



Webinar: Toward Zero Deforestation Supply Chains The case of Natural Rubber

Mr Salvatore Pinizzotto
International Rubber Study
Group (IRSG)

Organised by Competere
25th June 2021

About International Rubber Study Group (IRSG)

2

Who are we?

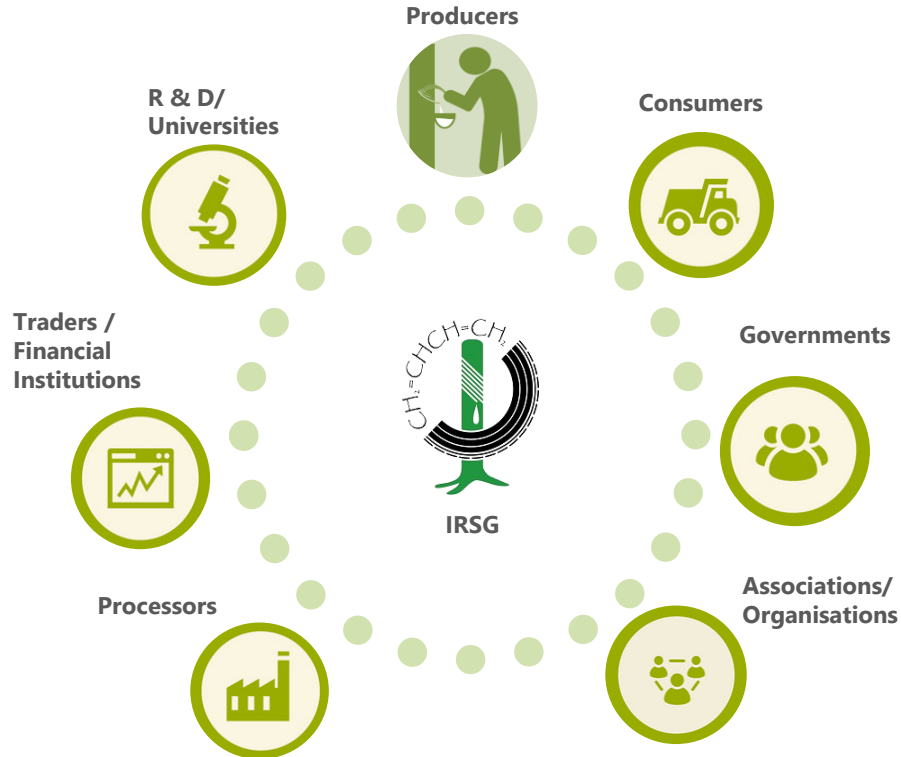
- Established in 1944 as an **inter-governmental** organisation, headquartered in London, UK. As of July 2008, the Group has been based in **Singapore**.
- IRSG is the **forum for discussion** of matters affecting the supply and demand for natural as well as synthetic rubber.
- Authoritative source of statistical **data and analysis** for all aspects of the rubber industry.



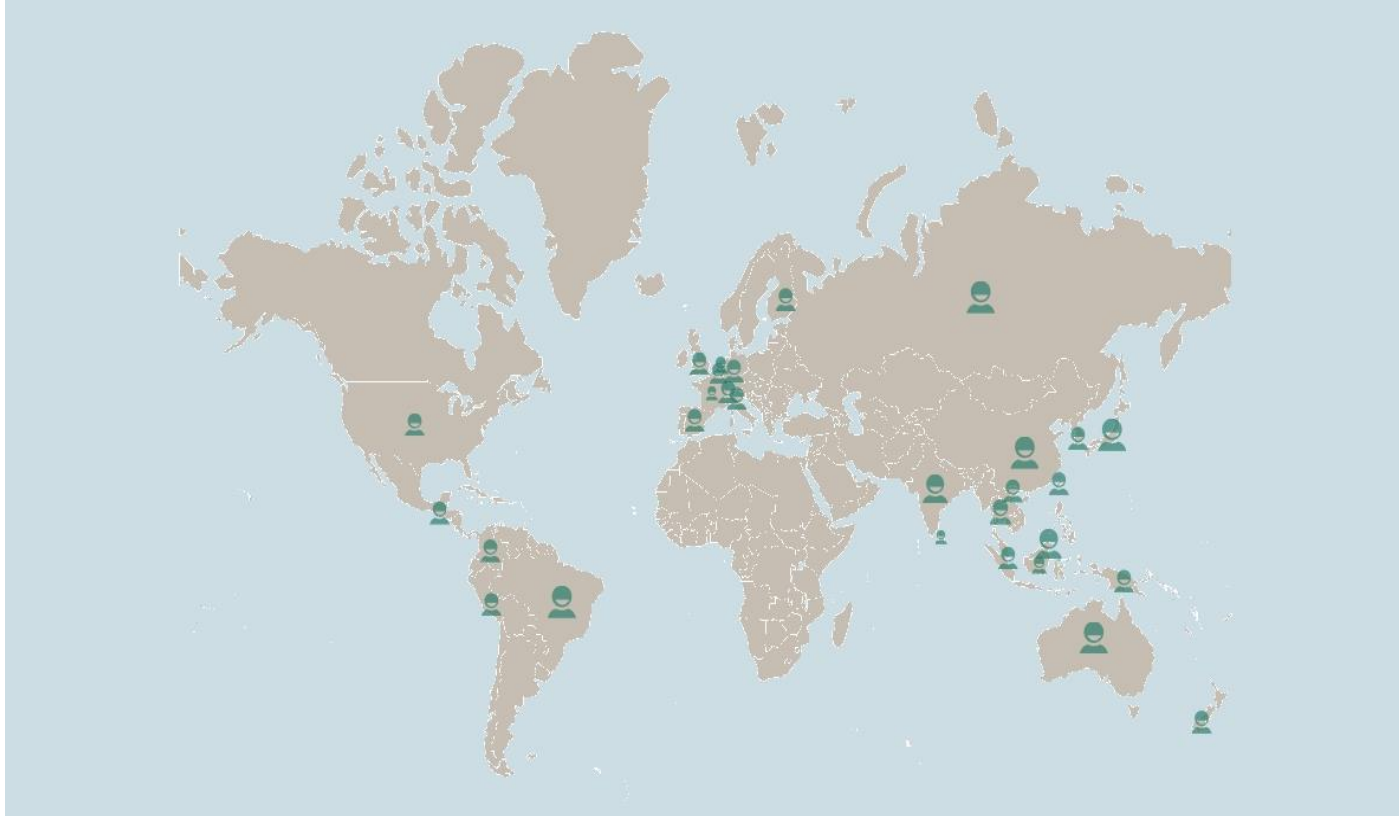
IRSG is the Global Platform for the Rubber Sector

