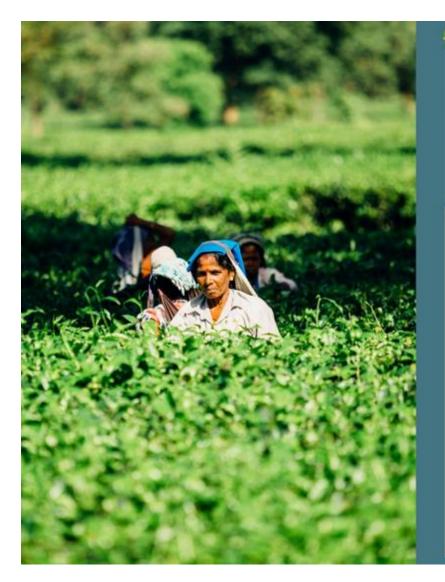


# Why we need more multistakeholder coalitions to support farmers in the cotton and rubber value chains?



#### 从Sapa is hosting a side-session webinar on

"Why we need more multistakeholder coalitions to support farmers in the cotton and rubber value chains?" as part of the OECD Forum on Due Diligence in the Garment and Footwear Sector

20 February 2024 | 9 am (CET) | 12 am (PST) | 8 am (GMT)

#### With insights from expert panelists



#### CHELSEA REINHARDT

DIRECTOR OF STANDARDS AND ASSURANCE, BETTER COTTON



#### STEFAN HÖRMANN

CHIEF OPERATIONS OFFICER, FAIR RUBBER



SENIOR CONSULTANT, BUSINESS, HUMAN RIGHTS & SUSTAINABILITY, KSAPA









**Chelsea Reinhardt** 

Director of Standards & Assurance
Better Cotton Initiative

ksapa.org <sup>2</sup>







Stefan Hörmann

Chief Operations Officer
Fair Rubber



Ksapa and its Programs
Engaging Farmers Across
Agricultural
Commodities



# **Ksapa and its Programs Engaging Farmers Across Agricultural Commodities**

#### Impact Investors

**NGOs** 

Development institutions

