

Ecoflora - Case Story



**SOURCING
WITH RESPECT®**

Investigating new uses of Laurel wax as a cosmetic ingredient

Ecoflora is a Colombian company, leader and pioneer in developing technological solutions, bioinputs and services derived from biodiversity for the food, cosmetics and personal care, household and pet care industries. Ecoflora is founded in on strong ethical and environmental principles and, since 2009, Ecoflora Cares, one of its divisions, has been a member of the Union for Ethical BioTrade (UEBT).

Generating income through sustainable laurel wax production

The South Pacific region is one of the poorest in Colombia. One of the few sources of income for communities is logging, which means deforestation is a serious environmental problem. In the case of the laurel de cera, deforestation is particularly problematic as this shrub grows in ecologically significant areas such as riverbanks. The effort of Ecoflora to develop laurel wax as an ingredient for cosmetics products is giving the laurel shrub a higher value as fruit-bearing plant than as timber, and thus promoting its sustainable use.

The project also aims to provide an alternative income generating activity for local communities. The traditional uses of laurel wax – to make soaps, candles, or moulds – require limited processing. Little value is added before it is sold in local markets. Moreover, this wax is generally low quality and considered a marginal and non-profitable product.

However, since the wax has a melting point very similar to body temperature, it could be an interesting ingredient for lipsticks, lip balms, creams, foundations and mascaras. To facilitate this application, Ecoflora is developing new transformative processes to improve the quality of the product and thereby add value and generate more revenue at the local level. It is also working to find other potential uses of laurel wax. In an agreement with the communities, Ecoflora has engaged to buy laurel wax from producers of the south western Andean region and to support the local communities in establishing sustainable production and equitable supply chains of laurel wax to respond to new market demand.



Photo: wikipedia.org

Community Trading Grants - Upscaling an ethical supply chain

In 2010, Ecoflora received a Community Trading Grant, awarded by UEBT with the support of the Doen Foundation and designed to support and facilitate Ethical BioTrade practices at the community level. The grant to Ecoflora had, as a specific objective, to support the ethical sourcing of laurel wax. The laurel wax supply chain is being developed in partnership with local non-profit organisations which promote local development in the South Pacific area of Colombia. With the support of this grant, Ecoflora and its partners are working to develop the laurel wax supply chain in accordance with the Ethical BioTrade Standard, ensuring that the sourcing of the ingredient respects biodiversity and that benefits are shared throughout the supply chain.

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Ethical BioTrade Standard

Membership to UEBT means the organisation commits to putting in practice the principles of the Ethical BioTrade Standard (see table below). This means ensuring that its practices promote the sustainable use of natural ingredients while making sure that all contributors along the supply chain are paid equitable prices and share the benefits derived from the use of biodiversity. In this way the Ethical BioTrade Standard aim to further the objectives of the Convention on Biological Diversity (CBD), which are the conservation of biodiversity, its sustainable use, and the equitable sharing of benefits resulting from the use of genetic resources contained in biodiversity.

All UEBT members work to gradually implement the Ethical BioTrade Standard in their operations and along their supply chains involving natural ingredients. Regular third party audits are performed to track progress. Working towards the Ethical BioTrade Standard allows members to identify areas in their sourcing policies and practices that could be improved and provides third party verification to claims about ethical sourcing. Companies use their membership to UEBT as a way of underlining their commitment to biodiversity, as well as continuously improving their sourcing of natural ingredients.

Ethical BioTrade Principles and Criteria	
Biodiversity conservation	Preserving ecosystems and promoting practices that contribute to conservation plans and strategies.
Sustainable use	Sourcing practices promote the long-term ability of an ecosystem to function.
Fair and equitable benefit sharing	Use of biodiversity and traditional knowledge occurs on the basis of prior informed consent and the equitable sharing of monetary and non-monetary benefits.
Socio-economic sustainability	Adopting quality management and financial practices that are sustainable and socially acceptable.
Legal compliance	Respecting all relevant international, national and local regulations.
Respect for the rights of actors	Taking into account human rights and working conditions of indigenous and local communities.
Clarity about land tenure	Respecting land tenure and rights over natural resources.

Supply of the laurel wax

One of the main aspects of the Community Trading Grant Project is formalising the production and supply chain of the laurel wax. Commercialisation of laurel wax traditionally takes place in an informal and largely unregulated manner. Formalising the supply includes improving processes, preparing contracts and documents, developing management plans, obtaining certifications and improving legal compliance.

It is estimated that in the first three years of the project, 7 tons of Laurel wax will be produced. Approximately 60% of the turnover will go to the producers, with the other 40% covering logistics-related expenses. By year 5, around 50 producers will deliver more than 25 tons, which would translate into a significantly higher income for the producers. In order to increase production, Ecoflora is promoting good practices and informing the communities on the properties of the species and its potential for commercialisation. More important than increasing the quantity of the production though is the improvement in the quality of the laurel wax. The development of better extractive procedures will help ensure the constant high quality of the ingredient required by the international market.

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Laurel wax is produced from the fruits of the Laurel de Cera (*Morella pubescens*), a shrub or tree that grows on road verges, banks and in fields at high altitudes. Local communities have exploited the species for many generations and the fruit harvest and processing still follow the same traditional methods today. The final product is a wax that local communities use as an ingredient for soaps, candles, and most importantly for moulds used in the making of Panela – a traditional Colombian ingredient derived from sugarcane.

Laurel wax and the environment

Developing the laurel wax as a cosmetics ingredient is giving value to the species and therefore motivating its protection as the possibility to generate funds from the living trees discourages their destruction. The funds from the Community Trading Grant have also been used to raise awareness of the importance of the species among the producers, highlighting their role in the conservation and regeneration of soils and watersheds.

Laurel wax and the local communities

The communities involved in this project are situated in the Andean region in the Southern Pacific area of Colombia. An estimated 20 families will benefit from this project in the short term, and about 100 in the longer term. In addition, laurel wax will become a more significant source of impact for these families, which have traditionally only benefited from it as an additional, seasonal source of revenue, since laurel wax was sold sporadically and in small quantities.

Conclusion

Though significant work has taken place to promote and establish ethical sourcing practices, the challenge for Ecoflora remains to develop and consolidate markets for higher value uses for the laurel wax. In terms of the supply chain, further work is needed to address issues such as the seasonality of the laurel wax, as well as expand production capacities, enhance the quality of the product, and ensure the equitable sharing of benefits all along the supply chain.

Ecoflora

UEBT membership since 2009
Auditing Company - NaturaCert
CTG Support - 19,995 Euros

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The Union for Ethical BioTrade (UEBT) is a non-profit association that promotes the 'Sourcing with Respect' of ingredients that come from biodiversity. Members commit to gradually ensuring that their sourcing practices promote the conservation of biodiversity, respect traditional knowledge and assure the equitable sharing of benefits all along the supply chain.

The DOEN Foundation's ambition is to help build a sustainable world in which everyone can participate. DOEN promotes sustainable, social and cultural pioneers among others†with the revenues of the Dutch Postcode Lottery. DOEN promotes people and enterprises that take the lead in the field of sustainable, cultural and social innovation. DOEN seeks out these innovators, supports and inspires them and brings them together.