



**Goodyear tires, endangered species, and human rights abuse**

April 2018  
Mighty Earth

## Executive Summary

Rubber is currently one of the principle drivers of destruction for valuable and endangered forests in Africa and Southeast Asia. Globally, land area under rubber cultivation has nearly doubled from 1983 to 2012.<sup>i</sup> In some countries in the Mekong region of Asia, deforestation for rubber has accelerated faster than anywhere else on the planet. And while growth has stagnated in the last few years, current projections suggest that demand will increase again.

Traditionally, the bulk of the world's natural rubber production has come from a handful of Asian countries, with Indonesia and Thailand accounting for more than 60 percent of global production in 2014. However, over the past decade, natural rubber production has expanded dramatically in other parts of Southeast Asia, notably Myanmar, Laos, and Cambodia. Driven by a boom in commodity prices in the mid-2000s and aided by regional governments willing to grant large land concessions to agro-industrial investors, rubber planting has spread massively in the Greater Mekong region. For example, in Cambodia, the area under rubber cultivation has leapt nearly nine-fold from 44,000 ha. in 2003 to 384,350 ha. in 2016.<sup>ii</sup>

Despite having long been aware that natural rubber grown on plantations in the Greater Mekong Region has been linked to deforestation, biodiversity loss, human rights abuses, and land grabs, Goodyear has done little to mitigate these risks. The corporation has delayed updating its supply chain monitoring systems and failed to put rigorous checks and controls in place to ensure it does not import tainted rubber. At time of distribution of this investigation, Goodyear announced a new Sustainable Natural Rubber Procurement policy.

Goodyear's policy is a step in the right direction and underscores a commitment to following several industry-accepted standards for agriculture free of human rights abuse and deforestation. However, it lacks policy points for monitoring implementation, transparency of suppliers, termination of non-compliant suppliers, forest restoration, banning of hazardous chemicals as prohibited by Rotterdam Convention, a full ban on burning and development on peatland, and additional clarification on labor rights protections.

The long-term consequences for non-compliant suppliers is critical because as the findings of this investigation detail, from October 2016 to March 2018, Goodyear has, in total, imported natural rubber on 84 occasions from a Vietnamese company, Dau Tieng Rubber, and a Cameroonian company, Heavea Cameroun (Hévécam), responsible for extensive deforestation in biodiversity hotspots, land grabbing, and human rights violations at their rubber plantations in Cambodia and Cameroon.

Dau Tieng Rubber Corporation, owned by Vietnamese parent company the Vietnam Rubber Group (VRG), is linked to many problematic rubber plantations in Cambodia. This group has been found to be skirting laws on maximum land holding sizes, illegal logging, habitat destruction in sensitive forest areas, land grabs, forced evictions, and the use of excessive force through armed security personnel around its plantations. Many of VRG's land concessions overlap with or border wildlife sanctuaries. The known land concessions believed to have been initially granted to VRG companies in Cambodia totaled 123,134 hectares, larger than the city of Los Angeles and over 12 times the limit for a single corporate entity under Cambodian law. In October 2015, the Forest Stewardship Council (FSC), a large industry-NGO collaboration that certifies responsible and sustainable forest product companies, stripped VRG of its certification, citing "unacceptable activities" in Cambodia.

Hévécam has been embroiled in recent conflict with villagers in and around its concession in Cameroon, due to allegations that the company has violated the customary land rights of some local communities in the districts of Lokoundjé and Kribi II.

By continued purchasing from these companies, Goodyear is not only engaging with suppliers found to be operating destructive plantations, but also turning a blind eye to the possibility of tainted rubber entering their tire supply chain. The company should, as a matter of urgency, conduct a full and thorough social and environmental audit of the situation in and around those two suppliers' plantations in Cameroon and Cambodia, respectively. If those suppliers are in breach of Goodyear's new Natural Rubber Procurement Policy, immediate remedial action must be taken to correct the behavior or, if necessary, terminate the commercial relationship(s).

