



Fair Circularity
Initiative

A Living Income for the Informal Waste Sector

A methodology to assess
the living income of waste
workers in the context of
the Global Plastics Treaty

S Y S T E M I Q

About this Publication



Fair Circularity Initiative

Analysis and report developed by

S Y S T E M I Q

Fair Circularity Initiative

The Fair Circularity Initiative brings businesses together around the aim of ensuring the human rights of workers within the informal waste sector are respected and their critical role in circular value chains is recognised.

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This report was prepared by Fair Circularity Initiative and Systemiq with strategic guidance from an independent Advisory Board which provided input on all major project decisions, reviewed all findings, and advised on into the approach. The advisory board had representation from civil society and industry, and the authors of this report are deeply grateful to all the organizations and individuals that contributed their unique perspectives. Findings related to the Living Income calculated in this study have followed the Anker methodology however they have not been independently reviewed by the Anker Research Institute. While the report was financed by Nestlé, the independent Advisory Board has guided the process throughout. Responsibility for the information and views set out in this publication lies with the author.

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Some photos included in this report are by Vicky Roy. Once a rag picker at the New Delhi Railway Station, Roy now captures the daily activities of people on the streets. Roy says **“My aim is to show the positive aspects of life instead of the darker side. If I could come out of the difficulties and become successful, I believe anyone could do it.”**

See more at www.vickyroy.in

Executive Summary

Today, an estimated 19-24 million individuals worldwide earn their livelihoods through collecting and recycling waste. Approximately 0.5-1% of the global workforce are engaged in this critical but underappreciated occupation; and 80% of waste pickers operate within the informal economy. These informal workers make a significant contribution to waste management systems and collect 60% of the plastic recovered for recycling. Their role in recycling and environmental conservation is undeniable; but in many countries, these informal workers are underpaid, marginalized and vulnerable.

To bring greater ambition to the Global Plastics Treaty and realize national plans, countries must deepen their understanding of the concept of a living income and derive concrete recommendations from successful case studies. This is key not only to advance the human rights agenda, but also to enhance the resilience of the waste system, which in turn should improve its overall efficiency. This report centers on the critical concept of a “living income,” defined as a standard of living that encompasses all the necessary components of a decent life. The report also provides a practical methodology for companies to support the provision of a living income within their supply chains—an approach hitherto unexplored when it comes to waste workers.



Informal workers account for 60% of global of plastic collected for recycling

This report introduces a comprehensive methodology designed to support stakeholders in assessing income levels within communities both where waste pickers are organized (e.g., through cooperatives or associations) and where they operate independently, as well as among formal waste workers. This methodology consists of three fundamental pillars: Establishing a baseline; Determining the need; and Building a benchmark. Its relevance is particularly pronounced for informal workers, such as waste pickers, and those engaged in the transition from informal to formal work settings, including emerging waste management structures.

A thorough examination of existing incomes and estimated living incomes was carried out across three distinct sites in three countries: Brazil, Ghana and India. The methodology was found to be of value to local partners, whose connections and understanding of the specific context were instrumental to successful, culturally appropriate research. The report’s findings reveal that waste pickers, in the three contexts under investigation, generally fall short of earning a living income. This deficiency has far-reaching implications for human rights—particularly with regard to food security and, to a lesser degree, access to decent housing. Notably, waste picker income exhibits substantial variations within each context. This suggests that a multifaceted approach is necessary to improve waste picker earnings.

Across the three geographies studied, waste pickers derived more than half of their income from plastics. Consequently, action taken to address the issue of plastic waste can have a significant impact on the future incomes of waste pickers.

To ensure the effectiveness of just transition provisions, the Global Plastics Treaty must be free from ambiguity. Equally important is emphasizing Treaty provisions related to extended producer responsibility (EPR) and waste management. Government legislation will also play a pivotal role in improving conditions for waste pickers. Rather than treating assistance programs as acts of

charity, governments should enact laws that grant legal rights to waste pickers, thereby reducing their economic insecurity. A just transition is impossible without this legal foundation. To achieve this goal, governments should implement key policies that include recognizing waste picking as a legitimate occupation within established labor categories; issuing identification cards, occupational licenses and other locally relevant documents; establishing dedicated government units to safeguard the rights and welfare of waste pickers; encouraging the formation of cooperatives and associations; and ensuring access to healthcare, housing and education for waste pickers, while proactively eliminating any exclusion from essential public services. Furthermore, it is vital that waste pickers are included as relevant and legitimate stakeholders—and that their interests and concerns are factored in as essential considerations—in the decision-making processes that affect their livelihoods, including in relation to the design and implementation of EPR schemes.



Companies must recognize the informal waste sector as part of their value chain

In parallel, governments and companies can tackle the issue of a living income, utilizing this methodology to understand existing income and calculate a living income.

Additional funding avenues include strengthening the EPR legal framework and operational systems to involve waste pickers and enable them to benefit from these schemes. The potential impact was evident in the survey in Brazil, where these mechanisms had effectively enabled waste pickers to move out of poverty. Further measures include supplying essential safety equipment such as shoes, gloves, vests and sorting tools, facilitated through legal worker status. Developing cooperative funding entities to provide low-interest credit and ensuring that vulnerable workers have access to fair micro-financing are also crucial to address the high interest rates imposed on households—predominantly by local lenders, who often buy materials from waste pickers.

The Fair Circularity Principles apply the expectations of the United Nations Guiding Principles on Business and Human Rights (UNGPs) to the informal waste sector.

Waste pickers face a complex range of human rights impacts, including poor working conditions, lack of freedom of association, exclusion from social and financial services, child labor, marginalization and discrimination. Companies across all tiers and sectors of the plastics

value chain must recognize the informal waste sector as an essential link in this chain. This holds true for companies that produce or utilize plastic waste which is eventually reclaimed by waste pickers; as well as those that use recycled content reclaimed by waste pickers. Human rights impacts experienced by waste pickers—including those relating to income—fall within the scope of companies' responsibility to respect human rights under the UNGPs, which extends across the value chain.

The Fair Circularity Initiative (FCI) aims to create an ecosystem for implementing its principles within waste and recycling value chains and policy frameworks, with a strong emphasis on upholding the human rights of workers in the informal waste sector.

Collaboration with The Circulate Initiative (TCI) and the development of implementation guidance and policy action guidance are already underway. Research projects, such as this report on a living income, seek to drive recognition of the informal waste sector and take action to address the human rights impacts experienced by workers in this sector. Simultaneously, capacity building and implementation projects will support value chain transformation and identify the best ways to overcome barriers to rights-respecting practices. Common requirements agreed by FCI members will guide reporting on annual progress.

In conclusion, this report underscores the critical importance of recognizing waste workers and providing them with a living income. In the coming year, the FCI will be developing a toolkit and will work with organizations to disseminate the methodology. Other companies are invited to join in this vital effort. Together, we can work towards a more equitable and sustainable future for waste workers and our planet.

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Why a report on a living income for waste pickers?

An estimated 19-24 million individuals worldwide derive their livelihoods from collecting and recycling waste. Approximately 0.5-1% of the global workforce are engaged in this occupation; and 80% of waste pickers operate within the informal economy.^{1,2,3} This informal sector jointly collects and processes 15-20% of metropolitan waste on a global scale and is responsible for collecting almost 60% of the plastic which is recovered for recycling.^{4,5} In certain countries, such as Indonesia, the recycling industry relies almost exclusively on the contributions of informal waste pickers.⁶

Despite their indispensable role, these workers are often underappreciated and underpaid.

As the Global Plastics Treaty process gains momentum, empowering waste workers has emerged as more than just a response to the global plastic crisis: it has become a vital element in the collective pursuit of social justice. However, many workers in this crucial sector are unregistered, unorganized and unrecognized by local communities and governments. Their situation is marked by the absence of labor rights, hazardous working conditions, meager incomes, limited access to social protection and disproportionate impacts on women and children, highlighting the pressing need for reform and recognition.

Informal waste workers—who are frequently marginalized and vulnerable—are instrumental in local recycling efforts.

Their tireless work and knowledge in collecting, sorting and recycling waste materials not only add value to the industry but also yield multiple benefits, including savings for local governments, job creation, reduced greenhouse gas emissions, decreased reliance on fossil feedstock, reduced landfill waste and mitigation of environmental leakage.

March 2, 2022 was a historic milestone for the waste pickers' movement, as it marked the inaugural recognition of informal waste pickers within a United Nations Environment Assembly (UNEA) resolution. In recent years, associations and local governments have made significant strides in acknowledging the pivotal roles played by these workers and promoting more inclusive work environments. The UNEA resolution represents the culmination of years of tireless activism and recognizes "the significant contribution made by workers in informal and cooperative settings to the collecting, sorting, and recycling of plastics in many countries." This momentous step signifies the beginning of a journey toward concrete global and national policy recommendations that aim to empower the informal waste sector.

The Zero Draft of the Global Plastics Treaty, released in September 2023 ahead of the third session of the Intergovernmental Negotiating Committee, lays the foundation for ensuring

The informal sector jointly collect and process 15-20% of metropolitan waste on a global scale, and is responsible for collecting 60% of plastic collected for recycling



a just transition for waste workers by providing clear guidance for countries on how to support and promote a just transition.⁸ The Global Plastics Treaty's introduction of a new international legislative framework promises to exert significant influence on waste value chains, with implications for the informal sector. Consequently, the inclusion of a robust section on the just transition is crucial. The current draft highlights the importance of key initiatives, such as establishing a coordinating body for stakeholder engagement; developing policies to enhance working conditions and livelihoods; promoting a clean, healthy and sustainable environment for waste workers; and integrating informal workers into cooperative or association settings and secure value chains. Additionally, it suggests the use of EPR as a relevant policy tool for financing and implementing just transition activities.

To translate these objectives into actionable national plans, countries will need a deeper understanding of the subject and concrete recommendations gleaned from successful case studies.⁹ India and Brazil

have made significant progress in this regard, offering valuable lessons that can be shared. The first step involves recognizing informal waste workers' labor status and the importance of cooperatives and associations in improving workers' livelihoods. These organizations can form networks which can subsequently evolve into essential counterparts for local governments. Empowerment efforts should focus on improving access to structures that facilitate entrepreneurship, while ensuring social and economic safeguards to enable living incomes and decent livelihoods. Ultimately, access to technology and transparent markets will foster fair competition and facilitate the integration of waste workers into formal value chains.

This report focuses on the pivotal concept of a living income—a standard of living that encompasses all the components essential for a decent life. To promote a just transition toward a circular economy—particularly one in which the collection and valorization of secondary materials represent a sustainable livelihood—a steadfast focus on human rights is

crucial. In this context, the report introduces a methodology that estimates living income for informal waste workers and their families within the framework of the Global Plastics Treaty.