#### **Ksapa's SUTTI Initiative**



Meet Ari, a smallholder and head of a family-run 2 Ha farm

Sutt

Bridge the gap

Transforming the 1<sup>st</sup> mile of Agricultural Supply Chains

Governments

Corporates

Local industrial companies

Experts & Partners

ksapa.org

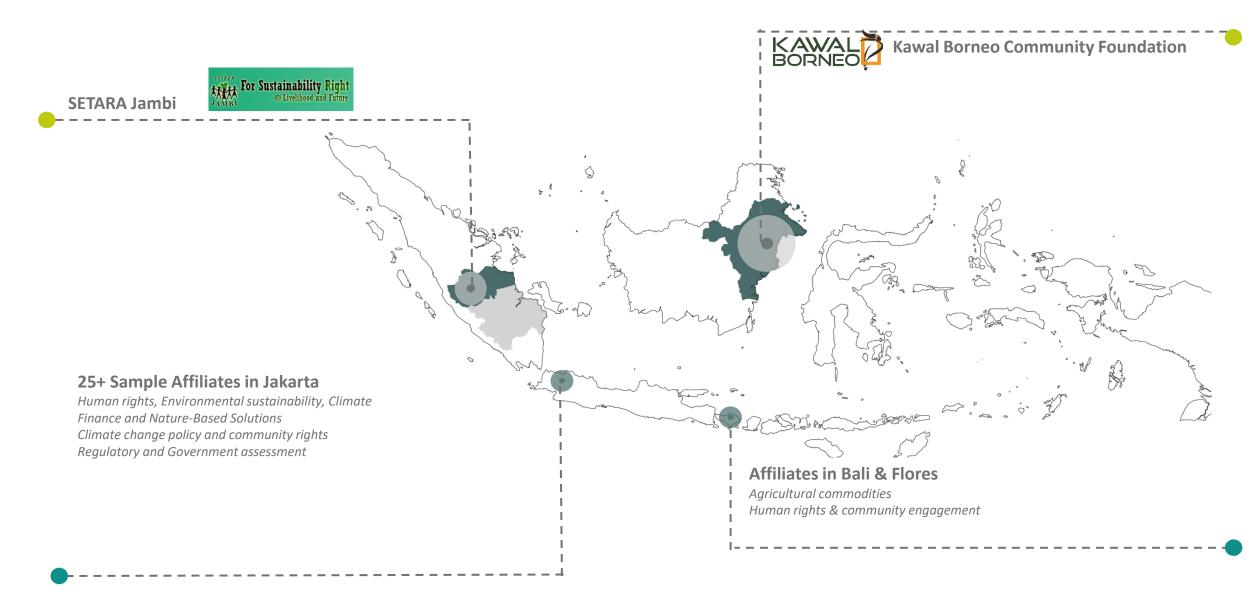


Ongoing engagement of natural rubber smallholders combining face to face & digital formats





#### Ksapa's Network in Indonesia



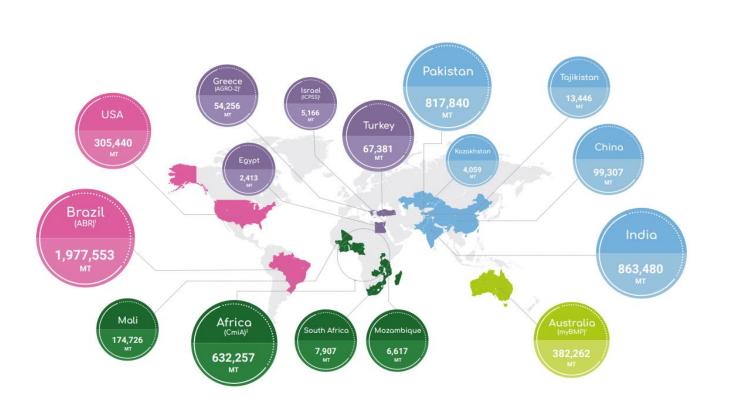


#### Question

Why are the rubber and cotton supply chains so fragmented? As a result of this fragmentation what are the on-the-ground challenges and limitations with farmers?



## Better Cotton: Our Reach



**22%** of global

production.

2.2 million

licensed farmers.



# **Challenges for Farmers**

1.5 million cotton farmers in Pakistan

40%

annual cotton crop affected or lost.







#### I. The Fair Rubber Association - Our Aim

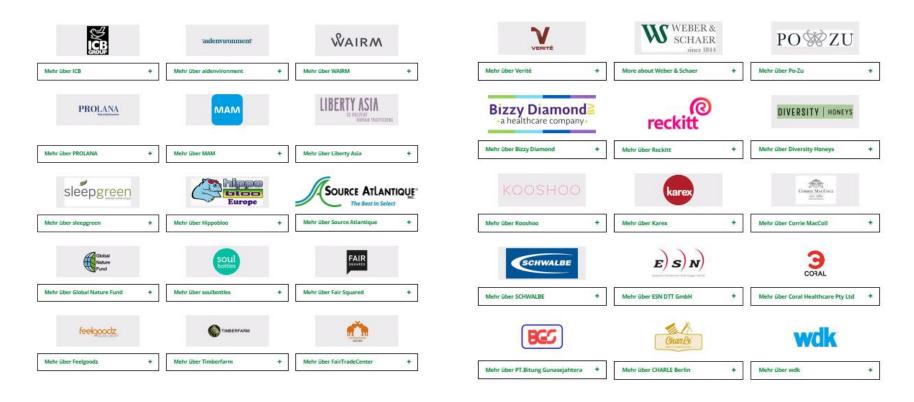
Contributing to an improvement of the working and living conditions of the primary producers of natural latex (rubber), as well as promotion the environmentally friendly production of natural rubber.