3

3



IRSG a world network of more 100 Industry members



IRSG

Main Statistical Publications

5



Collaboration with other organisations

6



INTERNATIONAL INSTITUTE
of SYNTHETIC RUBBER
PRODUCERS, INC.



SICCRA
SINGAPORE INTERNATIONAL
CHAMBER OF COMMERCE
RUBBER ASSOCIATION



EUROPEAN
TYRE & RUBBER
manufacturers'
association



Global Platform for Sustainable Natural Rubber



UNITED WOMEN SINGAPORE



INTERNATIONAL COCOA ORGANIZATION



RESEARCH
PROGRAM ON
Forests, Trees and
Agroforestry



INTERNATIONAL
COFFEE
ORGANIZATION

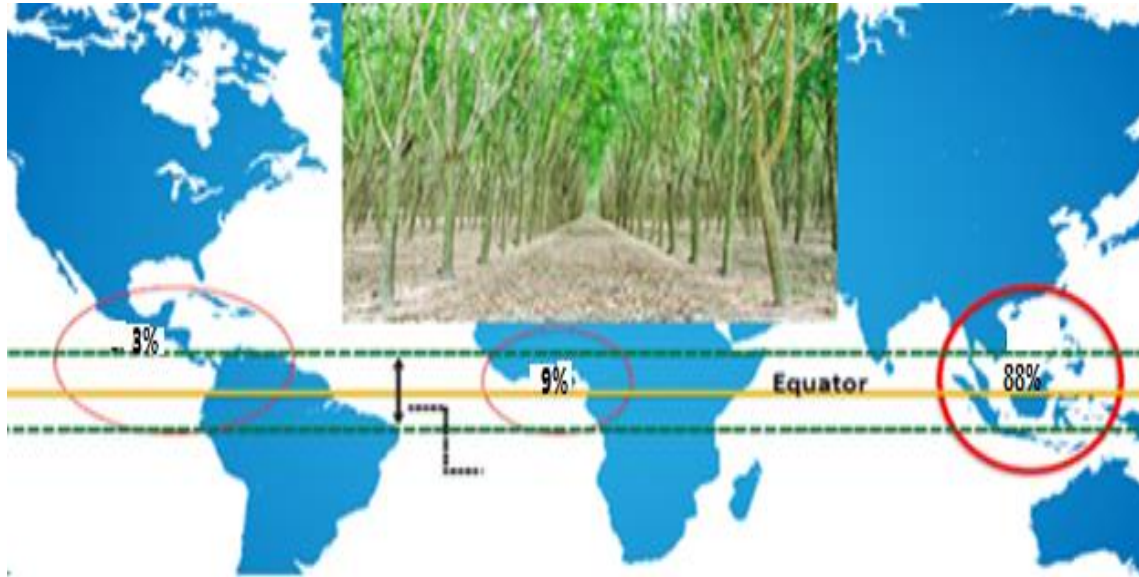


IRSG Sustainability Agenda



Natural Rubber a Strategic Raw Material

8



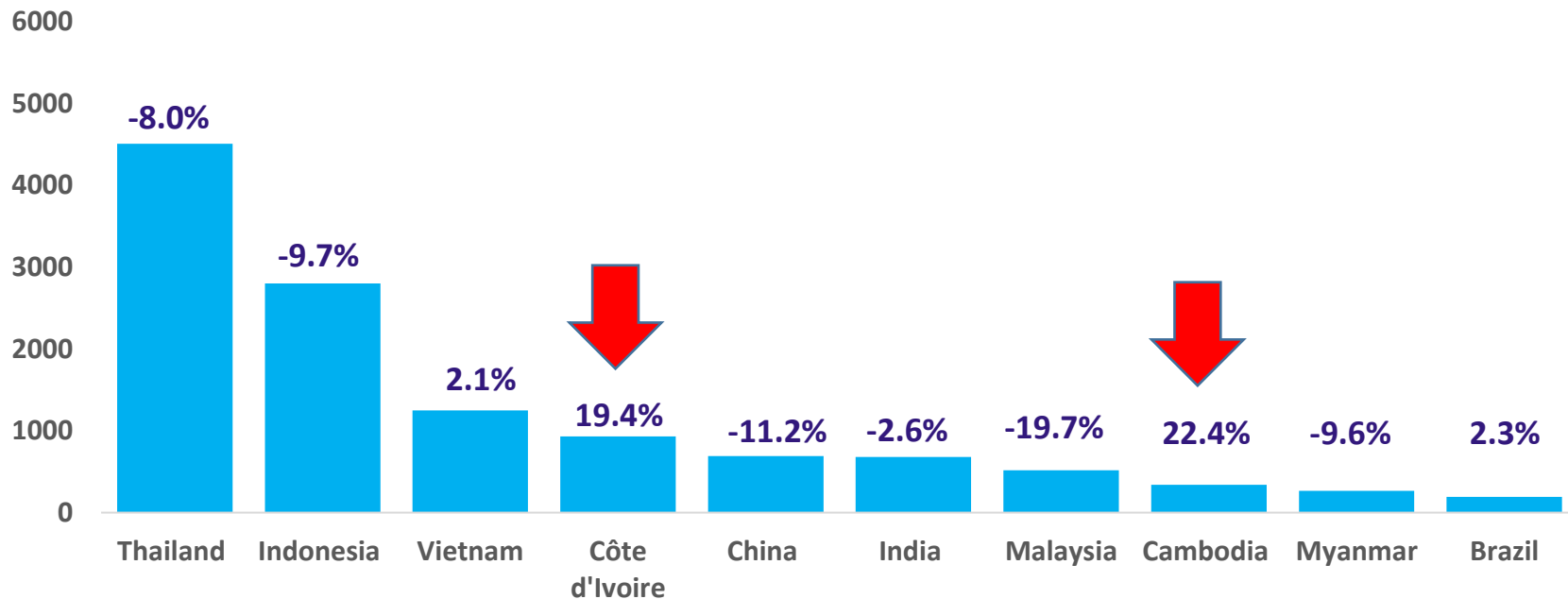
**Thailand &
Indonesia
representing
56% of Global
NR Production**

Total World Production 2020: 13 Mt



Natural Rubber Production by Country (2020)