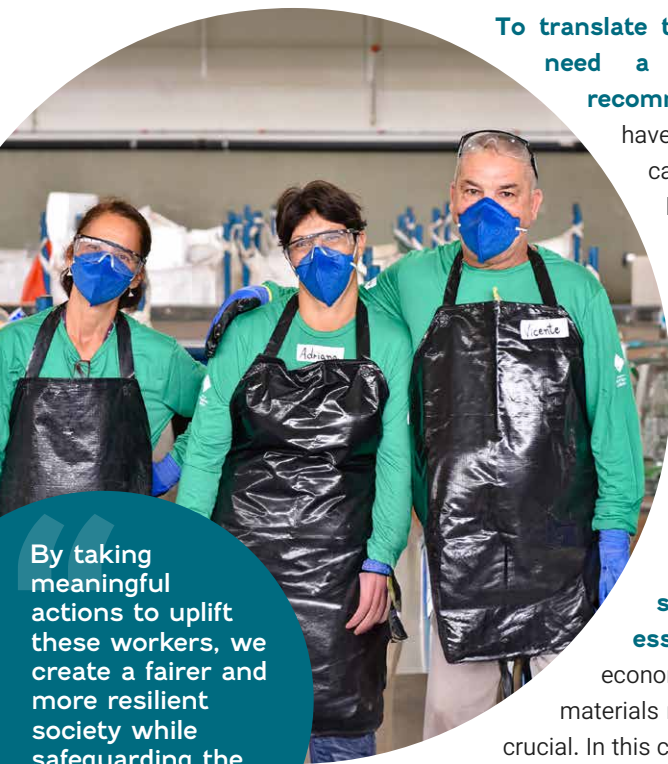
For informal waste workers, the attainment of a living income will be a vital steppingstone in their journey out of poverty.

The report has three primary objectives:

- **Present a living income within the context of informal waste workers** and establish a comprehensive methodology for its determination.
- **Offer insights about both the informal and emerging formal sectors of waste management**, ensuring that wages can support not only living incomes but also economically and socially sustainable waste management practices.
- **Provide a practical methodology for companies** to promote a living income across their supply chains

Recognizing the indispensable role that waste workers play in waste management and environmental conservation is crucial to achieve the United Nations' Sustainable Development Goals. Providing workers with a living income not only addresses their immediate socio-economic needs but also advances the FCI's shared goals of poverty reduction, social justice and environmental sustainability. Taking meaningful action to safeguard the human rights of these workers will help to create a fairer, more resilient society, while safeguarding the planet for generations to come.

This report aims to shed light on the imperative of a just transition and help ensure that the Global Plastics Treaty negotiations embrace this formidable challenge.



By taking meaningful actions to uplift these workers, we create a fairer and more resilient society while safeguarding the planet for generations to come.

The Living Income, a proven concept to support a just transition

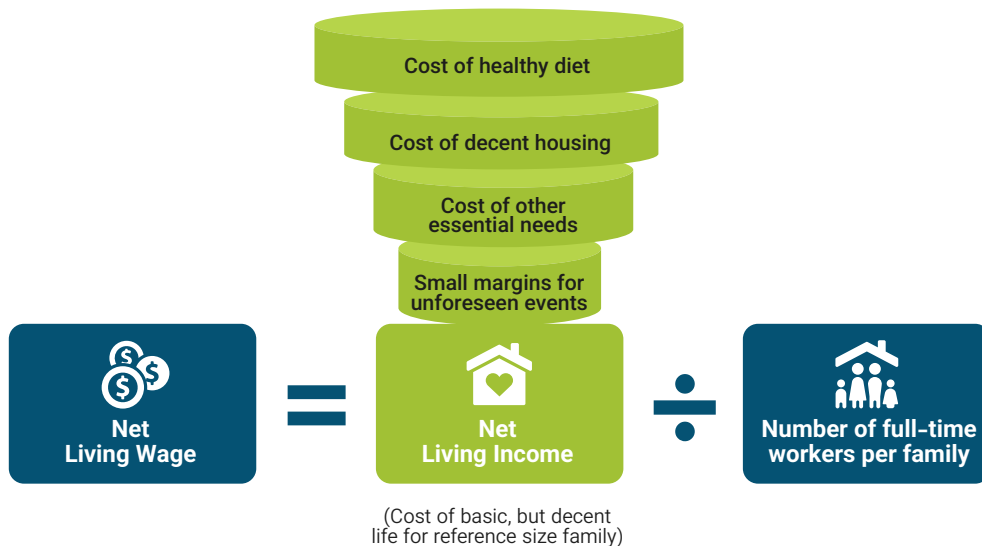
Living income—defined as a standard of living with all the components essential for a decent life—represents a critical milestone in the ongoing battle for economic justice. This concept acknowledges the right of every individual to earn an income that allows them to meet their basic needs, lead a dignified life and escape the cycle of poverty.¹⁰ It goes beyond mere subsistence, encompassing necessities such as adequate food, clean water, decent housing and access to healthcare and education.

Living income is location specific and must be adjusted to regional cost variations to ensure that it is sufficient for a dignified life within a specific geographic area. Ultimately, a living income seeks to provide economic security, reduce poverty and empower an entire household to thrive rather than merely survive. A living wage—commonly applied in formalized sectors—is rooted in the concept of a living income but diverges by considering the number of full-time workers within a household. It thus specifies the income level that the average worker should achieve to ensure that, when combined with the earnings of other family members, it collectively constitutes a living income for the entire household.⁹

Several methodologies have been developed to estimate living income, but the most widely used is the Anker methodology.¹¹ The Anker methodology, developed by Martha and Richard Anker in the 1990s, is a widely recognized approach for estimating living income thresholds. It factors in essential components such as food, shelter, healthcare and education, with region-specific adjustments. This approach provides a pragmatic framework for governments, organizations and researchers to calculate living income benchmarks tailored to specific contexts. Other methodologies have been developed by the Fair Wage Network¹², WageIndicator¹³ or NewForesight¹⁴ (see comparative table in Appendix).

A living income seeks to provide economic security, reduce poverty, and empower an entire household to thrive rather than merely survive.

FIGURE 1 **Living Income vs Living Wage definitions according to the Anker methodology¹⁵**



Living income concepts and methodologies, including Anker's, have been applied across various sectors and settings:

LABOR MOVEMENTS

Labor unions have leveraged the concept to negotiate fair wages and working conditions for workers, advocating for economic justice within industries.

AGRICULTURE & FAIR TRADE

The Fair Trade movement has integrated living income principles to ensure that small-scale farmers and producers receive prices for their products that cover their basic needs.

GLOBAL SUPPLY CHAINS

Companies have employed living income calculations to assess the wages of workers in their supply chains, with the aim of eliminating poverty wages.

GOVERNMENT POLICIES

Governments have used living income benchmarks to set minimum wage standards, establish social safety nets and launch poverty alleviation programs.

It would appear that these methodologies have yet to be applied specifically to waste workers.

However, they are highly relevant to this sector, particularly given the following:

DIGNITY & WELLBEING

Most waste workers are informal workers and live in poverty, unable to afford essential goods and services like food, housing, healthcare and education. This, in turn, impacts their overall wellbeing and that of their families. A living income can break the cycle of poverty.

ENVIRONMENTAL SUSTAINABILITY

Adequate income reduces the pressure on informal waste workers, which in turn contributes to better waste management practices. This results in more efficient recycling, lower pollution levels and a healthier environment.

SOCIAL INCLUSION

Providing a living income empowers waste workers to participate more fully in society, improving their social status and reducing the stigma and discrimination associated with their occupation.

ECONOMIC RESILIENCE

A living income provides a safety net for informal waste workers, enabling them to withstand economic shocks and invest in their skills and equipment, and ultimately strengthening local economies.

GENDER EQUALITY

A significant number of informal waste workers are women (estimated from 33%-44% depending on the country).¹⁶ A living income empowers women economically, promotes gender equality and reduces gender disparities.

RECOGNITION & REGULATION

Establishing a living income as a baseline sets the stage for recognition of the role of waste workers in the economy and more broadly in society, and for regulation of the informal waste sector to ensure fair incomes, safer working conditions and access to social benefits.

The FCI hopes this methodology will evolve into a widely adopted standard practice, especially within the context of the Global Plastics Treaty.

Living income methodologies are essential instruments in the battle against poverty and income inequality. Building on the foundation laid by the Anker methodology, this report offers a practical framework that can pave the way for defining and contributing toward economic justice in the informal waste sector. The methodology outlined in the following section represents an initial step, which the FCI hopes will evolve into a widely adopted standard practice—especially within the context of the Global Plastics Treaty.

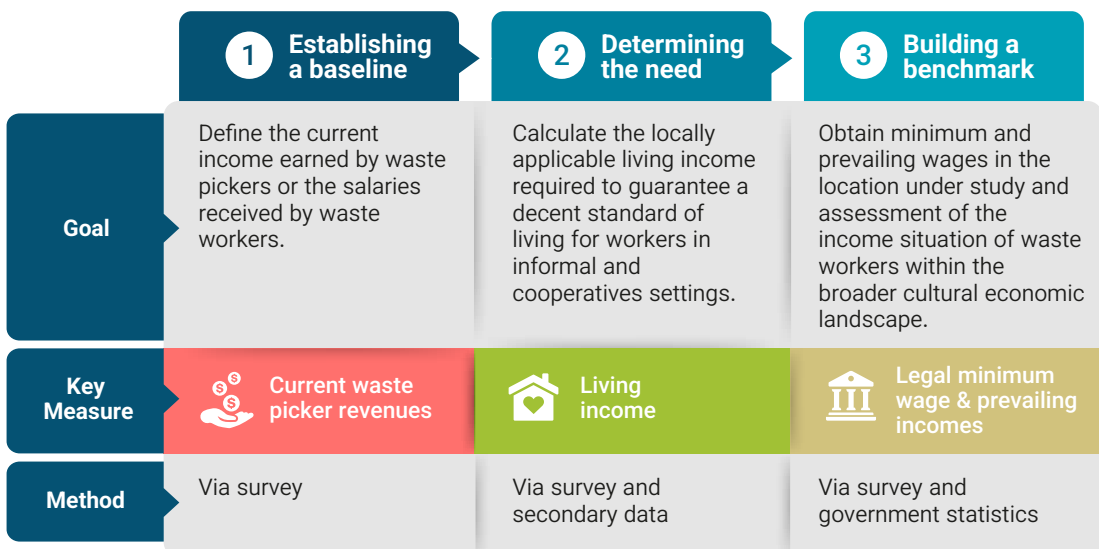
A proposed methodology for informal waste workers

This section introduces a methodology designed to provide valuable support to stakeholders in assessing income levels within communities both where waste pickers are organized (e.g., through cooperatives or associations) and where they operate independently, as well as among formal waste workers. The primary objective of this methodology is to ensure that these individuals can achieve and sustain a decent standard of living. Derived largely from the Anker methodology, this framework has been thoughtfully adapted to align closely with the unique context of waste workers.

