

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