9



Natural Rubber End uses

10

Tyre: 71%

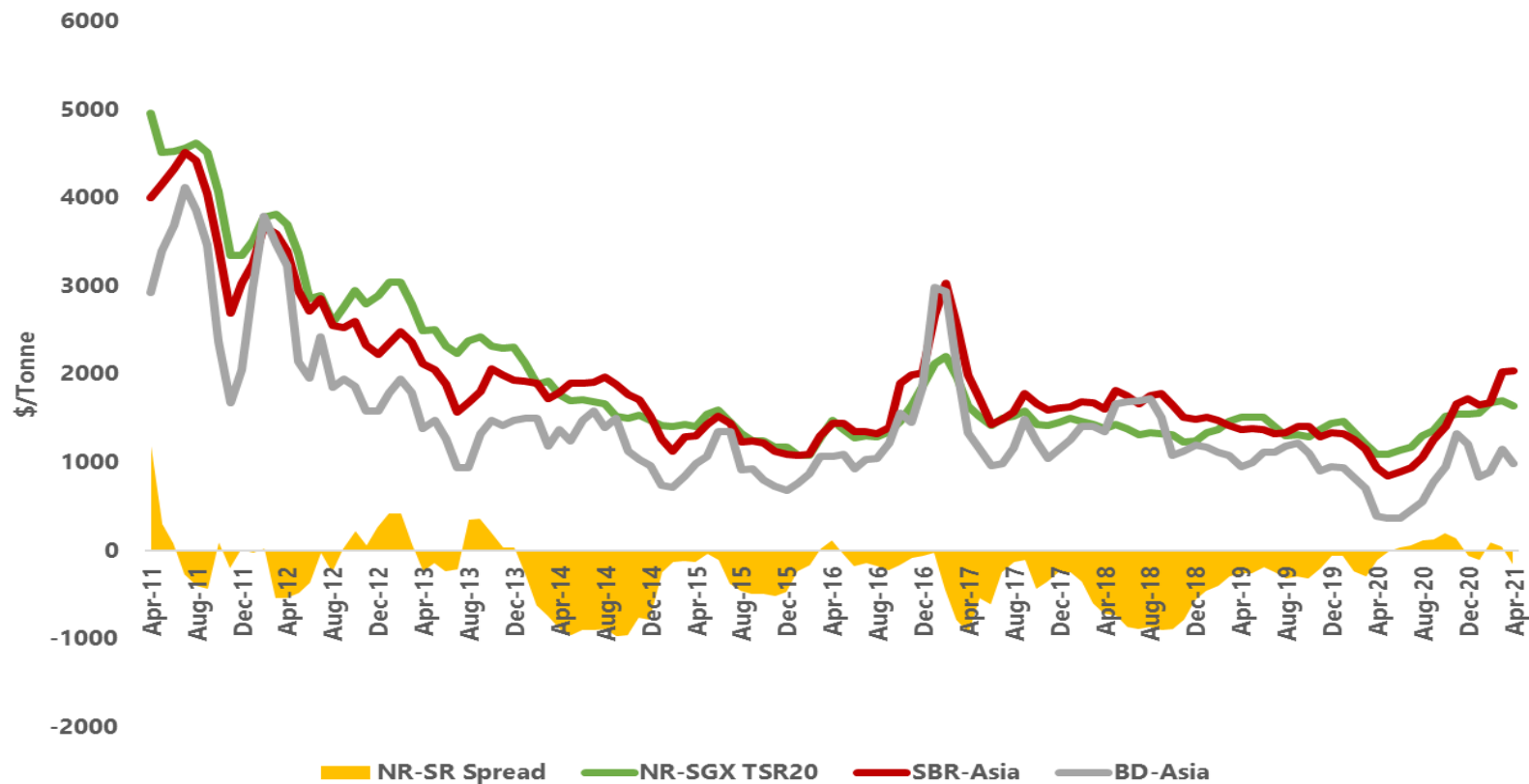


GRG: 29%



Prices Trend in the Rubber Market

11



Natural Rubber Economy: Changing Facets

12



- ❖ 90% of production from smallholders
- ❖ Falling attractiveness of farming seen as a labour-intensive activity
- ❖ Shortage of skilled labour forces
- ❖ Land-use change
- ❖ Increasing production costs, low level of productivity
- ❖ Low level of participation of youths and women, especially in the upstream sector
- ❖ For farmers severe limitations to access finance

*IRSG Photo Competition: Root trainer plants
Dr Vinoth Thomas*





(Photo: Paddy O Sullivan on Unsplash)

Natural Rubber Systems and Climate Change

14

- Natural rubber sustains **40 million people** with their families around the globe with supply chain generating more than **U\$ 300 billion**.
- **Climate change** is clearly making the weather more extreme. Super-powerful storms have become more common, and there are more days of heavy rainfall or extreme heat.
- **Deteriorating conditions** are locked in for some time.
- Need to put in place adaptation measures and better understanding the potential contribution of rubber to mitigation (what it replaces, how it is conducted)



Executive Summary and Proceedings Published in May 2021

15

May 2021

FTA WORKING PAPER • 9

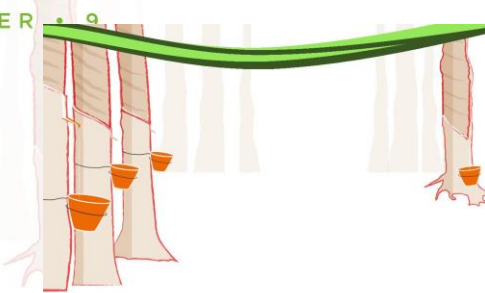
Natural rubber systems and climate change

Proceedings and extended abstracts from the online workshop, 23–25 June 2020

Natural Rubber Systems and Climate Change

Executive Summary
from the online workshop, 23–25 June 2020

Salvatore Pinizzotto, Datuk Dr Abdul Aziz b S A Kadir,