This methodology comprises three core pillars:

- **Establishing a Baseline:** At its core, this step involves a thorough examination of the current income earned by waste pickers or the wages received by waste workers. It serves as a crucial starting point for understanding the existing economic landscape.
- **Determining the Need:** The next vital aspect involves calculating the locally applicable net living income required to guarantee a decent standard of living for waste pickers and other waste workers. This is achieved by considering factors such as housing, nutritional needs, healthcare, education and more, while accommodating the specificities of the local context.
- **Building a Benchmark:** To further contextualize the findings, it is essential to identify the existing minimum and prevailing wages in the location under study. This benchmark allows for a meaningful comparison and assessment of the income situation of waste workers within the broader cultural economic landscape.

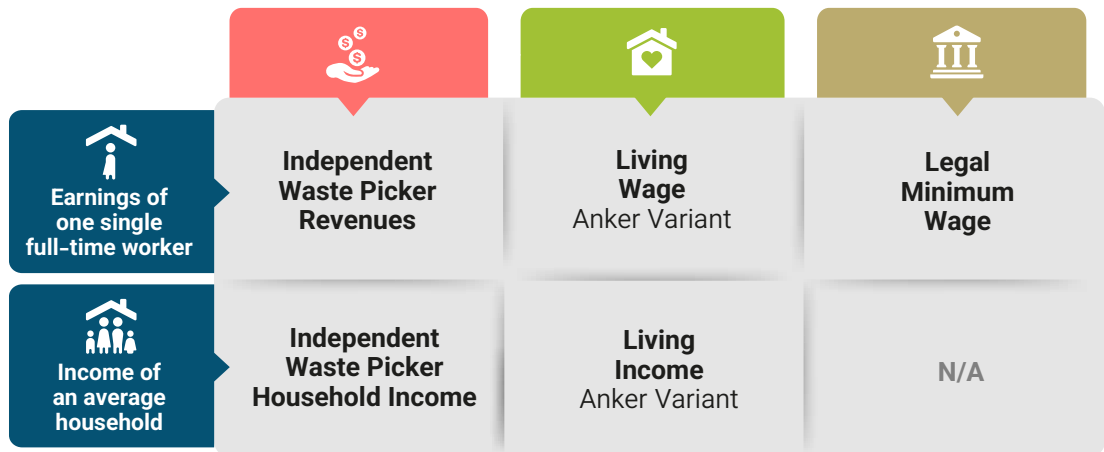
FIGURE 2 **Three pillars of the methodology developed in this study**



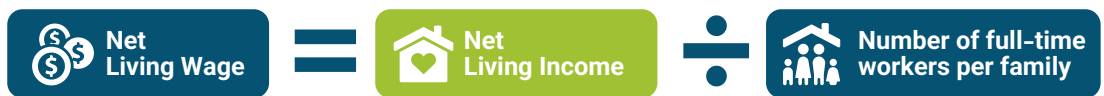
The outcomes generated through this methodology are inherently location specific. They are intricately linked to regional regulations, cultural practices, local price structures and the unique dynamics of the communities involved. By recognizing and respecting these nuances, it will be possible to ensure that the resulting recommendations are not only comprehensive but also tailored to the specific needs and conditions of waste picker communities and other waste workers.

This methodology has particular relevance for informal workers (e.g., waste pickers) and those involved in formal-informal or emerging formal work settings. Considering that the waste management value chain—particularly in many Global South countries—predominantly relies on informal workers or structures, it is imperative to develop tools that empower participants in the global plastics value chain to achieve a living income. The Anker methodology defines “income” as the earnings of an entire household. While stakeholders working in informal sectors often refer to the earnings of a single waste picker as “income,” this report uses the term “revenues” instead. This is to ensure a clear distinction versus the earnings of a household, for which this report uses the term “income” (see Figure 3).

FIGURE 3 Terminology used in this study

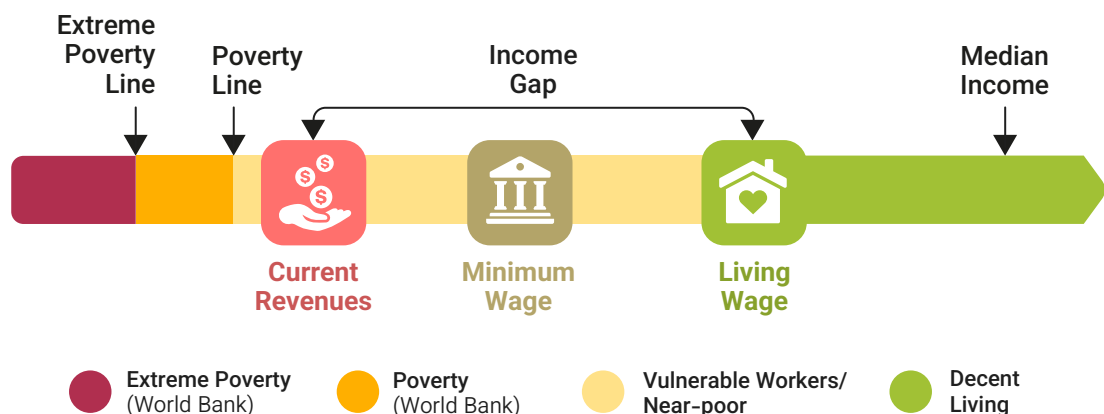


Note:



This methodology aims to support stakeholders to create an “income ladder” and identify the gap between current incomes and what constitutes a decent standard of living locally. Using this tool, our goal is to offer quantitative insights that can guide all stakeholders to empower individuals and families in increasing their income, reducing poverty, and achieving financial stability, thereby contributing to a fairer and more prosperous society.

FIGURE 4 Income ladder. An illustrative example



1

Establishing a Baseline

The primary objective of this initial step is to acquire enough data to estimate the present earnings of waste pickers or the wages of waste workers.

The methodology differs depending on whether the waste workers in question operate independently and informally or belong to a formal-informal or emerging formal waste management structure. When operating independently and informally, a more comprehensive approach is needed to estimate earnings from waste-related activities, which can vary considerably based on factors such as working hours, market prices and existing policies such as EPR schemes or environmental payments. Conversely, in more formal structures, the process is relatively simpler, as workers typically receive a fixed wage with the possibility of performance-based bonuses.



Methodology for independent and/or informal waste workers (e.g., waste pickers)

A comprehensive questionnaire (see Appendix 3) was designed with the aim of understanding the local context of independent and/or informal workers and estimating the revenues from their waste activities.

This questionnaire is divided into six sections:

1. Introductory questions;
2. Waste management working conditions and organization;
3. Revenues from waste management activities;
4. Expenses from waste management activities;
5. Living expenses and living conditions; and
6. Miscellaneous questions.

The sample size (number of interviewees) of the questionnaire should be at least 40 and should be representative of local waste picker presence:

- gender representation;
- age balance;
- ethnicity (if locally relevant); and
- the relevant mix of organizational types and worker configurations.

Interviews should be run individually but may be run in groups if that is not possible.

To assess the quality of the data sampled, the following interviews are recommended:

- interviews of local buyers to obtain material price list as well as volumes of materials; and
- interviews of local waste picker cooperatives or associations (if relevant) to gather data on material prices, volumes of materials and waste picker efficiency.

Methodology for workers in formal-informal or emerging formal waste management structures

In the case of waste workers who receive a wage, a simple survey of workers and management/owner should enquire as to the existing wage level. Special attention should be paid to performance-based wage, potential bonuses, working arrangements, position and seniority levels, which can drive significant differences in wages.

2

Determining a Need

In this step, the objective is to calculate the locally relevant net living income necessary to ensure a decent standard of living for waste pickers and other waste workers. This calculation involves assessing the costs associated with essential elements such as a nutritious diet, suitable housing, healthcare and education. It is recommended to follow the Anker methodology, which has been established as a reputable open-source methodology. The following sources can provide guidance to facilitate this process:

THE GLOBAL LIVING WAGE COALITION

This organization is supported by the Anker Living Wage and Income Research Institute and offers numerous benchmarks, case studies and resources for assessing living incomes across various sectors.

THE OPEN-SOURCE BOOK BY MARTHA AND RICHARD ANKER

This comprehensive open-source manual by Martha and Richard Anker is the most exhaustive resource for calculating living incomes based on the Anker methodology.

The living incomes calculated in this report followed the Anker methodology but may not be considered Anker conformant, given they have not been independently reviewed by the Anker Living Wage and Income Research Institute.

With regard to independent waste workers, such as waste pickers, an adaptation to the methodology is proposed in the form of the introduction of an additional factor: the cost of maintaining decent working conditions. All independent workers and some workers who are part of cooperatives bear the financial burden of purchasing essential tools and equipment (e.g., boots, gloves, masks, uniforms, transportation). Additionally, this cost can encompass expenses incurred in acquiring plastic waste (e.g., from households) or accessing specific locations (e.g., landfills or dumpsites).

An adaptation to the Anker methodology is proposed by introducing an additional factor: the cost of maintaining decent working conditions.



3

Building a Benchmark

To further contextualize the findings locally, it is essential to identify the existing minimum and prevailing wages in the location under study. This benchmark allows for a meaningful comparison and assessment of the income situation of waste workers within the broader cultural and economic landscape:

MINIMUM WAGE

Local regulations may stipulate a minimum wage at either the national or regional level. This metric can provide a comparison to contextualize the baseline and the living income estimates. Nevertheless, it is essential to recognize that in specific regions, the term “minimum wage” might not accurately reflect prevailing practices or what is considered a fair income. In certain instances, it may be common practice—even within government employment—to offer a wage that falls below the designated “minimum” threshold. Conversely, minimum wage rates may fail to keep pace with inflation, allowing them to dip below the global poverty line. Given the significant disparities between countries, there is a pressing need to establish a benchmark that aligns with local and cultural norms.

PREVAILING WAGE

To gain insights into local norms, consider gathering information from local government agencies and exploring wage structures in related occupations. It is recommended to consult with local government personnel, such as formal waste workers involved in collection or street cleanup, and explore wage data from comparable employment alternatives within the local context. These alternatives could include examples from survey responses or data related to construction workers, day laborers, basic trade jobs or logistics positions. Please note that the prevailing job types may vary significantly depending on the unique characteristics of the local environment.