Tires don't need to be produced through deforestation. In 2016, Goodyear competitor Michelin realized the opportunity to produce far more responsible tires when it announced a policy to prohibit deforestation and human rights abuse by its suppliers, based on standards supported by leading environmental and human rights organizations. Since the Michelin announcement, Pirelli and Bridgestone have followed suit. Goodyear's recent announcement is a welcome step in the right direction; however, without a commitment to ending relationships with non-compliant suppliers there is doubt on how effective the policy will end up being.

Drivers want their tires to be safe, durable, and efficient; they want to be able to forget them and focus on the road ahead. They certainly don't want the tires on their cars to be pushing wildlife like gibbons, macaques, and elephants to extinction or driving the theft of indigenous communities' lands. Tire companies have a responsibility to take relatively easy and affordable steps to ensure that people can focus on enjoying the journey, not worrying if they're helping drive crucial species and ecosystems out of existence.

## Introduction

Around the world, more than a billion car, truck, and aircraft tires are sold every year. Practically all of these tires are made with rubber that began its journey on land converted from tropical rainforest through violence, indigenous dispossession, and wildlife extinction.

The rubber tree, *Hevea brasiliensis*, plays the central role in the creation of tires, as it is the most important source of natural latex. Rubber seedlings take an average of seven years after planting before producing latex. Once harvested from the rubber tree, latex is made through a process called vulcanization to become the rubber used to manufacture tires. Although synthetic rubber is widely used for many industrial purposes and is a component of most tires, the chemical qualities of natural rubber have made it irreplaceable for the manufacturing of vehicle tires.

The tire industry accounts for more than seventy-five percent<sup>iii</sup> of global natural rubber consumption with the top five global brands, Bridgestone, Michelin, Goodyear, Pirelli, and Continental, consuming an estimated thirty-five percent of the tire industry's rubber consumption alone.

Global purchases of imported natural rubber totaled USD 12.5 billion in 2016. From a continental perspective, Asia accounted for the highest dollar worth of imported natural

rubber during 2016, with purchases totaling USD 7.6 billion or 60.2% of the global total. In second place were European Union importers at 20.5%, while 14.5% of worldwide natural rubber imports were delivered to North America.<sup>iv</sup>

**Table 1: Natural Rubber Imports by country – 2016<sup>v</sup>**

Country	Value of NR imports (USD)	Global share
1. China	\$3.4 billion	26.7%
2. United States	\$1.5 billion	11.7%
3. Malaysia	\$1.2 billion	9.3%
4. Japan	\$927.2 million	7.4%
5. India	\$656 million	5.2%
6. South Korea	\$537.1 million	4.3%
7. Germany	\$478.9 million	3.8%
8. Brazil	\$321.7 million	2.6%
9. Spain	\$241.8 million	1.9%
10. France	\$239.1 million	1.9%

The value of the global tire market is forecasted to grow at a rate of 8.4% per year between 2016-2021, backed by overall growth in the world automobile market.<sup>vi</sup> Driven by this rising need from tire manufacturers, worldwide demand for natural rubber is forecast to rise by 3.9% per year through 2019.<sup>vii</sup>

## Goodyear

The Goodyear Tire and Rubber Company is an American corporation founded in 1989 and currently headquartered in Akron, Ohio. It develops, manufactures, markets, and distributes tires for most types of vehicles (approximately 87% of Goodyear's sales in 2016 were for new tires<sup>viii</sup>), as well as manufacturing and marketing rubber-related chemicals for various applications.<sup>ix</sup> Consumer tire brands belonging to the company include Goodyear, Dunlop, Kelly Tires (US), Fulda (Germany), Sava (central Europe), and Debica (Poland).

In 2016, Goodyear generated \$15.2 billion in net global sales, with gross profits of \$4.186 billion and a net income of \$1.3 billion. About half of the company's income (\$8.2 billion) was from tire sales in North America. Also, in 2016, Goodyear sold 161.1 million individual tires worldwide. Of these, 117.3 million were replacement tires, while 48.8 million were tires for original equipment.