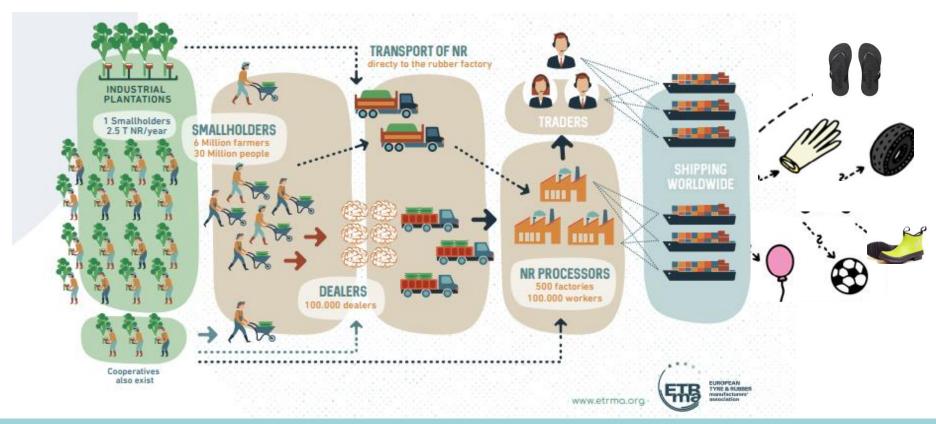
## Fair Rubber Association – The organisation

- 35 members with commercial and non-commercial interest
- Secretariat in Bonn, Germany
- Board: 2 representatives from commercial members + 2 non-commercials





# II. Fragmentation of Rubber Supply Chains



Cooperatives, Unions, Communities, Legislator, Administration, Rubber Industry Associations, Research Institutes

Standards – Certifiers, Brands, Consumers, NGOs.....



# **III. Fragmentation**

On-the Ground
Challenges and
Limitations with
Farmers and Tappers





# On-the Ground challenges and limitations with farmers and tappers

- Inadequate infrastructure for transportation and storage
- Limited bargaining power in negotiations with buyers
- Inconsistent quality standards
- Difficulties in accessing credit and financial services
- Limited access to market information and pricing transparency => Fair Prices





#### Question

In your view, why do we need more multistakeholder coalitions to support farmers in the cotton and rubber value chains?



# IV. Role of Multistakeholder Coalitions to Support Smallholders





#### 1. Standardisation and Fair Price

- Fair Rubber Supplier Partners exist in Indonesia, Sri Lanka, Thailand, India + Malaysia
- Certification against Fair Rubber Standards





#### Fair Trade Premium

- Primary producers benefit from Fair Trade Premium
- EUR 0.50/kg/Dry Rubber on top of the market price







### Products with Fair Rubber Logo









FLIP-FLOPS





durex
Natural Feeling



LATEX GLOVES

From Prolana





**HOT WATER BOTTLES** 

FROM PROLANA



ROOTCOACH From Diversity Honeys

From Prolona

FELT / LATEX YOGA MATS
FROM PROLANA



#### 2. Coordination and Collaboration

- Supporting the creation of cooperatives and joint bodies on plantations – essential!
- Bringing together stakeholders from different parts of the supply chain
- Building Trust and Understanding





#### 3. Sharing of Information and Tools Development

- Data management
- Transparency –
   Traceability
- Main Driver at the moment: EUDR





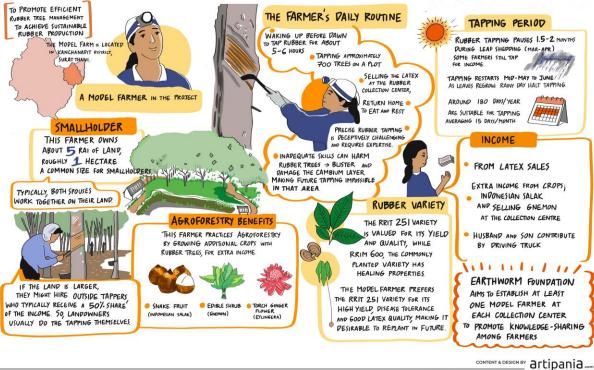
## 4. Capacity Building and Training

- Agricultural practices
- Adaptation, mitigation and resilience
- Governance/Business management



Fungus Pestalotiopsis

#### PROMOTING SMALLHOLDER RUBBER AGROFORESTRY SYSTEMS









⊒arthworm



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#### Gujarat, India - Farmer Producer Organisation













# **Getting in Touch**

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