Vincent Gitz, Jérôme Sainte-Beuve, Lekshmi Nair,
Eric Gohet, Eric Penot, Alexandre Meybeck



BRIEF

December 2020 • Issue 4
DOI: 10.17528/cifor/007860

Research Program on Forests, Trees and Agroforestry

Sustainable development of rubber plantations in a context of climate change

Challenges and opportunities

Vincent Gitz^a, Alexandre Meybeck^a, Salvatore Pinizzotto^b, Lekshmi Nair^a, Eric Penot^a, Himlal Baral^a and Xu Jianchu^a

Introduction

Land use is a central issue for the achievement of the Sustainable Development Goals (SDGs) and of the Paris Agreement on Climate Change. Plantations of all major tropical commodities are expanding quickly. This creates opportunities for development. It also raises concerns about the impacts of these plantations on the environment, landscapes and livelihoods. Natural rubber is a particularly interesting example to consider in the perspective of sustainable development of a commodity's producing countries and value chains. This paper is a collaboration between the Forests, Trees and Agroforestry (FTA) research program of the CGIAR (FTA nd.) and the International Rubber Study Group (IRSG) (IRSG nd.). FTA works across a range of plantations, value chains and tree crop commodities, from timber, palm oil, cacao, coffee and tea to bamboo, rattan and rubber, among others. It has identified plantations, their development and sustainability as a research priority. IRSG is an intergovernmental organization and the primary source of statistical information related to rubber value chains, policy issues, innovation and technology. IRSG has a leading role in developing a comprehensive agenda for the sustainability of natural and synthetic rubber.