## Goodyear CSR and Rubber Procurement Policy

Goodyear heavily emphasizes corporate social responsibility (CSR) on the company website, as well as within its annual reports. The company reports on sustainability issues in accordance with the Global Reporting Initiative. Goodyear's CSR efforts focus on several key areas: notably product quality (including improvements in life cycle efficiency and impact), health and safety, and the environment (particularly reducing energy and water consumption, and reducing GHG emissions).

Goodyear has a department dedicated to addressing Environmental, Health, Safety & Sustainability considerations. This unit focuses on ensuring that Goodyear:

- Complies with all relevant regulations regarding environmental and safety issues
- Moving manufacturing plants towards 'zero landfill' by requiring all factories to reduce, reuse, and recycle waste

- Promoting proper management/ disposal of end-of-life tires
- Reducing/eliminating solvent use and emissions

In 2015, Goodyear also set a new five-year goal aimed at reducing its global energy use by 25% from its 2010 baseline.<sup>x</sup> At the same time, the company also set a five-year goal to reduce water consumption by 33% from its 2010 baseline.<sup>xi</sup> Also in relation to water, Goodyear states that it does not discharge untreated process or sanitary water into natural waterways to protect local water resources and prevent negative impacts on biodiversity. Goodyear “encourages” local facilities to undertake “environmentally friendly projects,” such as tree plantings, marine habitat preservation, recycling, and wetlands development.<sup>xii</sup>

With regards to human rights issues, Goodyear’s website declares its commitment to inclusivity and non-discrimination in the workplace, respecting workers’ rights to freedom of association, and prohibitions on child labor and any form of compulsory labor.<sup>xiii</sup>

## Goodyear’s Position on Sustainable Natural Rubber

Goodyear acknowledges that the natural rubber industry is fraught with potential risks, including human rights abuses and deforestation in Southeast Asia and other regions where natural rubber is produced. As such, it has committed itself to working with other actors in the rubber industry to promote the procurement of sustainable rubber. In May 2017, Goodyear joined an initiative by General Motors (GM) committing to sourcing tires using sustainable natural rubber, which it believes “will also have a positive impact on the natural rubber industry’s efforts to promote sustainable natural rubber, including how natural rubber is produced and procured globally.”<sup>xiv</sup>

Additionally, Goodyear is a supporter of the Sustainable Natural Rubber initiative (SNR-i), a scheme including tire industry representatives, natural rubber traders and governments of some rubber producing countries. It is also a member of the World Business Council on Sustainable Development’s Tire Industry Project, a CEO led initiative rumored to be working on sustainable natural rubber.

At the time of printing of this report, April 2018, Goodyear announced a Natural Rubber Procurement Policy. Goodyear’s policy underscores a commitment to following several industry-accepted standards for agriculture free of human rights abuse and deforestation. However, it lacks policy points for monitoring implementation, transparency of suppliers, termination of non-compliant suppliers, forest restoration, banning of hazardous chemicals as prohibited by Rotterdam Convention, a full ban on burning and development on peatland, and additional clarification on labor rights protections.

While the writers of this report welcome a policy from Goodyear, and the opportunity to work with Goodyear to strengthen the policy, it is unclear the effectiveness of the policy at this time.

## Suppliers

Like its direct competitors, Goodyear sources most of its natural rubber from Southeast Asia. Over the past year, Goodyear has bought rubber predominantly from companies based in Indonesia, followed by those based in Vietnam, Cameroon, and Thailand. The table below shows the principal fifteen companies supplying natural rubber to Goodyear Tire & Rubber Co. in the U.S. from March 2016 to March 2018.