STATISTICAL DATA

In addition to the above, the following non-exhaustive list of types of data can be helpful when assessing the different income levels. These data sets are typically provided by statistical agencies:

- **Living income or consumption baskets:** In some instances, local statistical agencies may provide data related to living income or consumption baskets, which are typically used to estimate inflation. This data can be particularly valuable as it may eliminate the need for primary data collection.
- **Locally and internationally available poverty line:** Both locally and internationally available poverty lines can provide valuable context. International poverty lines are accessible through the World Bank.¹⁷ However, the availability of national poverty lines can vary based on government priorities. These values play a significant role in constructing a comprehensive income ladder.
- **Local median income/wage:** Medium income or wage figures specific to the local area can offer insights into the economic landscape and may be obtainable from local statistical agencies.
- **Working hours:** Understanding the locally acceptable and/or legally binding number of working hours per day or week is crucial for accurate income and wage calculations. This information can often be found in labor laws or may require local surveys.
- **Household composition, activity rate, unemployment rate, part-time rate:** These statistics are essential for calculating the number of full-time equivalent workers per household, as per the Anker methodology. This calculation enables the estimation of living wages from living incomes and vice versa.¹⁸

Case Studies

Highlights



For the purposes of this report, a comprehensive assessment of existing incomes and estimated living incomes was conducted across three distinct sites in three countries: Brazil, Ghana and India. The assessment collaborated closely with local partners and focused on three categories of workers within the waste management sector: independent waste pickers, informally organized waste pickers and formally organized waste pickers.

The methodology developed for this report was found to be highly valuable by local partners, especially the utilization of a standardized questionnaire, an adapted calculation to encompass the Anker variant living income standard and the incorporation of costs associated with achieving decent working conditions. The importance of conducting a benchmark study was also emphasized, to gain a deep understanding of the local context and to devise culturally appropriate interventions.

The findings reveal that the earnings of waste pickers in the three contexts under investigation generally fall short of a living income.

The extent of this income gap varies between countries and specific circumstances. This deficiency has far-reaching implications for human rights—particularly with regard to food insecurity and, to a lesser degree, access to decent housing. For instance, more than half of those surveyed reported going a full day without food within the past year. Furthermore, a substantial percentage, ranging from 21% to 58%, expressed concerns about their ability to afford the next day's expenses without a source of income.

It is important to note that waste picker incomes exhibit substantial variations depending on context. Factors such as the level of worker organization, age, disability and the location of waste collection play a significant role in this income diversity. This suggests that a multifaceted approach is necessary to improve waste picker earnings, as a one-size-fits-all strategy may inadvertently exclude the most vulnerable members of these communities.

Across the three geographies examined in this report, waste pickers derived more than half of their income from plastics. Consequently, actions taken to address the issue of plastic waste can have a substantial impact on the future incomes of waste pickers. Notably, when regulations allow waste pickers to engage positively with formal waste management systems—especially those that embrace EPR, as observed in Brazilian cooperatives—their incomes see a substantial increase. However, it is vital to ensure that the establishment of formal waste management systems is inclusive, as it can unintentionally exacerbate competition and drive affected communities further into poverty if not appropriately managed.

Addressing the social stigma and lack of administrative recognition of the informal sector and independent workers is another critical aspect that must be tackled systematically. The primary obstacle preventing many waste workers from accessing essential services—including free or subsidized healthcare and government schools—is the lack of legal documents, such as occupational identification cards or proof of address.

CASE STUDY

Brazil

REGIONS

Várzea da Barra Funda and Tomas Edson Industrial Park, Barra Funda District; Tatuapé, Tatuapé District; Brás, Downtown District; Ipiranga, Ipiranga district, **São Paulo**



CURRENCY

Brazilian Real (R\$)



POPULATION

215 Million

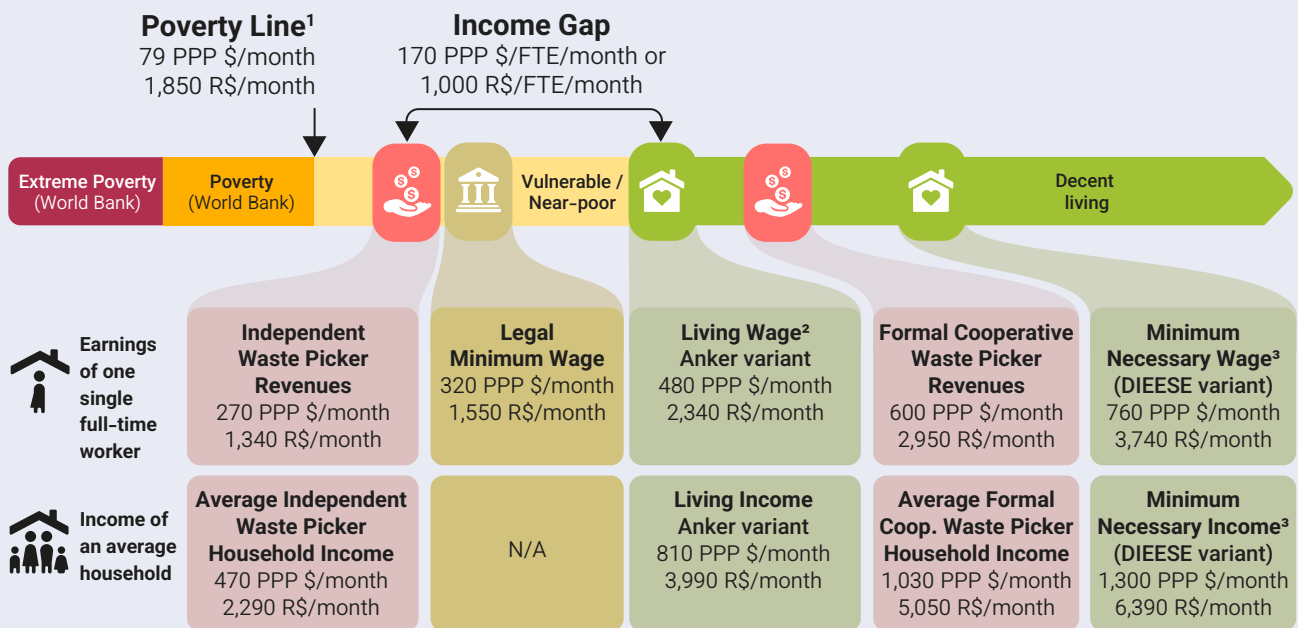


Local currency amounts refer to Brazilian Real (R\$)



INCOME GAP

Some surveyed waste picker households communities in this location are earning a living income but it highly depends on the level of organization



Independent waste picker revenues from other sources:
National average: 1,450 R\$/month
Southwest average (relevant for São Paulo): 1,570 R\$/month

Wages from prevailing jobs:
Formal waste workers: 1,650 R\$/month
Construction workers: 2,280 R\$/month
Domestic workers: 1,700 R\$/month
Plastic recycling industry (production line): 2,100 R\$/month

All \$ are in PPP 2023

(1) World bank poverty line for lower middle income (3.65 \$/cap/day – PPP 2017) corrected for inflation for 2023

(2) The concept of wage living is defined as remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Note that living incomes calculated in this study followed the Anker methodology but may not be considered Anker conformant given they have not been independently reviewed by the Anker Research Institute.

(3) Variant calculated by the Inter-Union Department of Statistics and Socio-Economic Studies (DIEESE) following a different methodology from Anker as it include leisure, transport, hygiene and clothing costs.



EARNINGS

Waste picker earnings in these communities are spread mostly as a result of increasing organization levels

Average earnings

9R\$
hour

77R\$
day

1,790R\$
month

Worker efficiency

Worker efficiency greatly varies from 2 R\$/hour to 24 R\$/hour.

Key Features

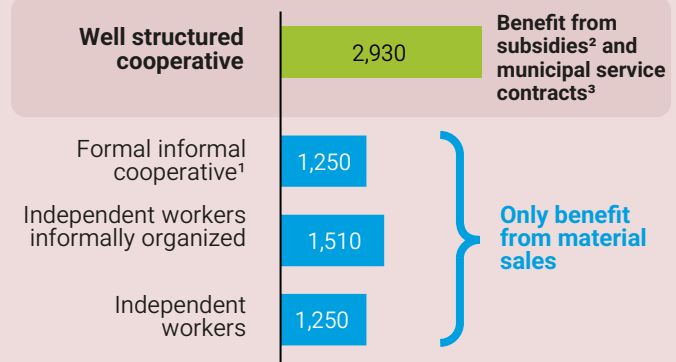
53% of their waste picking revenues are derived from plastics

55% have access to a vehicle for work (pushcart/car).

78% know the price of their waste materials before selling

25% have obligations to their buyers.

Average earning per worker typology R\$/month



Main limitations to increase revenues⁴

- Lack of transparency on pricing and pricing fluctuations
- Lack of equipment (e.g., small tools) and heavy machinery (e.g., baler)
- Lack of infrastructure (e.g., building with access to electricity and water, storage)
- Lack of access to more efficient vehicles (e.g., from pushcart to car, from car to truck)
- Increased competition between waste pickers leading to less materials available and lesser high-quality materials
- Lack of collaboration and recognition with/from public authorities (e.g., cooperative contract, land to work)

(1) cooperative which has a warehouse and some heavy equipment. They are a formally registered organization but are not registered with government waste system as such they cannot apply to pay-back schemes (EPR/PRO) nor to have formal agreement with local government for collection.

(2) fee from deposit system and as part of a local packaging recovery scheme

(3) Contracts signed between waste pickers' cooperatives and municipalities to provide collection and transport services for the collection of recyclables. These services may include, in whole or in part, the following activities: selective household collection, waste transportation, environmental education campaigns, sorting of recyclable materials, and environmentally correct disposal.

(4) based on survey, open-ended question with no pre-selected answers.



INCOME

An average of 3,990 R\$ is estimated to be needed for an average household to have access to decent living conditions in these communities

Living wage Anker variant

2,340R\$ (full-time worker supporting month an average household)

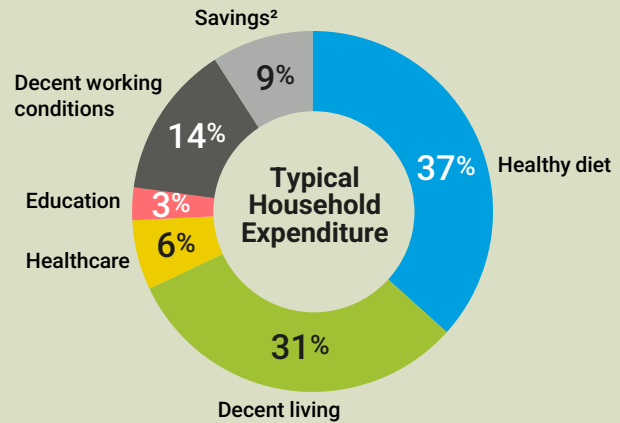
Living income Anker variant

3,990R\$ (for an average household month)

Household characteristic used for the study:

- Household size: 4 (2 adults + 2 children)
- 1.71 full time workers per household.¹

Healthy diet and decent living represents around two thirds of household expected living income expenditures.