Natural rubber production is dominated by millions of smallholders; by and large, around 90% of the global production and rubber area is under smallholdings (IRSG 2019). There are both monoculture and various diversified systems. The diversity of economic and production models, as well as the diversity of policies and measures in the sector, can lead to useful conclusions for a sustainable future of plantations.

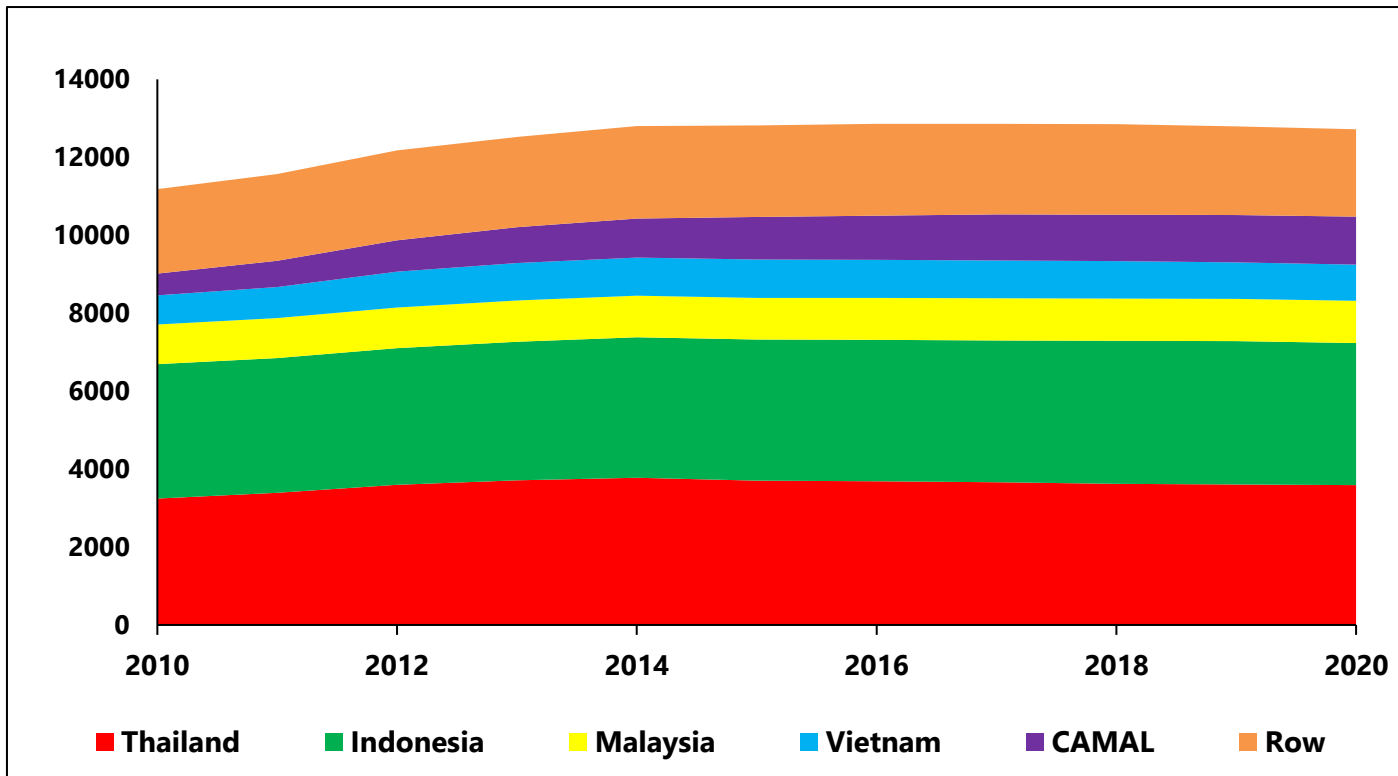
Rubber plantations expanded rapidly from 2005 onward, coinciding with the super-cycle of commodity prices that included natural rubber. The rubber area has grown quickly in the last two decades, with a stronger expansion especially in the last decade (IRSG 2019). This growth has been most apparent in the Mekong region and Côte d'Ivoire. More than 2.5 million hectares (ha) was added to total rubber area during 2008–18, bringing about a 24% expansion in rubber area. Global rubber demand has risen rapidly during the last decade, driven by economic development, especially in China, as the world economy recovered from the 2007–08 financial crisis. This expansion is expected to continue at a decelerating rate driven by increased demand. Predictions suggest a modest growth in global demand (+2.4% per annum) driven by the tyre sector (+2.2% per annum) in the next decade (IRSG 2019).

