



rubbernews

on tap – angezapft

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Green&Fair



The FairTradeCenter GmbH (FTCB) in Southern Germany has been in business for some time. What is relatively new is their Green&Fair product range, which is reaching the shelves only now. Most Green&Fair items contain natural rubber in one form or other. They carry the Forest Stewardship Council (FSC) certification, and of course they sport the Fair Rubber Association logo, too: FTCB pays a Fair Trade premium of EUR 0.50/kg DRC (Dry Rubber Content).

Latest additions to the range are gardening gloves with natural rubber from Sri Lanka, and certified organic cotton – a global first! And sneakers with Fairly Traded rubber finally have become available again, too. The current ‘incarnation’ is now made with hand woven(!) canvas. The cotton used for this canvas is grown by small farmers: The sneakers help to preserve their traditional cotton species ‘Kala’. Apart from Kala cotton being grown without artificial fertilizers etc., it has the added benefit that by nature it cannot cross with GM (genetically manipulated) conventional cotton varieties.



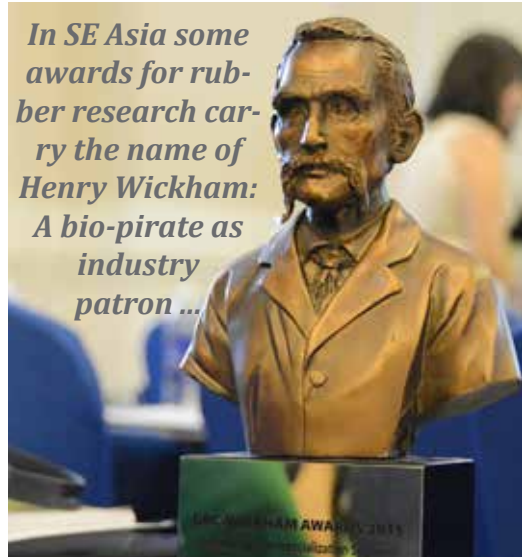
Price Matters ...

Once upon a time ... might be a way to begin the story of rubber, because in the 19th century rubber was worth its weight in gold. And with continuously growing demand for this precious commodity the lives of those collecting it were considered worth next to nothing: Originally latex came from the Belgian Congo, and it is estimated that for every kilogramme imported into Europe 10 people died gathering it. A similar calculation for rubber from the Amazon puts the number of tappers killed at ‘only’ four lives/kg – demonstrating just how cruel the methods employed by the colonial masters were in their efforts to secure as much rubber as possible.

The situation changed in 1876 when an English adventurer by the name of Wickham had tens of thousands of seeds of the rubber tree *hevea brasiliensis* collected, and then smuggled them to Europe, from where they were sent to all corners of the British Empire. The Botanical Gardens of Singapore were a primary distribution hub – until today countries like Indonesia, Thailand, Sri Lanka remain important rubber producers.

The first sneakers were produced at around the same time. Their street name was ‘felonies’, since thieves apparently like to tread softly on rubber soles. It’s unlikely that then or now anyone associated the sneaker-nickname with the bloody colonial origin of the rubber they contain.

In SE Asia some awards for rubber research carry the name of Henry Wickham: A bio-pirate as industry patron ...



Today, almost 150 years later, the price of rubber still is ‘criminally’ low: So low in fact, that particularly for small farmers the growing of rubber is no longer worthwhile. At a global conference on rubber in Vietnam last December experts voiced the fear that this situation may last well into the 20s of the current century. If they are right the consequences will be grave:

Rubber farmers will quit the land and move to the cities, or they might fell the rubber trees to plant oil palms. This has a negative impact on the number of jobs (even small farmers usually hire a tapper or two), and on the environment: A rubber plantation absorbs more CO₂ than even the Amazon rainforest, and – unlike in oil palm plantations – there is usually little or no input of agrochemicals. So far no-one has come up with a manmade substitute for natural rubber (the rule of thumb in the tire industry is: the higher the requirements,

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Fair Trade Basics - And What Is A 'Joint Body'?

There is no internationally binding definition of 'Fair Trade'. But there are a few principles, which should be complied with when talking about Fairly Traded products.

First of all there is the purpose of the 'Fair Trade' concept: It should contribute to the attempts of disadvantaged producers to improve their working and living conditions.

The second core principle is the payment of a price, which not only covers the cost of production but on top of this allows the producers some extra income to invest in their future. This 'extra' is usually called a 'Fair Trade premium'.

In addition it has to be guaranteed that those who actually produce an item or grow something, are free to decide how to spend this Fair Trade premium: They have earned this income, they can do with it what they want; they do not have to follow the dictate of some donor from abroad.

How do these principles translate into the reality of Fairly Traded rubber products? In the case of natural latex, 'disadvantaged producers' are generally small farmers (and their employees): They account for 80% of the global rubber production, and this group is hit particularly hard when the world market prices are so low that they do not

even cover the cost of production (see article on page 1).

The Fair Trade premium of EUR 0.50/kg DRC set by the Fair Rubber Association ensures that even in times of extremely low prices small farmers do not only cover their production costs, they also have some spare income that allows them to send their children to school, buy new tools, ... The board of the respective association of small farmers will decide how to allocate the Fair Trade premium.

However, most of the rubber sourced by the members of the Fair Rubber Association comes from plantations: Most products carrying the Fair Rubber logo require extremely diligent processing, which is not always possible when sourcing from small farmers. The workers on a plantation are usually only indirectly affected by low prices on the world market: The management will have less financial leeway for paying higher wages, renovate housing, ... The Fair Trade premiums, which are channelled via the Fair Rubber Association, are paid into a separate account at the respective partner plantation. The decision on how these funds are spent (last year some EUR 45,000) is taken by a so-called 'joint body' – a committee put together by the workers of the respective plantation. The only condition from the side of

the Association is that the money has to benefit the workers. Otherwise the joint bodies are free to decide as they see fit (although the management has a veto – since whatever is to be done will happen on

'their property'). This mode of decision taking was first introduced on Fairtrade labelled tea plantations, and it is now working similarly well for rubber suppliers. Projects financed via the Fair Trade premiums serve as proof.

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the more natural rubber is used – from Formula ONE to the jumbo jets), and there is a real danger that this unique natural material may become scarce in the foreseeable future.

And once the rubber trees are gone, it is hard to restart production. It takes up to seven years until newly planted trees can be tapped, assuming that there is still land available for planting (as well as qualified tappers). In other words: The price for natural rubber is, contrary to all attestations to the 'forces of the market', dangerously, unsustainably low, both economically as well as environmentally.

Which is why we from the Fair Rubber Association are convinced that the Fair Trade premium of EUR 0.50/kg DRC paid by our members is the only sensible way forward. Many in the industry may consider us to be unrealistic dreamers but: Only when Fair prices are being paid for raw materials, will producers and consumers have a future with rubber.



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