## Top 15 Natural Rubber Suppliers to Goodyear Tire & Rubber Co. in the U.S.<sup>1</sup>

Natural Rubber Supplier Name	Supplier Country	Total Shipments To Goodyear Tire & Rubber Co.	Last Shipment To Goodyear Tire & Rubber Co.
1. Djambi Waras	Indonesia	569	04/02/2018
2. PT. Perindustrian & Perdagangan	Indonesia	436	04/02/2018
3. Sri Trang Agro Industry Public Company Limited	Thailand	208	04/02/2018
4. Pt Anugrah Bungo Lestari	Indonesia	141	04/02/2018
5. Pt Transco Pratama	Indonesia	164	03/17/2018
6. PT. Sri Trang Lingga Indonesia	Indonesia	129	03/26/2018
7. Pt Famili Raya	Indonesia	119	04/02/2018
8. Pt Megasawindo Perkasa	Indonesia	126	04/02/2018
9. Pt Batanghari Barisan	Indonesia	127	04/02/2018
10. Bumi Beliti Abadi	Indonesia	99	03/17/2018
11. Hevea Cameroun Hevecam* <sup>2</sup>	Cameroon	61	03/15/2018
12. PT Nusira	Indonesia	71	04/02/2018
13. Dau Tieng Rubber Corp* <sup>3</sup>	Vietnam	56	11/12/2017
14. Pt Tirta Sari Surya	Indonesia	60	03/14/2018
15. PT. Aneka Bumi Pratama	Indonesia	71	03/26/2018

In its 2016 annual report, Goodyear states that the company is committed to compliance with laws and regulations and “works to maintain high standards of ethical behavior,” including labor standards, environmental practices, and responsible sourcing.<sup>xv</sup> In pursuit of these objectives, the company has also developed a Code of Conduct for its suppliers. The Code covers: child labor, forced labor, freedom of association, compensation and working practices, anti-discrimination, the environment, anti-bribery, health and safety, and conflict minerals.

There is no specific mention of whether roll-out of this tool included natural rubber suppliers.

### Problematic Suppliers

<sup>1</sup> As of April 10, 2018. Data source: Panjiva.com

<sup>2</sup> (\*) denotes a problematic supplier, as discussed in more detail below

<sup>3</sup> (\*) denotes a problematic supplier, as discussed in more detail below

### Hevea Cameroun (Hévécam) - Cameroon

Hevea Cameroun (Hévécam) is one of the two largest natural rubber producers in Cameroon, with a land concession covering 42,245 ha. in the Ocean department of Cameroon. Of this area, 18,000 ha. is covered by rubber plantations. Formerly owned by the State of Cameroon, the government sold 90% of the share capital in December 1996 to GMG International SA, a subsidiary of GMG Global Ltd Singapore, while retaining 10%. In 2008, Chinese firm Sinochem International bought a 51% share of GMG Global and as such is now the majority shareholder of Hévécam.

The company plans to extend the land within its concession under rubber cultivation by an additional 18,000 ha.<sup>xvi</sup> According to its website, “The extension of our plantations in the districts of Lokoundjé and Kribi II will eventually increase the supply of our plant raw material.”<sup>xvii</sup>

### Relationship with Goodyear

GMG Hévécam has been supplying Goodyear (along with several other major global tire brands) since at least 2011.<sup>xviii</sup> Between April 2017 and March 2018, Goodyear imported 61 consignments of natural rubber from Hévécam.

### Shipments from Hévécam to Goodyear: April 2017 - March 2018

Arrival Date	Consignee	Shipper	Shipper Origin	Quantity	Weight (kg)
2018-03-15	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	504 BAL	19473.6
2018-03-15	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	4032 BAL	155792
2018-03-15	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	5040 BAL	194740
2018-02-27	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	4536 BAL	175266
2018-01-14	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	4032 BAL	155791
2017-12-20	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	1008 BAL	38947.7
2017-12-10	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	2520 BAL	97370
2017-11-03	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3528 BAL	136318
2017-10-23	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	2880 BAL	111280
2017-10-19	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3528 BAL	136318
2017-10-16	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	5040 BAL	194740
2017-10-16	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3528 BAL	136318
2017-10-09	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	2880 BAL	111280
2017-09-29	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	2016 BAL	77895.9
2017-09-21	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	5040 BAL	194740
2017-08-24	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	5040 BAL	194740