^a Forests, Trees and Agroforestry (FTA)/Center for International Forestry Research (CIFOR)
^b International Rubber Study Group (IRSG)
^c French Agricultural Research Centre for International Development (CIAD)
^d Center for International Forestry Research (CIFOR)
^e World Agroforestry (ICRAF)



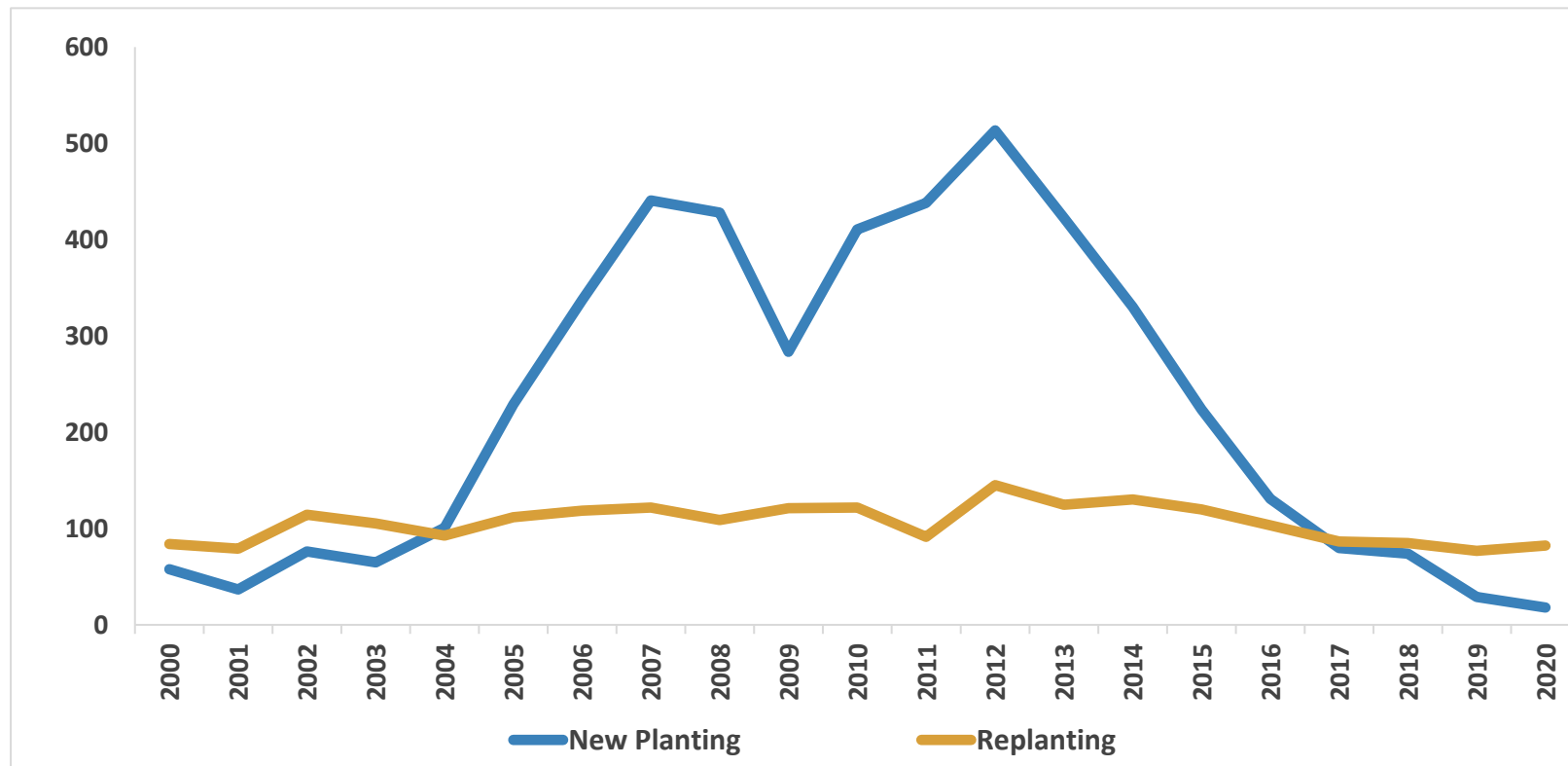
Total Natural Rubber Area ('000 ha)

