

# Eco-certified rubber in Sumatra?

<b>Project title:</b>	Eco-certified natural rubber from sustainable rubber agroforests in Sumatra, Indonesia
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<b>Timeframe:</b>	July 2009–June 2010
<b>Funding partner:</b>	Waseda-Bridgestone Initiative (Bridging Human Activities and Development of the Global Environment, Research and Action Support Program), Japan
<b>Amount:</b>	USD 119 847
<b>Location:</b>	Bungo district, Jambi province, Sumatra, Indonesia
<b>Partners:</b>	Komunitas Konservasi Indonesia-WARSI (KKI-WARSI)

## Potential of eco-certification of rubber agroforestry

Quality remains the most important aspect of natural rubber for most companies though there is already a demand from both the consumer and the producer for eco-certified rubber. This demand can be further stimulated by the growing consumer awareness of the loss of biodiversity from monocultural farming. The valuation of biodiversity in monetary terms though, is still rather low; most companies would pay a premium price of 1–5% for eco-certified rubber, though the highest offer was 10–25%. Companies would expect eco-certified rubber to come from plantations that were either simple or complex mixed-rubber agroforestry systems. An interesting note is that the Indonesian division of a large producer of pneumatic bicycle tyres seemed interested in the idea of eco-rubber and placed a premium on this of 5–10%.

From the supply side, the most important actors on the production side of the natural rubber value chain in Jambi were the smallholder farmers, local government and the assisting agencies, such as NGOs and the Centre. The farmers in one of the study villages, Lubuk Beringin, had a very positive attitude towards eco-certification. With questions regarding the valuation of positive outcomes of eco-certification, most farmers ranked the financial benefits in first (and often also second) place. They were willing to work hard for these possible financial benefits and to form a cooperatives. However, the farmers who had participated in projects where certification was mentioned before queried when the talk would become action.



Rubber monoculture plantation (Photo: Asep Ayat)



Tapping off latex, generate income from rubber (Photo: Asep Ayat)



Traditional cup for latex made of bamboo (Photo: Asep Ayat)

Interviews with local government officials provided further clarification on land use and concessions in the Bungo district. Their message was very simple: if eco-certification in Lubuk Beringin works (that is, was profitable to the farmers) then their attitude towards it would be very positive. As long as there was proof that eco-certification could be financially beneficial to the area it was worth investing in. It must be noted that big companies operating in the region, and the relationship that local government has with these companies, might be an obstacle, when farmers are not as willing to sell their land anymore.

Furthermore, the local government wants and needs to have more knowledge of the concept of eco-certification and what it might mean for the region. Not many government officials had a clear understanding of what it might entail.

The experience of the local NGO, in this case KKI-WARSI, with the certification of organic products explained a lot about the possibilities and challenges that eco-certification of rubber faces. Organic certification, supposedly creating the highest premium prices for all kinds of certification, was good for a 10–20% price increase. This was not all given directly to the farmers but was used to develop facilities in the village as well. Such a system might not increase the financial assets of the rubber farmers very much but would improve their livelihoods by improving their village. Although KKI-WARSI believes generally that eco-certifying rubber is a very difficult task because of the nature of rubber (it is not edible and so does not directly concern people's health, neither is it a very visible product on its own), getting certification for the production system might not be as difficult. As WARSI staff have assisted Lubuk Beringin for many years, their role as an NGO will be prominent in the eco-certification process, perhaps as a potential facilitating NGO. As a facilitating NGO they would then commit to provide training, and assist in management planning, marketing and quality control.