2017-07-27	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3024 BAL	116844
2017-07-13	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3024 BAL	116844
2017-06-30	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	2880 BAL	111280
2017-06-04	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3024 BAL	116844
2017-06-04	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	4032 BAL	155792
2017-04-20	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	2520 BAL	97370
2017-04-20	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	4536 BAL	175266
2017-04-20	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	1152 BAL	44511.9
2017-04-13	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	3528 BAL	136318
2017-04-13	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	1728 BAL	58421.3
2017-04-02	Goodyear Tire & Rubber Co.	Hevea Cameroun Sa	Cameroon	1152 BAL	44511.9

Hévécám's track record:

### Forest Habitat Destruction

According to research published in 2015 by the Center for International Forestry Research (CIFOR), the proposed 18,000 ha. expansion of Hévécám's rubber operation poses "visible environmental concerns" that relate to the likely impact of new monoculture rubber plantations into an area rich in biodiversity, including effects on protected species of plants and animals. Because expansion is underway, demographic change and new forest losses are already occurring.<sup>xix</sup>

### Land conflicts

Hévécám has been embroiled in recent conflict with villagers in and around its concession in Southern Cameroon, due to allegations that the company has violated the customary land rights of some local communities in the districts of Lokoundjé and Kribi II.<sup>xx</sup> According to Hévécám, around 35,000 people live inside of its concession area.<sup>xxi</sup> However, in 2015, Hévécám's riparian communities blamed the rubber producer of monopolizing arable lands and going beyond the limits of some of its concessions.<sup>xxii</sup> According to research published by the Center for International Forestry Research (CIFOR), this has deprived local people of their livelihoods, since they mainly subsist on agricultural activities. This has caused particularly serious consequences for minority peoples who do not have formal legal titles to land and rely on respect of customary access rules for their subsistence.<sup>xxiii</sup>

Further on-the-ground evidence collected by Forest Peoples' Program in July 2015 alleged clear-felling taking place on village land belonging to two communities, which was reportedly undertaken by a forestry company to make way for rubber expansion by Hévécám on land adjoining its concession.<sup>xxiv</sup> For its part, Hévécám denounced what it considers to be an illegal occupation of the lands granted them by the state of Cameroon, in particular a case where people from the community of Elogbatindi occupied about 10 acres of the company's concessions and established palm oil and cocoa farms.<sup>xxv</sup>

Aside from the land conflict, Hévécám has also run into serious industrial disputes with its workers, including strike action that closed the factory for weeks in 2012. In general,



relations between the company and the local communities remain poor, due to both unresolved land legacy issues and ongoing disputes with workers and community members. One study summarized the situation in the following terms:

“...[R]ecent incidents illustrate the urgent need for improved, more transparent and functioning social policies governing relations between village planters and the company, as well as those with the State. While from the company’s perspective profit maximization could be understandable, existing evidence suggests that this is occurring at the expense of the well-being of employees and local communities, in part due to a non-transparent way of conducting business.”<sup>xxvi</sup>

### **Dau Tieng Rubber Corporation**

Dau Tieng Rubber Corporation engages in the production and sale of latex and other rubber products. The company is based in Dau Tieng, Vietnam, and operates as a subsidiary of Vietnam Rubber Corporation.

Although Dau Tieng is a Vietnamese company, it has also established plantation operations on two adjacent land concessions in Kratie province, Cambodia: Dau Tieng (Cambodia) Rubber Development Co. Ltd. and Dau Tieng Kratie Rubber Development (also known as Dau Tieng-Cambodia and Dau Tieng-Kratie).<sup>xxvii</sup> These concessions originally covered an area of 7,972 ha. and 6,592 ha, respectively,<sup>xxviii</sup> although these were later downsized by 4,41ha. and 3,014ha., respectively, via several government sub-decrees issued in 2012 and 2103. In September 2014, it was reported that Dau Tieng Kratie had invested \$63.8 million in Cambodia.<sup>xxix</sup>

### **Relationship with Goodyear**

Dau Tieng Rubber Co. has been a regular supplier to Goodyear Tire and Rubber Co. in the U.S. In the space of 18 months, between October 9, 2016, and November 12, 2017, Goodyear Tire & Rubber imported natural rubber consignments from Dau Tieng Rubber Co. on 23 occasions.