16



Natural Rubber : Planted Area in Asia Pacific

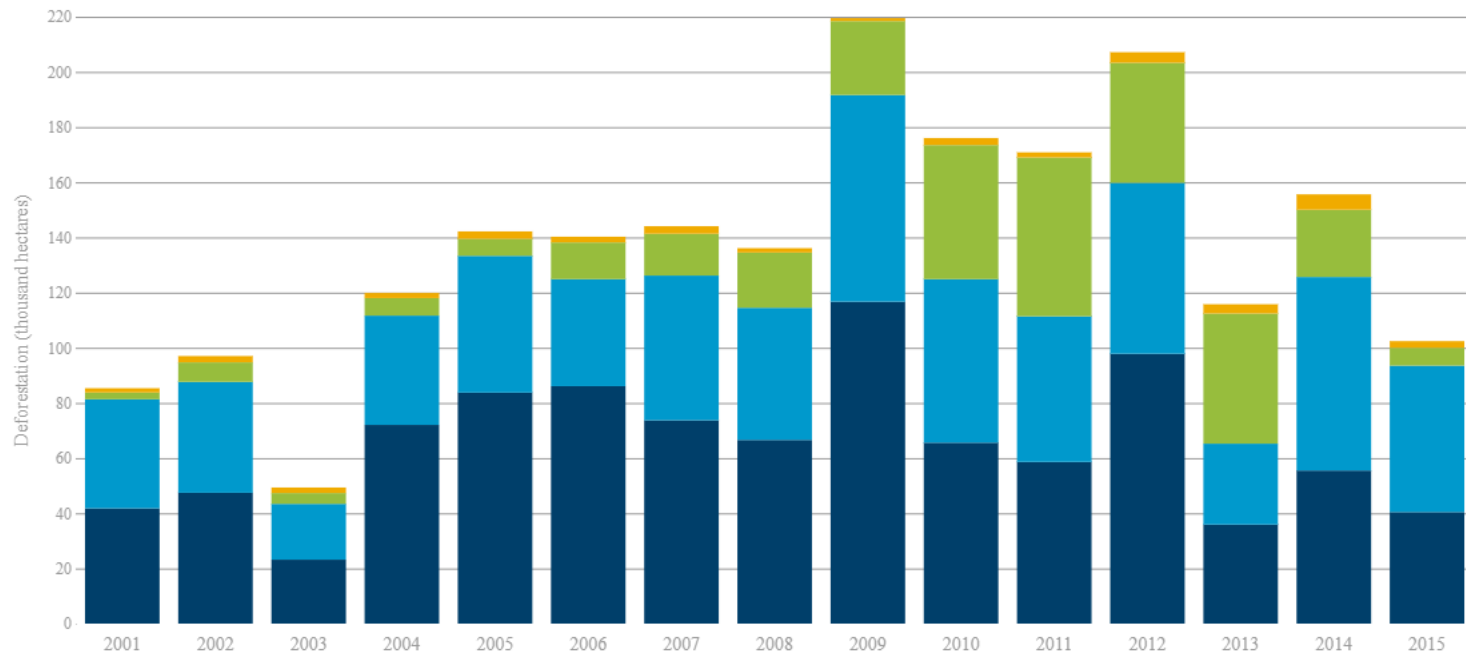
17



Rubber Plantations replaced 2.1 Mha of forest between 2000 and 2015

Forest area replaced by rubber plantations

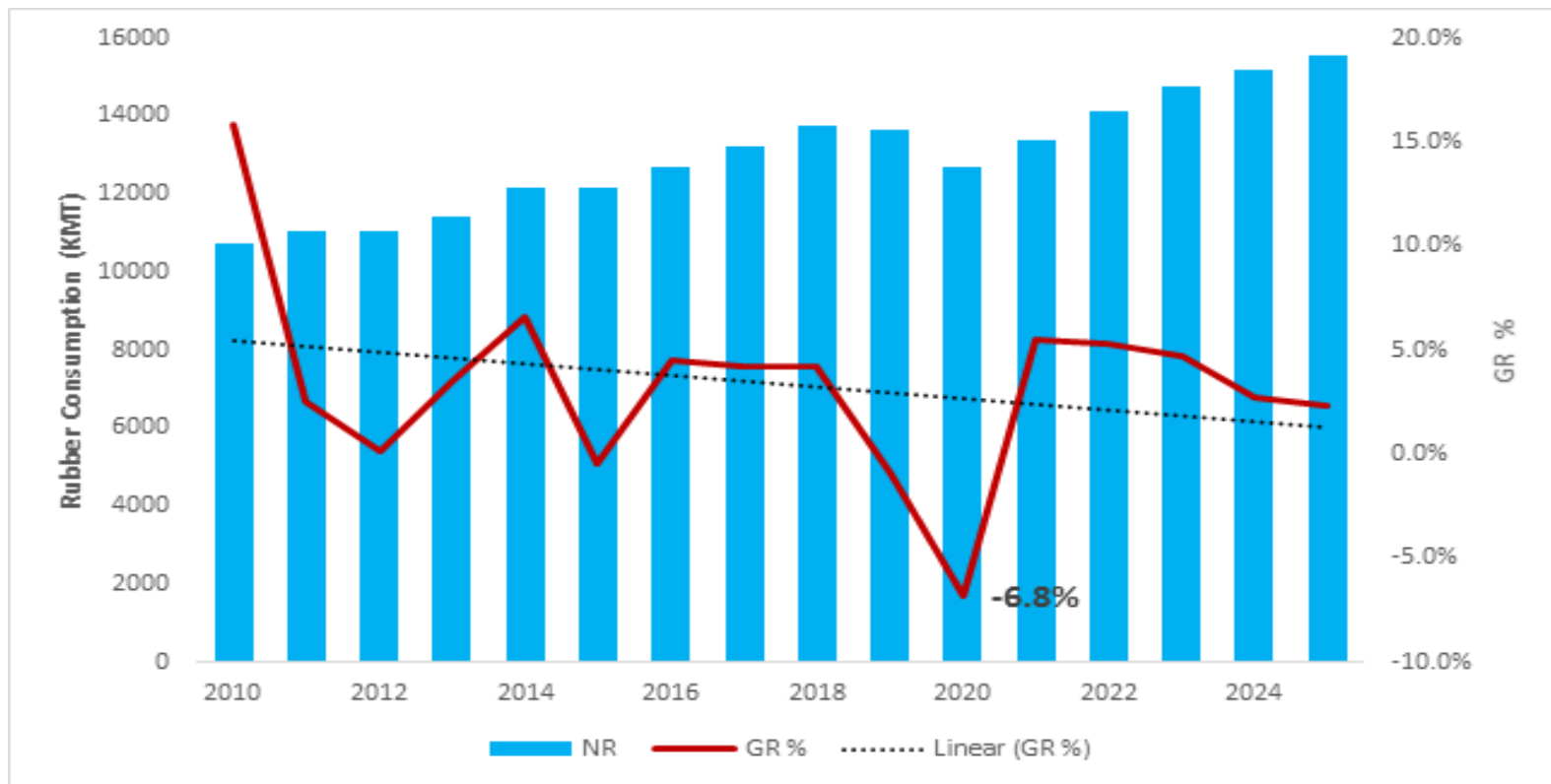
Indonesia Malaysia Cambodia Other