(1) According to Anker methodology, the formula to calculate the number of full-time worker equivalent (FTWE) is the following: $FTWE = 1 + [LFPR \times (1 - UR) \times (1 - PT / 2)]$; where LFPR is the activity rate (% of male and female working), UR is the unemployment rate (% of active male and female currently unemployed), PT is the part-time rate (% of active male and female workers working part time).
 (2) savings is assumed to be 10% according to Anker Methodology



ABOUT

Waste pickers in these communities are predominantly workers for whose waste picking is the only revenue source



About the population surveyed: three categories of waste pickers were studied with different characteristics.

- informal and independent, some have their own houses, others are homeless living in tents/shelters or live in squats.
- independent and informally organized (share a land/storage but compete on sales), receiving waste from a cooperative. Focus on sorting.
- Formal and organized waste pickers from two well-structured cooperatives benefiting from adequate equipment and infrastructure and high productivity.

Gender: 43% Female – 57% Male (Gender sampling was performed to represent waste picker population)
 Household size: 3.3 ;
 Average working week: 47 hours

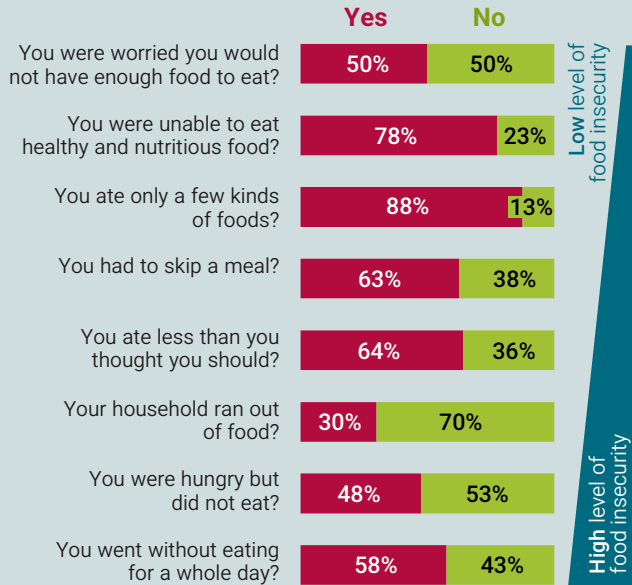


WASTE PICKER QUESTIONNAIRE

Most waste pickers surveyed faced strong food insecurity, running on low to no safety net, but access to decent housing could be improved

Food Insecurity Experience Scale¹

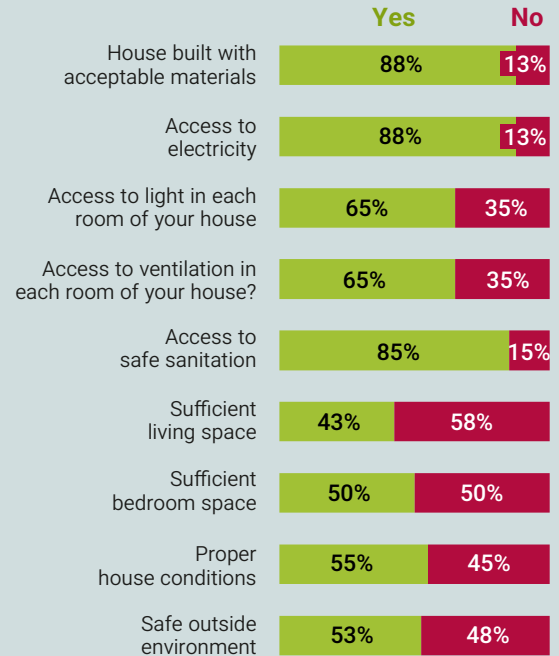
During the last 12 months, was there a time when, because of lack of money or other resources...



58% mentioned they cannot afford to live without a revenue
the rest have enough savings to last between a week and a month

Decent Housing Survey²

Do you own/have access to any of the following...



11
m²/person³

is below decent housing standard according to Anker methodology⁴

(1) FAO survey

(2) Anker methodology criteria

(3) homeless waste pickers were excluded in this average; they represent 10% of the survey respondents

(4) for Brazil the recommended value is 15m²/person;

CASE STUDY



Ghana

REGIONS

La-Dadekotopon Municipal,
Kpone-Katamanso
Municipality,
Accra



CURRENCY

Ghanaian Cedi (¢)



POPULATION

33 Million

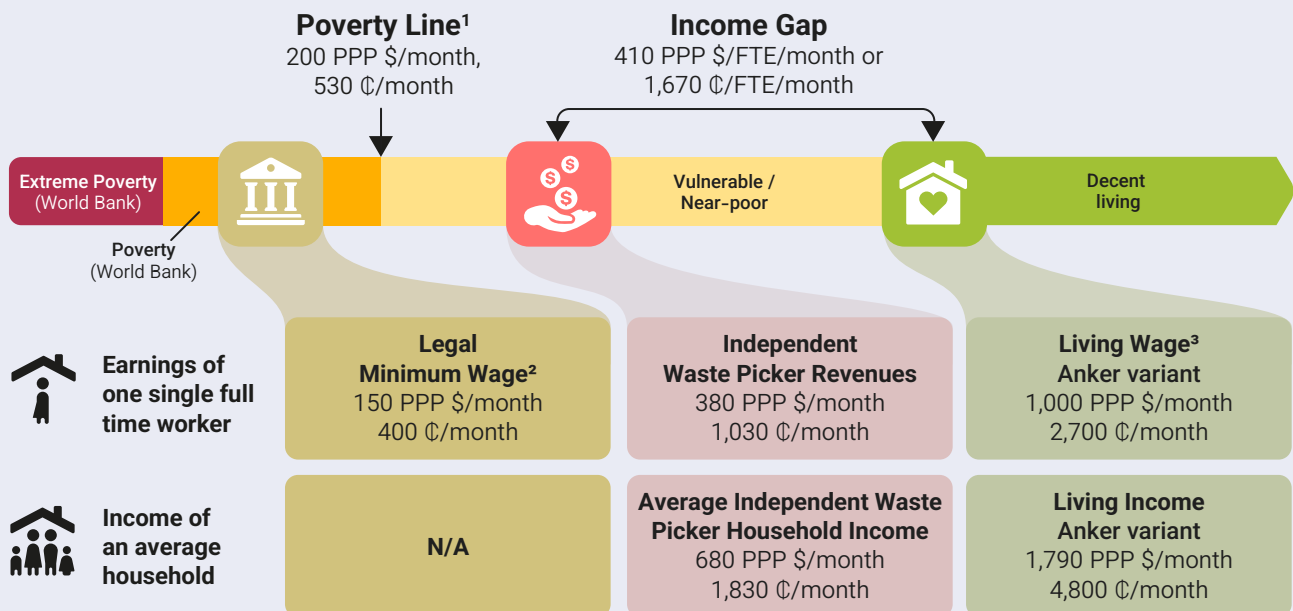


Local currency amounts refer to Ghanaian Cedi (¢)



INCOME GAP

Surveyed waste picker households communities in this location are earning on average 2-3 times less than the estimated Living Income Anker variant



Wages from prevailing jobs:

Formal waste worker income: 1,000 ¢/month

All \$ are in PPP 2023

(1) World bank poverty line for lower middle income (3.65 \$/cap/day – PPP 2017) corrected for inflation for 2023

(2) Progression of the minimum wage in recent years has not been reflecting the high inflation rate the country has been facing (i.e., 270% for the period 2017-2023). The adjustment of the World Bank Poverty Line to inflation led to minimum wage slipping below the poverty line.

(3) The concept of wage living is defined as remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Note that living incomes calculated in this study followed the Anker methodology but may not be considered Anker conformant given they have not been independently reviewed by the Anker Research Institute.



EARNINGS

Waste picker earnings in these communities are low and spread mostly as a result of increasing competition and lack of cooperation from formal waste management sector

Average earnings

8¢
hour

42¢
day

1,030¢
month

Worker efficiency

Worker efficiency greatly varies from 1 ¢/hour to 20¢/hour

Key Features



of their waste picking revenues are derived from plastics



have access to a vehicle for work (motorized tricycle), 30% own one



know the price of their waste materials before selling



have obligations to their buyers.

Main limitations to increase revenues

- Competition with other waste pickers
- Time availability (e.g., family responsibilities, especially at night)
- Material contamination
- Distances to travel to sites and buyers
- Competition with households selling
- Lack of protective equipment (e.g., gloves, rain coat) and small tools
- Lack of infrastructure (e.g., storage space), waiting time at transfer station due to size of the site
- Poor quality of vehicles requiring repairs
- High cost of fuel
- Lack of transparency/fair relation with buyers (prices)
- Lack of cooperation from landfill owners
- Health conditions



INCOME

An average of 4,800C is estimated to be needed for an average household to have access to decent living conditions in these communities

Living wage Anker variant

2,700C (full-time worker supporting an average household)
month

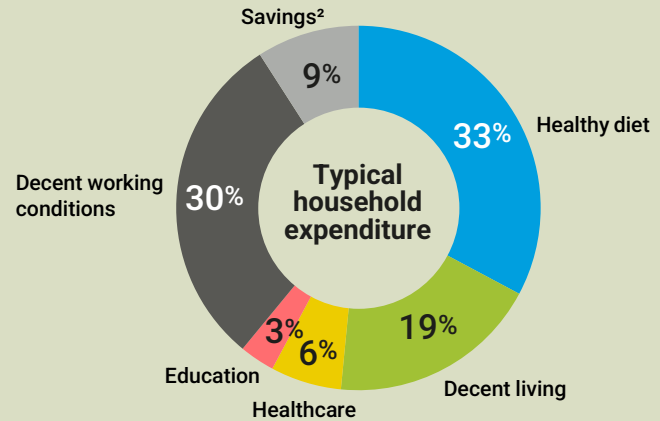
Living income Anker variant

4,800C (for an average household)
month

Household characteristic used for the study:

- Household size: 4 (2 adults + 2 children)
- 1.78 full time workers per household.¹

Healthy diet and decent living represents over half of household expected living income expenditures.