### **Shipments from Dau Tieng Rubber Co. to Goodyear: October 2016 – March 2018**

Arrival Date	Consignee	Shipper	Shipper Origin	Quantity	Weight (kg)
2017-11-12	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22272
2017-10-20	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	43376
2017-10-20	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	43436
2017-10-10	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22272
2017-09-30	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	43366
2017-09-14	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	43406
2017-08-24	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	43446
2017-08-01	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	38976
2017-07-16	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	38976

2017-07-02	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	38976
2017-06-04	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22240
2017-04-24	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22240
2017-04-10	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	38920
2017-03-20	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	28 PCS	38920
2017-03-16	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22240
2017-03-06	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	14 PCS	19460
2017-02-24	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	14 PCS	19460
2017-02-21	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	576 BOX	22240
2017-02-13	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22240
2017-01-30	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	14 PCS	19460
2017-01-16	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22240
2016-10-25	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	42 PCS	58380
2016-10-09	Goodyear Tire & Rubber Co.	Dau Tieng Rubber Corp	Vietnam	16 BOX	22240

### Land Conflicts

In April 2011, Dau Tieng Rubber Company was involved in a conflict with local people regarding their land concession in Kratie province's Snoul District. The concession overlapped with land on which 984 families lived.<sup>xxx</sup>

The dispute arose when the company began marking the concession boundary, which allegedly encroached upon the villagers' farmland. According to one report, around 300 villagers protested in an effort to stop Dau Tieng's bulldozers from clearing land they claimed overlapped with their property.<sup>xxxi</sup> This incident was also referenced as a human rights violation by the U.N. Special Rapporteur, Surya P. Subedi, in his 2012 report.<sup>xxxii</sup>

In September of that year, the local media reported that around 500 villagers protested by blocking the National Road 7, the main road to Kratie.<sup>xxxiii</sup> In addition to encroaching on to their farmland, local people claimed that the company had never talked to the villagers about the development of a rubber plantation, nor provided suitable compensation.<sup>xxxiv</sup>

### Forest Habitat Destruction

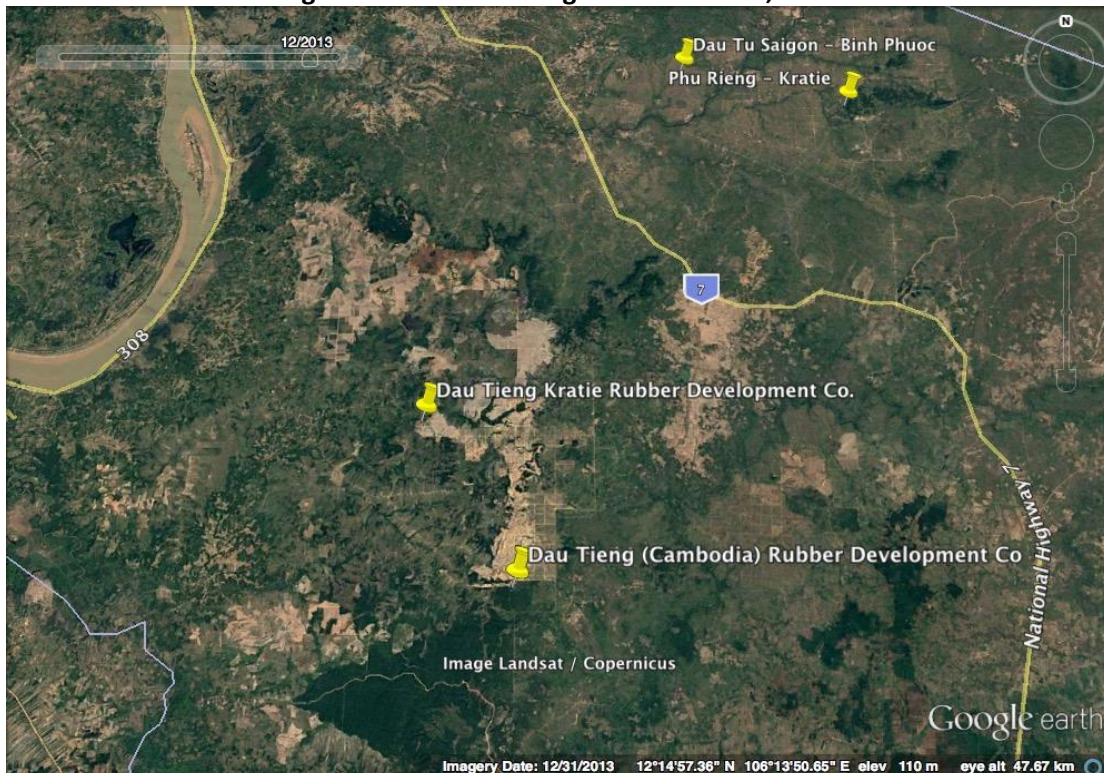
In addition to these land-grabbing and human rights concerns, the Dau Tieng land concessions have also generated dramatic deforestation and wildlife habitat destruction. Rubber plantations in Cambodia have become notorious for laundering illegally logged wood from surrounding forests, with a particularly severe situation in Kratie Province.<sup>xxxv</sup> In 2015, the Impartial Complaints Panel report for the FSC concluded that 98% of the Dau Thieng (Cambodia) concession and 91% of Dau Thieng Kratie were deforested between 2009 and

