



Positive impact on communities

Raw materials development projects in Italy and Latin America by specialty leather chemicals manufacturer Silvateam have had important social impacts and represent good examples of corporate social responsibility in practice.

Italian leather chemicals manufacturer Silvateam has always recognised that the vast majority of hides are tanned by chrome-tanning. Leather manufactured by chrome-tanning is quick and easy to produce, it says, often only taking a day. Water can roll off the surface easily with appropriate retanning and finishing processes and it produces leather that is soft and supple to the touch. It is also cheaper to buy than vegetable-tanned leather. These market dynamics are unlikely to change dramatically in the years ahead, but the company, most famous for its range of leather chemicals made from plant-based raw materials, remains committed to its niche.

Vegetable extracts such as chestnut, quebracho and tara are an important part of the Silvateam value chain and the company has well thought-out strategies in place to secure supplies of these materials, looking sometimes close to home, and sometimes much further afield, but always keeping in mind the needs and wellbeing of the people who live in the communities close to the forests and plantations it exploits.

Tara for today and tomorrow

"We have 450 hectares of tara plants in Peru today," says Antonio Battaglia, managing director the leather market for Silvateam. "We make 3,000 tonnes of tara tanning agent a year from our plantations." Using tara from other sources too, Silvateam's total production of tara tannins should be between 4,500 and 5,000 tonnes this year and should rise to 8,000 tonnes in years to come. Tara is a thorny shrub, which grows wild in Peru and North Africa and yields attractive scarlet-coloured pods with beans inside. The beans make tara gum, a useful ingredient for the food industry (it appears in countless items on the shelves of any supermarket, including desserts, bakery products, sauces, condiments, dairy products and others). After the beans have been removed, the pods themselves are the source of the tara tannins.

"The trees mostly grow in the wild, but there's lots of space in Peru and we have two plantations there," Mr Battaglia continues, "one in the Andes in the Huánaco region, watered by gravity, and one in the desert, in the Ica region, watered from underground resources. You can plant as much as you want. It's renewable. There can be an almost infinite supply."

Although Ica is in one of the most arid parts of the world, its underground water resources are extensive enough to grow 65% of Peru's total agricultural exports, with citrus fruit, grapes, asparagus and artichoke among the most popular. The authorities reckon that there is substantial room for further growth, calculating that of almost a quarter of a million cultivable hectares in Ica, only 117,000 have been cultivated so far. Ica could double its agricultural production if it wanted to,

A villager from the area close to Silvateam's tara plantation in Huánaco, Peru.
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according to these figures.

Up in the mountains, 2,000 kilometres from Lima, villagers and livestock herders typically plant tara trees for shade, selling the pods (to buyers including Silvateam) to raise money for dyes for their animals' wool, for pots and pans and other essentials. "What's interesting," Antonio Battaglia continues, "is that the tara pod has become a currency for those villagers. We have seen young people there going into the small, local internet café and using tara pods to buy web access, which they then use to talk online to friends and family in the US and elsewhere."

His colleague, leather business unit manager for Silvateam, Eric Poles, explains that a tara tree can grow to full maturity in seven years, which is good news for his company as demand for its tara tannins has increased in recent years. He argues that everything about the plant demonstrates its sustainability, from the fact that the pods are fruits that grow and can be harvested every year, to the recollection that, before the company established its plantation at Ica in 2001, there was only desert in that particular part of Peru. And as for the economic value of the pods to the villagers in Huánaco, he says it convinces him that the tara tree is "like a micro-economy" in its own right.

Quest for quebracho

Antonio Battaglia describes another South American tree, quebracho, as "also interesting". A subsidiary in Argentina, Indunor, runs two plants in Chaco province, in the hot, humid north-east of the country. He has a concern that pressure on farmers in Chaco to produce soya for the global market is leading to intense forest clearance, but quebracho is still valued by local people and by tanners around the world. Silvateam has carried out its own due diligence work on the sustainability of quebracho production, and is co-operating with the local authorities to control the pressure from farmers. In late August, local schoolchildren helped plant new trees, a signal of recognition from the authorities there of the economic importance of the tree, for wood as well as for tanning agents. Quebracho wood will typically yield around 20% of its weight in tannins. As the wood has a high specific weight of 1.2 tonnes per cubic-metre, this gives up to 250 kilos of tannin per cubic-metre of wood, so this, too, is an important renewable material for the leather industry.



The tara tree is a mainstay of the economy in some communities, with the pods even being used as a form of currency.

Rural life

The same is true of the chestnut forests that surround the Silvateam head office in San Michele Mondovì in Piedmont, and spread over large parts of northern Italy. The company uses chestnut extract to make tannins that are especially suited to processing heavy hides. Chestnut-tanned leathers tend to have high levels of elasticity, light-fastness, abrasion resistance and other important qualities. Silvateam likes being able to offer 'Made in Italy' tannins to leather producers focused on the country's high-end fashion, furniture and automotive brands, but it has no intention of over-exploiting the resources on its doorstep. "We harvest about 10% of the chestnut forests that are potentially available to us," Mr Battaglia explains. "Between 1880 and 1950, our company produced ten times as much chestnut extract annually as we do today and the woods are still here. Not only that, I can tell you there are chestnut woods going rotten because the trees are no longer being cut every 20 years the way their natural cycle demands. If you don't cut it, it dies. We consume about 100,000 tonnes of chestnut wood per year and we don't have to look any further for it than within a



Rich harvest. Head of Silvateam's leather business unit, Eric Poles, with tara pods. The seeds are used in the food industry, the pods themselves to make vegetable-tanned leather.

70-kilometre radius of San Michele Mondovì and this industrial exploitation of the material is a requirement for the sustainability of the forest. We are doing the environment a favour."

He explains that the chestnut forests began to be cultivated in northern Italy at the start of the Renaissance, in the fourteenth century. The problem of maintaining them is a recent one and it is linked with the move many people have made away from rural areas to the cities. Rural communities have dwindled and, in some cases, disappeared, and this has had an inevitable knock-on effect on the condition of the chestnut forests.

"People are leaving the valleys," says Eric Poles, taking up the story, "but this is something that is regulated by a government ministry and you can still reach an agreement with the ministry or with the owners and secure permission to work in the forests. And it is important to work them so that they stay healthy." Nothing goes to waste because after extracting the tannins, the wood is made into pellets for fuel, and during harvesting, only the top of the trees are cut down, leaving the tree to grow back again over time. ☺