Note:

(1) According to Anker methodology, the formula to calculate the number of full-time worker equivalent (FTWE) is the following: $FTWE = 1 + [LFPR \times (1 - UR) \times (1 - PT / 2)]$; where LFPR is the activity rate (% of male and female working), UR is the unemployment rate (% of active male and female currently unemployed), PT is the part-time rate (% of active male and female workers working part time).

(2) savings is assumed to be 10% according to Anker Methodology



ABOUT

Waste pickers in these communities are predominantly independent waste pickers where the sole income is from waste picking



Waste picking is one of several incomes



About the population surveyed: The population studies comprise two different group of informal and independent waste pickers: (1) operating in the streets and (2) operating at the landfill. Most of them have been waste picking for many years.

Gender: 26% Female – 74% Male (FAO Survey)
Household size: 3.8
Average working week: 29 hours

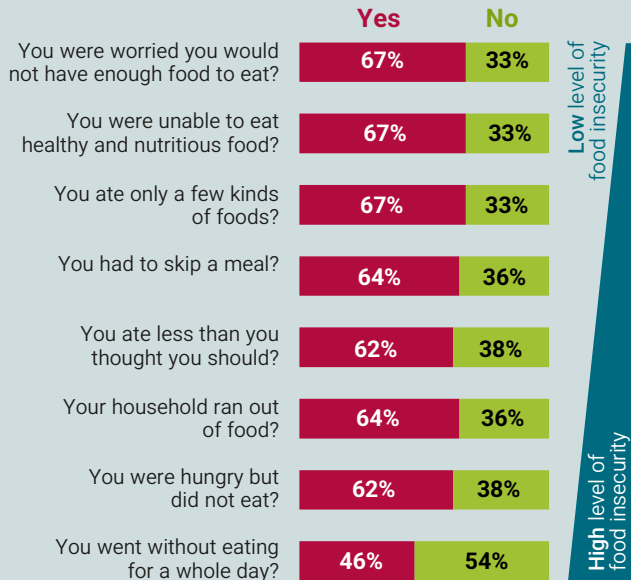


WASTE PICKER QUESTIONNAIRE

Most waste pickers surveyed faced severe food insecurity, running on low to no safety net, but have access to relatively decent housing

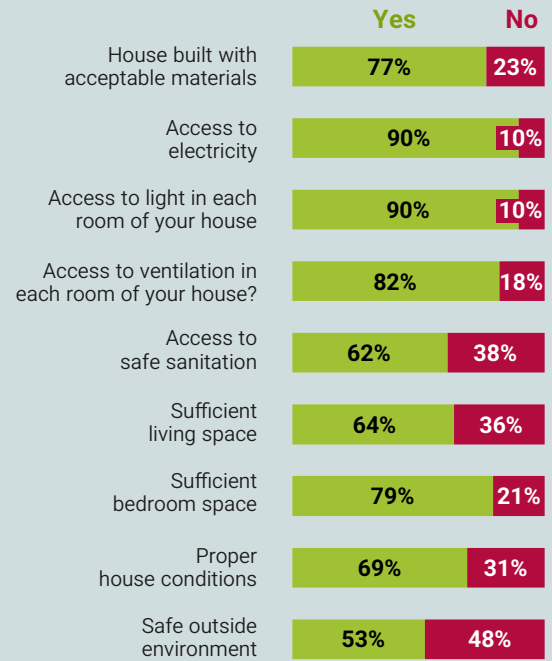
Food Insecurity Experience Scale¹

During the last 12 months, was there a time when, because of lack of money or other resources...



Decent Housing Survey

Do you own/have access to any of the following...



21%

of people surveyed mentioned they cannot afford to live without a revenue, the rest have enough savings to last between a few days to a week.

Note:
(1) Anker methodology criteria



CASE STUDY

 **India**

REGIONS

Kunthigrama, Hebbala, Bangalore North and Rajeshwari Nagar, Banashankari, Bangalore South



CURRENCY

Indian Rupee (₹)



POPULATION

1.4 Billion

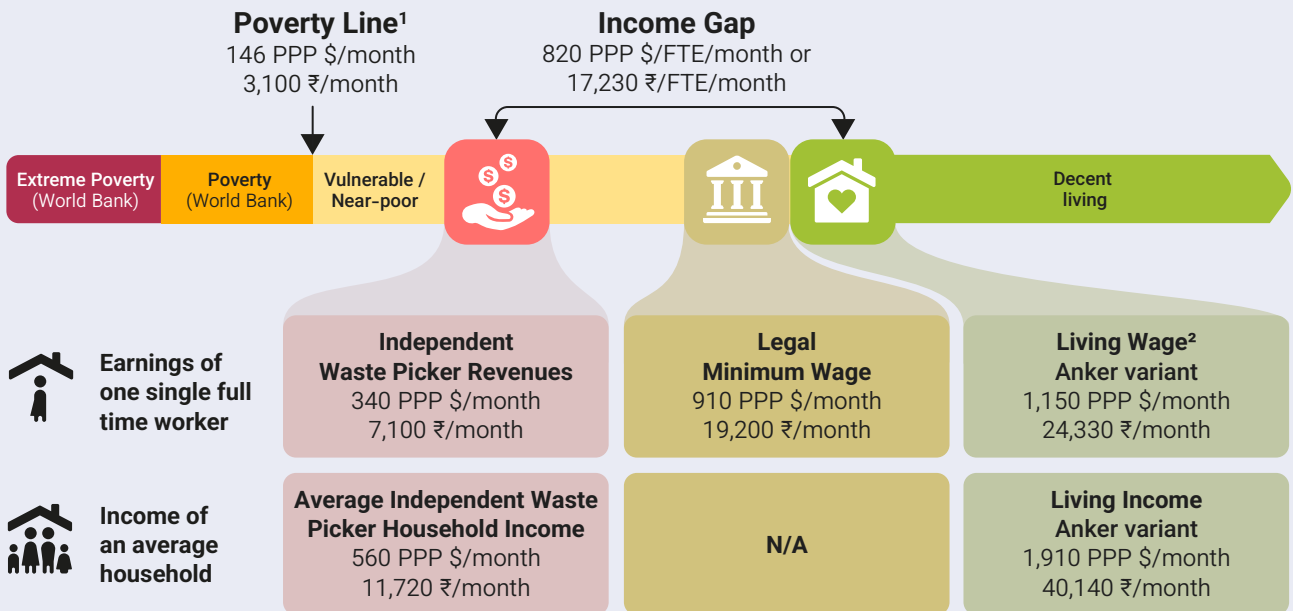


Local currency amounts refer to Indian Rupee (₹)



INCOME GAP

Surveyed waste picker household communities in this location are earning on average 3 times less than the estimated living income Anker variant



Wages from prevailing jobs:
 Formal waste workers: 7,800 ₹/month
 Agricultural laborers: 10,100 ₹/month

All \$ are in PPP 2023

(1) World bank poverty line for lower middle income (3.65 \$/cap/day – PPP 2017) corrected for inflation for 2023

(2) The concept of wage living is defined as remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Note that living incomes calculated in this study followed the Anker methodology but may not be considered Anker conformant given they have not been independently reviewed by the Anker Research Institute.



EARNINGS

Waste picker earnings in these communities are low and spread mostly as a result of increasing competition

Average earnings¹

37₹
hour

300₹
day

7,100₹
month

Worker efficiency

Worker efficiency greatly varies from 12 ₹/hour to 89 ₹/hour. The main factor for success is site selection (e.g., high income areas produce more and higher quality waste).

Key Features

50%

of material sales revenues are derived from plastics²

22%

have access to a vehicle for work (pushcart/motorized tricycle/truck).

57%

know the price of their waste materials before selling

57%

have obligations to their buyers.³

Main limitations to increase revenues

- Increased competitions
 - given government formal collection systems (e.g., operating before collection requiring night shift; government agreement with shops/commercial areas preventing waste pickers from accessing that waste)
 - between waste pickers (e.g., requiring to start earlier, or walk further, having a vehicle)
 - with aggregators or junkshop which households go to directly
 - with households directly due to awareness of material value (e.g., harder to bargain) – relevant for itinerant buyers only
- Market price fluctuations of material
- Health limitations given arduousness of the work
- Lack of equipment (e.g., vehicle)
- Social stigma (e.g., additional education or healthcare cost)

(1) Waste pickers with an ID card can apply to the BPL (Below Poverty Line) card which give them access for free to: 200 units of electricity, 3 bus travel per day (although access to transportation is an issue due to stigma), one free ration per month (5kg of rice or lentils/family member/month)

(2) this figure is representative of other waste picker communities in Bangalore based on Hasiru Dala knowledge

(3) Obligations to buyers are not necessarily considered problematic. Buyers are often the only ones supporting that community in times of needs (upon sickness, at night, or when loans from traditional players are not available)



INCOME

An average of 40,000 IDN is estimated to be needed for an average household to have access to decent living conditions in these communities

Living wage Anker variant

24,330₹ (full-time worker supporting month an average household)

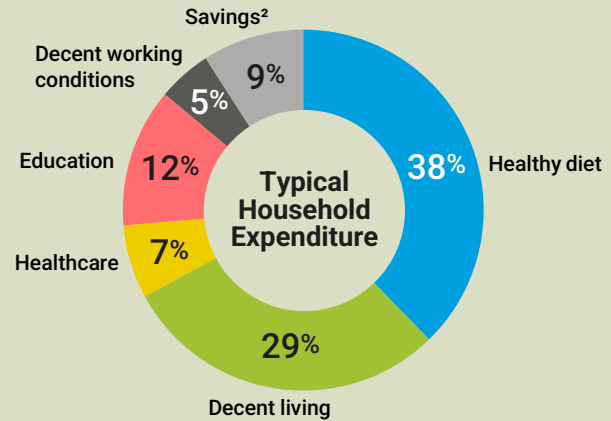
Living income Anker variant

40,140₹ (for an average household)

Household characteristic used for the study:

- Household size: 5 (2 adults + 3 children)
- 1.65 full time workers per household.¹

Healthy diet and decent living represents around two thirds of household expected living income expenditures.



Note:

(1) According to Anker methodology, the formula to calculate the number of full-time worker equivalent (FTWE) is the following:

$FTWE = 1 + [LFPR \times (1 - UR) \times (1 - PT / 2)]$; where LFPR is the activity rate (% of male and female working), UR is the unemployment rate (% of active male and female currently unemployed), PT is the part-time rate (% of active male and female workers working part time).