2015.<sup>xxxvi</sup> This is verified by the three Google Earth images below showing a dramatic rate of forest loss both in and around the two concessions between 2011 and 2016.

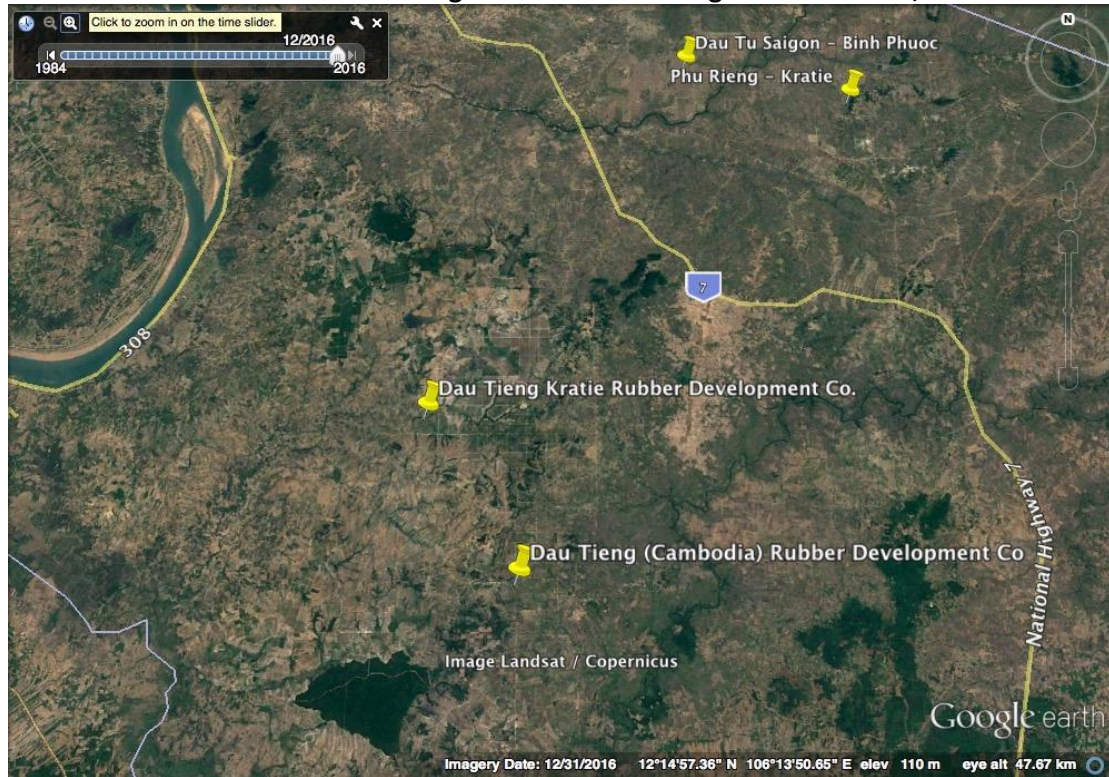
**Forest cover at the location of Dau Tieng Kratie and Dau Tieng Cambodia ELCs, three months prior to the concessions being granted, 2011**



