



Harvest Time - End of Game?

Rubber has been used for ages in order to preserve the harvest.

One key product is jar seal rings – on offer in flashy Fair Trade green by our member FairTradeCenter Breisgau in South Germany.

But even selling such a humble product can be difficult: We know that consumers who 'grow their own', care for the environment, and are prime consumers of Fairly Traded products. But how to make them aware that these rings exist? How to translate a winning combination of Fair Trade, function and green esthetics into sales?

And at times the 'opposition' can simply be too strong. Take footballs – actually the first product with Fairly Traded rubber. Rather than celebrating the 10th anniversary since the introduction of the first footballs with FSC certified, Fairly Traded rubber in 2006 – the buyers from that supply chain have had to let the certifications lapse: The competing lure of the major brands was simply too strong in order to continue to 'just doing it'.

On the positive side: Two members of the Fair Rubber Association have just ordered promotional balloons – made from Fairly Traded rubber, of course!



No Longer On Tap ...?

"We have cut down our collection runs – farmers have stopped tapping" – this was the 'news' I was told numerous times during a recent short visit to Sri Lanka:

I was on (other) business in India, and used the proximity to visit a number of current and potential new supplier partners 'across the straights'.

Globally, the majority of rubber, some 85%, is produced by small farmers, not on plantations. Sri Lanka is no exception.

But with world market prices low, past present and future, for many of them it simply does not make economic sense to invest the time and effort needed to produce rubber. It may be possible to eke out a living by tapping, whatever one gets for the raw latex milk is 'income'. But if income alternatives exist, i.e. other types of work, in the countryside, or in the cities – and if these provide a better return, the choice is obvious: you give up rubber.

And the same goes for plantations: sections, which previously, after 35 years of tree life, would have been replanted with fresh



rubber saplings, are being converted to palm oil. A serious loss from an environmental point of view, as rubber trees are probably the best species for CO₂ absorption.

Small farmers plant other crops, too, if they can. And even this group (apart from the very smallest of the small farmers) employs tappers: If tapping is stopped, it will result in job losses as well as a future skills shortage – that is IF rubber trees are still there to be tapped – should prices increase.

The Fair Trade premium of EUR 0.50/kg Dry Rubber Content (DRC) as fixed by the Fair Rubber Association ensures that producing rubber remains economical even in times of low world market prices, provided that the uptake is steady.

We are regularly criticised, that this Fair Trade premium is 'far too high'. But then: In 2011, when prices were at USD 6.19/kg DRC – how did the industry cope? Because, in the end, the

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Aidenvironment-Study:

Low Prices Of Rubber Drive Producers Into Poverty

Low prices drive natural rubber producers into poverty, serious violations of working rights are common. This is the shocking result of a new study by our member Aidenvironment. The scientists criticize inadequate safety standards, inappropriate use of toxic chemicals, discrimination and structural long working hours and child labour.

The world market prices for natural rubber have fallen from \$2.80 per pound (lbs) in February 2011 to US\$ 0.66 in March 2016. At current prices, many small-scale rubber producers as well as plantations cannot even cover their costs of production. Some plantations shift to more profitable crops such as oil palms. From an ecological perspective, rubber trees are better as they sequester much more carbon and can therefore help to mitigate climate change. This is a further reason, why the authors call for an improvement of the cultivation and trading conditions of natural rubber.

The study points to many interesting facts about the rubber industry. Since 2000 global rubber production has nearly doubled and reached about 12 million tons in 2014. Asia represents today more than 90% of the total area under rubber cultivation and 80% of world production. The largest consumers of rubber are China, EU, USA, India and Japan. The automotive industry

alone represents 75% of global demand.

The Fair Rubber Association (FRA) and US condom manufacturer Sustain have commissioned the study. We hope to raise awareness for the conditions in the rubber producing industry and hope to promote the use of natural rubber, which is produced in an ecologically sustainable way and traded Fairly. The study points to the FRA as a comprehensive solution to the most important sustainability problems in the rubber sector. The whole study can be downloaded from our homepage.

New Homepage ...

... We Are Looking Forward to Your Comments!

We have revised the homepage of Fair Rubber Association and have given it a fresh look. By that, we aim to make it easier for people to get the information they want, in particular for those who have had little or no contact with the Fair Rubber Association or Fair Trade so far. Also, we hope that our diverse contents are presented better in the new design. We have changed towards a fully responsive website so that the homepage can now be viewed comfortably on a smartphone, tablet, etc.

Our chairman (loewbeer@fairrubber.org) is looking forward to your comments and suggestions on our new homepage.

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cost of raw materials as part of a final product is usually comparatively small, that of the Fair Trade premium almost beyond the digits on a calculator: A balloon weighs 2 grams. The Fair Trade premium on 2 grams is 0.001% of EUR 0.50.

On the other hand: Take a car tire. For ease of calculation, let's assume the tire weights 10 kg – 30% of which may be natural rubber – so the Fair Trade premium would be EUR 1.50/tyre. 3% on a bargain tire costing EUR 50*. Too much?

Of course, for a company that buys 100 tons of rubber, whether for tires or balloons – the Fair Trade premium would add up to EUR 50.000 in Fair Trade premiums. It actually does, for our members – who physically show that it is possible to pay that extra and keep the latex flowing – with the help of consumers who care about the environment – and the living and working conditions of rubber tappers and farmers. mk

*) The car industry uses 70-75% of all rubber produced world wide. The content of natural rubber varies from tire to tire, as does the weight and cost of tires: Passenger car tires have a low content of natural rubber, high performance tires, e.g. buses, air planes, formula one use a maximum amount due to the requirement for heat resistance, abrasion etc.



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