(2) savings is assumed to be 10% according to Anker Methodology



ABOUT

Waste pickers in these communities are predominantly independent women who are picking waste in the street

Buy/get from households¹



Collection worker²



Waste picking is one of several incomes



About the population surveyed: predominantly waste pickers from scheduled castes and/or scheduled tribes (also known as 'Dalit') with low literacy rates and inter-generational practice of waste picking.

Gender: 85% Female – 15% Male (Gender sampling was performed to represent waste picker population)

Average household size: 5.4

Average working week: 44 hours

Source:

(1) this category represents itinerant buyers which are often getting money from junkshops/aggregators to buy waste from household and collect the difference between buying/selling value at the end of the day.

(2) worker member of a Dry Waste Collection Centre (Hasiru Dala-led centers)

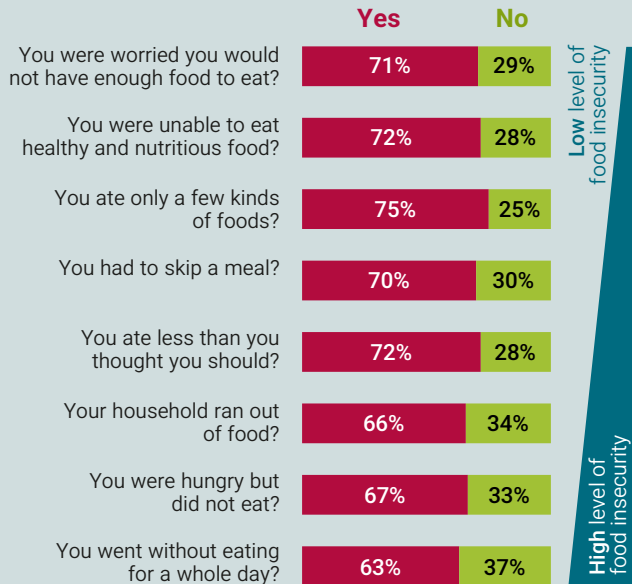


WASTE PICKER QUESTIONNAIRE

Most waste pickers surveyed faced severe food insecurity, running on low to no safety net, but due to local government programmes have access to decent housing

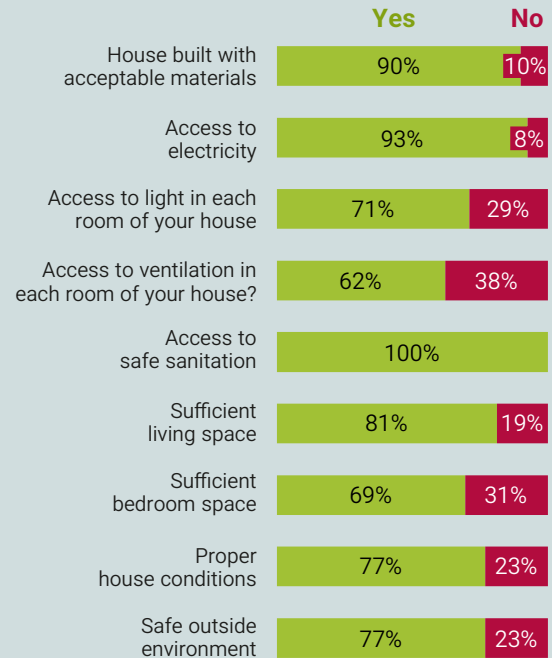
Food Insecurity Experience Scale¹

During the last 12 months, was there a time when, because of lack of money or other resources...



Decent Housing Survey²

Do you own/have access to any of the following...



50%

of people surveyed mentioned they cannot afford to live without a revenue, the rest have enough savings to last between a few days to a week.

Source:

(1) FAO survey

(2) Anker methodology criteria. Decent housing conditions in the two communities surveyed are not representative of waste picker living conditions in Bangalore due to a specific government program in those districts. Most waste pickers in Bangalore lives in slums and/or have very poor housing conditions.

Fast tracking the just transition agenda



In pursuit of cleaner, economically robust cities, lower greenhouse gas emissions and secure, dignified employment opportunities for all, with a particular emphasis on the most vulnerable in society—governments, the private sector and civil society must unite in their commitment to a healthier, safer, more equitable future for waste pickers. Genuine empowerment requires a comprehensive transformation of their rights and a full acknowledgment of their invaluable contributions to society. Advocacy alongside waste pickers will continue from allied civil society organizations; while governments must reform the applicable legal frameworks to safeguard their basic human rights and expand economic opportunities. Companies, too, have a crucial role to play by adopting and advancing principles like those outlined by the FCI throughout their value chains and operations. Finally, workers themselves are discussing and co-producing guidelines for a Just Transition.¹⁹

Central to these endeavors is the pursuit of a living income for waste pickers—a fundamental measure of success and a primary objective in achieving a just transition. The following sections present strategies that governments and industry can adopt to empower waste pickers and dignify their work.

“Governments, the private sector, and civil society must unite in their commitment to a healthier, safer, and more equitable future for waste pickers.”

1 The vital role of Governments in enabling a just transition.

1.1 A strong Global Plastics Treaty offers the swiftest path to a just transition.

The Global Plastics Treaty presents a unique opportunity to establish a just transition within the circular plastic agenda.

To ensure the efficacy of just transition provisions, the Treaty should steer clear of ambiguity. This involves the explicit inclusion of the term “waste pickers” in the Treaty and the provision of precise definitions for key terms such as “waste pickers,” “informal waste and recycling sector,” and “workers in informal and cooperative settings.” Formal recognition of these vulnerable communities is pivotal to mitigate unsafe working conditions, enhance access to public services and ultimately reduce exclusion. The Treaty should employ robust language and set concrete targets to afford unequivocal

legal recognition and protection to workers in informal and cooperative settings, and facilitate the formalization of associations and cooperatives. This should lead to legitimization through the implementation of basic social programs, including the provision of occupational identification cards, administrative documents and independent worker status.

Furthermore, the significance of Treaty provisions relating to EPR and waste management should be underscored; and such provisions should be cross-referenced with those on the Just Transition. Operationalizing a just transition within the framework of the Treaty is essential. An annex to the Treaty should delineate key principles for designing effective EPR systems, with specific language on promoting social inclusiveness and fairness, especially in transitioning markets. This necessitates the active involvement of waste pickers and other informal workers as equal partners and the establishment of clear objectives to improve their health, welfare and income. EPR schemes should be designed to foster social inclusiveness and fairness by distributing value equitably across the entire chain, with a key focus on the most vulnerable communities. Provisions on reporting and monitoring should also include elements relevant to a Just Transition. Moreover, the Treaty's provisions on waste collection should be explicitly linked to the section on a Just Transition.

1.2

Local Government action is key to move the agenda forward.

Government legislation plays a vital role in improving conditions for waste pickers. Rather than treating assistance programs as acts of charity, governments should enact legislation that bestows legal rights upon waste pickers, thereby reducing their economic insecurity. A just transition is impossible without this legal foundation. To achieve this, governments should implement key policies including:

- **recognizing waste picking as a legitimate occupation** within established labor categories;
- **issuing occupational identification cards, occupational licenses and other locally relevant documents** that grant the right to access, collect and sell waste within their region or country;
- **establishing a dedicated government unit** to safeguard the rights and welfare of waste pickers;
- **encouraging the formation of cooperatives and associations**, in addition to member-based organizations, to empower waste pickers collectively; and
- **ensuring access to healthcare, housing, and education** for waste pickers and proactively eliminating any exclusion from essential public services.

This legal groundwork is key; but in parallel, governments and companies can start to tackle the question of a living income. This methodology can then be applied to understand the existing income and to calculate a living income. Additional funding avenues include:

- **strengthening EPR legal framework** and operational systems to involve waste pickers and enable them to benefit from these schemes (e.g., via collection service fees or subsidies for material recovery and sales), as demonstrated in Brazil, where this approach has effectively enabled workers to lift themselves out of poverty;
- **supplying essential safety equipment** such as shoes, gloves, vests and sorting tools—which is often overlooked but constitutes a significant cost for waste pickers, ultimately contributing to poor working conditions and lower income. This provision can be facilitated through legal worker status;
- **improving the financial literacy** of independent waste pickers and developing cooperative funding entities to provide low-interest credit so that vulnerable workers can access fair micro-financing. Currently, high interest rates charged by local lenders can be a substantial burden for households.

Government legislation plays a vital role in improving conditions for waste pickers. A just transition is impossible without this legal foundation.

2

Corporate engagement through Fair Circularity Principles

Companies across all tiers and sectors of plastics value chains must recognize the informal waste sector as part of their own value chain

The UNGPs constitute an authoritative global framework for preventing and addressing business-related human rights impacts on people. Under the UNGPs, states and companies have complementary but differentiated roles to prevent and address harm to people that is connected to corporate operations and value chains. Companies have a responsibility to respect human rights throughout their operations and value chains, and to prevent and address actual and potential impacts with which they are or may be involved, in line with the nature of that involvement.

The Fair Circularity Principles apply the expectations of the UNGPs to the informal waste sector.²⁰ Principle 2 states that companies across all tiers and sectors of the plastics value chain must recognize the informal waste sector as part of their own value chain. This is true both for companies that produce or utilize plastic waste eventually reclaimed by waste pickers and for those that use recycled content that has been reclaimed by waste pickers. Human rights impacts—including those related to income – experienced by waste pickers are clearly within the scope of those companies’ responsibility to respect human rights under the UNGPs, which extends throughout their value chain.

The severity of these impacts suggests that, for many of these companies, the human rights risks in the informal waste sectors should be addressed as a salient issue.

The purpose of the FCI is to create an ecosystem for implementing the Fair Circularity Principles within waste and recycling value chains and policy frameworks, with a strong emphasis on upholding the human rights of workers in the informal waste sector.

The FCI is working with TCI to develop implementation guidance for responsible sourcing: TCI’s Responsible Sourcing Initiative is developing a harmonized framework for the responsible sourcing of plastics through multi-stakeholder participation and the first version will be available in 2024. The FCI is also developing policy action guidance to inform companies’ activities in the policy space. Research projects (such as this report on living incomes) will seek to promote recognition of the informal waste sector and drive action on the human rights impacts experienced by waste workers; while capacity-building and implementation projects will support value chain transformation and identify the best ways to overcome barriers to rights-respecting practices. Common requirements agreed by FCI members will guide reporting on annual progress.



Through this report, FCI members extend an invitation to other companies to join forces in this vital effort.

Conclusion



The pursuit of a living income for waste pickers is a fundamental step towards achieving a more equitable and sustainable future for all.

Often underappreciated and underpaid, informal waste workers, and particularly waste pickers, are essential players in sustainable and just societies. Their indispensable role in recycling and environmental conservation efforts cannot be overstated; and yet their rights and livelihoods are persistently overlooked. This report, rooted in the concept of a living income, sheds light on the critical need to recognize and support these workers.