**Forest cover at Dau Tieng Kratie and Dau Tieng Cambodia ELCs, 2013**



## Forest cover in and around Dau Tieng Kratie and Dau Tieng Cambodia ELCs, 2016



Source of images: Google Earth. Concession shape files available from [LICADHO](#)

## Recommendations

As global demand grows, rubber cultivation is estimated to swallow another 4.3-8.5 million hectares of land by 2024, larger than the area of Ireland, with the potential to displace smallholder farmers lacking formal land tenure rights, destroy precious natural forests, and wipe out critical wildlife habitats.<sup>xxxvii</sup>

This investigation finds that Goodyear has imported natural rubber from companies historically engaged in bad practices on plantations in Cameroon and in Cambodia. These plantations have been variously associated with land grabs, human rights violations, forest destruction, and the loss of biodiversity and habitats for endangered wildlife. Yet Goodyear has imported rubber into North America from these companies on 84 occasions in the past two years and has thus far ignored the clear risks associated with those rubber imports.

The time has passed for the tire industry as a whole to continue with business as usual. Thankfully, Michelin started reforms and demonstrated that the world's leading companies can pledge to ensure that their natural rubber supply chains will be untainted by deforestation, human rights abuses, or labor violations. With tire companies like Bridgestone, Pirelli, and now Goodyear following suit; and car manufacturers such as General Motors now also expressing interest in Deforestation-Free tires<sup>v</sup>, the market has turned towards sustainable rubber.

Though Goodyear's recent policy is a welcome step in the right direction, the new policy needs more explicit consequence for continually non-compliant suppliers. Furthermore, it lacks policy points for monitoring implementation, transparency of suppliers, termination of non-compliant suppliers, forest restoration, banning of hazardous chemicals as prohibited by Rotterdam Convention, a full ban on burning and development on peatland, and additional clarification on labor rights protections.

The examples of Hévécam and Dau Tieng Rubber show that the concerns about Goodyear's suppliers are more than just theoretical. The company should, as a matter of urgency, conduct a full and thorough social and environmental audit of the situation in and around those two suppliers' plantations in Cameroon and Cambodia, respectively. If those suppliers are in breach of Sustainable Natural Rubber Policy, immediate remedial action must be taken to correct the behavior or, if necessary, terminate the commercial relationship(s).

## Appendix

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- <sup>i</sup> Warren-Thomas, E., Dolman, P. M. and Edwards, D. P. (2015), Increasing Demand for Natural Rubber Necessitates a Robust Sustainability Initiative to Mitigate Impacts on Tropical Biodiversity. *Conservation Letters*, 8: 230–241. doi:10.1111/conl.12170
- <sup>ii</sup> Data from: <http://www.eepsea.org/pub/tr/Rubber%20Report-Cambodia-Yem%20Dararath-et-al-Technical-Report.pdf>; and [http://www.mih.gov.kh/File/UploadedFiles/3\\_1\\_2016\\_8\\_9\\_25\\_20160203%20CP%20Presentation5.pdf](http://www.mih.gov.kh/File/UploadedFiles/3_1_2016_8_9_25_20160203%20CP%20Presentation5.pdf); and <http://rubberasia.com/2016/03/19/reawakening-the-natural-rubber-industry-in-cambodia/>
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