The methodology developed in this report, which assesses income levels within both formal and informal waste picker communities, offers a structured approach to addressing the income disparity challenge. As the findings across diverse geographic regions indicate, waste pickers often fall short of earning a living income, which is exacerbated by substantial income variations within each context. The application of this methodology can provide a solid foundation and evidence base for the development of specific policy and practice recommendations to improve waste picker incomes. Strengthened EPR schemes, the supply of essential safety equipment, low-interest credit and improved financial literacy are among the policies and strategies to consider.

Furthermore, the report emphasizes that the achievement of a just transition hinges on clear Treaty provisions; the recognition of waste picking as a legitimate profession through government legislation; and the commitment of companies to respect human rights in their value chains. These collective efforts can pave the way for cleaner, economically robust cities, lower greenhouse gas emissions and secure, dignified employment opportunities. The pursuit of a living income for waste pickers is not just a measure of success; it is a fundamental step toward achieving a more equitable and sustainable future for all.

In conclusion, the FCI extends an invitation to companies and stakeholders worldwide to join this vital endeavor. Together, stakeholders can bridge the gap between aspiration and action, ensuring a better future for waste workers and our planet.



Appendix

APPENDIX 1 Relevant extract from Zero Draft Plastic Treaty

Page 19: published by UNEP on September 4th, 2023






12. Just Transition

1. Each Party shall promote and facilitate a fair, equitable and inclusive transition for affected populations, with special consideration for women and vulnerable groups, including children and youth, in the implementation of this instrument*. This may include:

- a. Designating a national coordinating body for engagement with relevant stakeholders, including public authorities, non-governmental organizations and local communities;
- b. Enabling policies and conditions to improve income, opportunities and livelihoods for impacted communities, including workforce training, development and social programmes, according to their needs and priorities;
- c. Incentivizing the development of skills and job opportunities across the plastic value chain, including for the development of reuse, repair, waste collection and sorting;
- d. Promoting a clean, healthy and sustainable environment for communities and workers across the value chain, including workers in the waste management sector;
- e. Improving working conditions for workers in the waste management sector, including by providing legal recognition and protection to workers in informal and cooperative settings and facilitating the formalization of their associations or cooperatives;
- f. Integrating workers in informal and cooperative settings into a safe plastics value chain, including by requiring plastic product producers, recycling and waste management companies to integrate plastics collected and sorted by them into their operation schemes; and
- g. Requiring a portion of the fees collected through EPR schemes to be used to improve infrastructure and improve the livelihoods and opportunities for, and develop the skills of, workers in the waste sector, including waste workers in informal and cooperative settings.

2. The measures taken to implement this provision shall be reflected in the national plan communicated pursuant to [part IV.1 on national plans].

APPENDIX 2 **Overview of the different living income methodologies**

	Anker Methodology	Anker Reference Value Methodology	WageIndicator Typical Family Methodology	Fair Wage Network Typical Family Methodology	NewForesight Living Wage Benchmark Methodology
Organisation					
General data collection approach	Primary approach (Detailed on-site field research)	Secondary approach (Focus: international institutional data)	Hybrid approach (i.e. regional/local data, worker and market survey)	Primary approach (Country-/region based F2F and online interviews)	Hybrid approach (i.e. primary focus on-site surveys, secondary data for verification)
Data Collection Methods	Local researchers collect detailed field-level data on cost of food, housing, healthcare, and education in location	-	Face to face data collection including interviews and visits to shops and markets; cost of living survey to gather costs of >200 items	Field-level surveys cover market prices and cost of living; surveys at local, region and city level	Face to face and phone interviews incl. visits to households, shops and markets; Household and market surveys for cost of rent, utilities, healthcare, education, transport, and local food prices
Model based	Not based on model. Based on primary and secondary data	Model based on statistical analysis of existing Anker Methodology Benchmark studies and internationally available secondary data	For regions where data not yet available, modelling based on similar regions	-	Not based on model. Based on primary and secondary data
Regional specificity	Rural + urban level	Rural + urban level	Rural + urban level	Rural + urban level	Rural + semi-urban + urban level
Family size estimation	Average household size Fertility rate Child mortality rate	Average household size Fertility rate Child mortality rate	Local household size National birth rate data	National birth rate data	Average household size Fertility rate Child mortality Only 2 adults per family
Cost of living basket	Food (UN standard) Housing (UN standard) Healthcare Child education Unforeseen events	Food (UN standard) Housing (UN standard) Healthcare Child education Unforeseen events	Food (local standard) Housing (UN standard) Child education Healthcare Savings & leisure	Food (local standard) Housing (local standard) Child education Healthcare Transport & clothes Utilities & phone	Food (local standard) Housing (local standard) Child education Healthcare Transport & clothes Unexpected events
Number of working adults estimation	Labor force participation (Un-)employment rates Prime working age at location	Labor force participation (Un-)employment rates Prime working age at location	Local survey Employment data	National employment data	Labor force participation (Un-)employment rates
Gross wage definition	Mandatory payroll reductions, union dues and Income tax are added	Mandatory payroll reductions, union dues and Income tax are added	Income taxes and other contributions added	All mandatory taxes are added	Mandatory payroll reductions, union dues and Income tax are added



Waste picker questionnaire

Via survey (**Local waste picker interviews – sample size least 40**)

Ensure sample is representative of local waste picker presence: (i) gender representation (ii) age balance, (iii) ethnicity (if locally relevant) (iv) relevant mix of organizational types and worker configurations.

Interviews should be run individually but may be run in groups if not possible.

Interviews and questions should be run respectfully and constructively. Rephrasing may be necessary. Questions order may be changed to create the feeling of an informal discussion.

1 About the interviewee

- 1 Gender
- 2 Age group
- 3 Household size
- 4 When did you start waste picking? (optional)
- 5 Why did you start waste picking? (optional)

2 Waste management working conditions and organization

- 6 **Where do you get your waste from?**
(streets, household (for free), household (buy), dumpsite, landfills, businesses, market, others)
- 7 **Are you an independent worker or organized with peers?**
(independent workers, independent but part of a cooperative, hired by a junkshop/local aggregator, hired by a formal waste system, other)
- 8 **Is waste picking your only income generating activity?**
- 9 **What other income generating activities do you have?**
- 10 **How many hours do you work (on waste picking/waste management) a month?**
- 11 **How many days do you work on waste picking a week?**

3 Revenues from waste management activities

- 12 **How often do you sell your materials?**
- 13 **Who do you sell to?**
(cooperative, junkshop; waste bank, etc.)
- 14 **How do you choose your buyer? (optional question)**
- 15 **Do you have access to a vehicle? If so which one.**
(none, pushcart, bicycle, motorized bicycle, other)
- 16 **Who own the vehicle?**
(I own the vehicle, I co-own it, I rent it)
- 17 **How far do you travel to the buyer? (optional question)**
- 18 **How much do you earn selling your materials?**
(per sale, per month or per week)
- 19 **How much do you earn selling plastic materials only?**
(per sale, per month or per week)
- 20 **What volumes of materials do you sell?**
(kg per sale, month, or week)
- 21 **What volumes of plastic materials do you sell?**
(kg per sale, month, or week)
- 22 **What selling price do you get for each category of waste you sell?**
(as many answers as necessary)
- 23 **Has the price of plastic changed over the past year? If so how much?**
- 24 **Do you know the price before selling? (optional question)**
- 25 **Do you have debt or obligations to your buyers? (optional question)**
- 26 **What is your main limitation to increase revenues from waste activities?**
(time availability, quality of material available, volumes of material available, competition from other waste pickers, physical conditions, lack of equipment e.g., pushcart/bicycle)

4 Expenses from waste management activities

- 27 What cost do you have for operating your activity?
(e.g., gas/fuel, cost of buying materials from household or businesses, cost to access specific areas, cost of maintenance of vehicle, gloves, boots, else)
- 28 If you own a vehicle, how much did it cost you?

5 Living expenses and conditions

- 29 How much do you spend on food for yourself or your household (specify which) every month?
- 30 Food Security Experience Scale:
During the last 12 months, was there a time when, because of lack of money or other resources (Yes/No):
- You were worried you would not have enough food to eat?
 - You were unable to eat healthy and nutritious food?
 - You ate only a few kinds of foods?
 - You had to skip a meal?
 - You ate less than you thought you should?
 - Your household ran out of food?
 - You were hungry but did not eat?
 - You went without eating for a whole day?
- 31 Decent Housing Survey:
Do you own/have access to any of the following:
- A house built with acceptable materials,
 - Access to electricity,
 - Proper lighting,
 - Proper ventilation
 - Safe sanitation
 - Sufficient living space
 - Sufficient bedroom space
 - Proper house conditions
 - Safe outside environment, no production in the house?
- 32 Does your work mean that you stay outside the home? If so, where, how would you describe your accommodation.

6 Miscellaneous questions

- 33 What alternative job opportunity do you have?
- 34 Why do you waste pick over another job? (optional question)
- 35 How many months could you afford to live without a revenue? (optional question)
- 36 Are you able to save money for unforeseen event? (optional question)
- 37 What is the worst part in your job? (optional question)
- 38 What is the best part in your job? (optional question)

Optional questions mean that the results will not inform the outcome of the study directly. They may be helpful for:

- **Creating trust** during the interview (more personal)
- **Obtain data from the social context** for qualitative social studies outside of the context of this study
- **Obtain more granular data** to better understand some of the other data points

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**Fair Circularity
Initiative**

A Living Income for the Informal Waste Sector

A methodology to assess the living income of waste workers in the context of the Global Plastics Treaty

A Living Income for the Informal Waste Sector highlights the often-overlooked contribution of informal waste pickers to waste management systems and calls for improvements to their living and working conditions. It advocates for the implementation of a “living income” and presents a methodology to evaluate waste pickers’ earnings. The report reveals the gap between the current incomes of informal waste pickers in Brazil, Ghana and India and what constitutes a decent standard of living locally, emphasizing the need for policy changes to address this.

The report recommends the inclusion of clear provisions in the Global Plastics Treaty on waste management policies and extended producer responsibility to support the rights and livelihoods of informal waste workers. It also urges governments to legally recognize informal waste picking, ensure access to public services and include the input of waste pickers in policymaking.

Finally, the report introduces the Fair Circularity Initiative and its Principles for safeguarding the human rights of workers in the informal waste sector, calling on companies and stakeholders to join forces in supporting waste pickers towards a just transition.

For further information on this study please contact Systemiq at plastic@systemiq.earth or the Fair Circularity Initiative at www.faircircularity.org/register-interest

Report and analysis compiled by

S Y S T E M I Q