Analyzed countries include Brazil, Cambodia, Cameroon, the Democratic Republic of the Congo, India, Indonesia, and Malaysia.

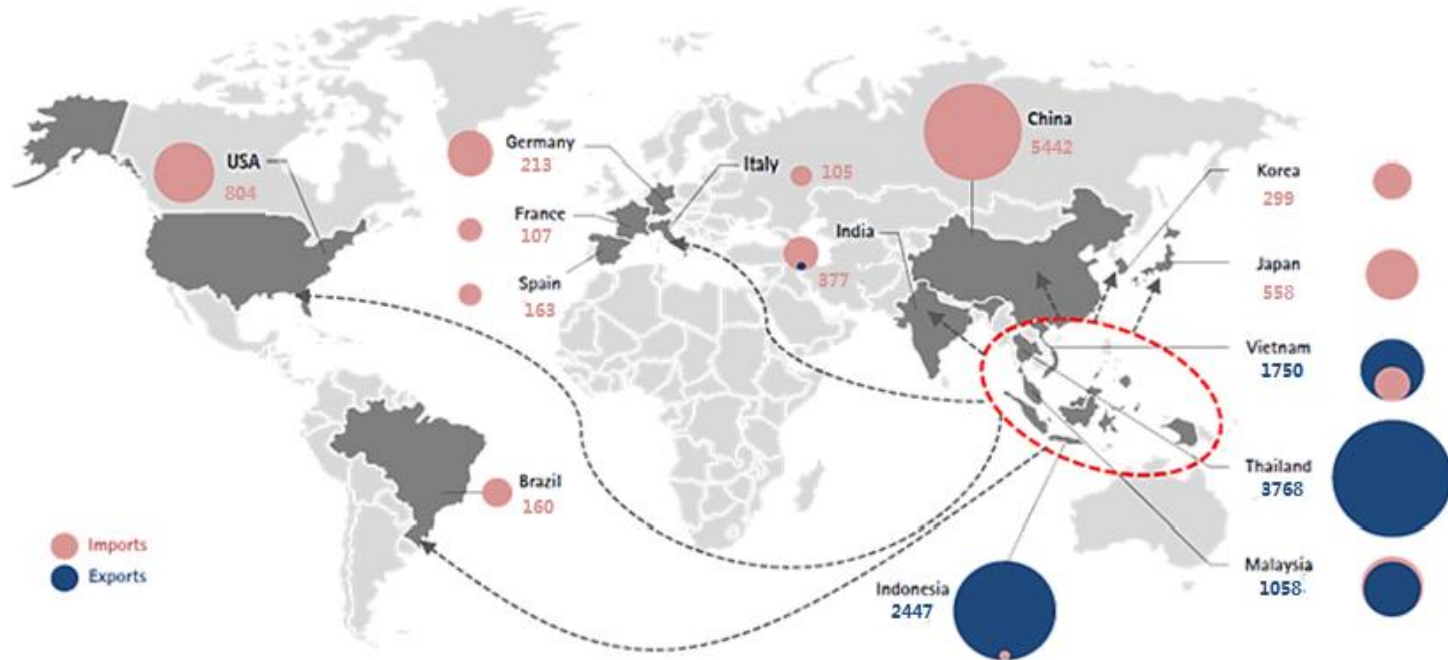
Natural Rubber : World Demand

19



Natural Rubber Gross Trade KMt (2020)

20



Conclusions

21

- **Natural Rubber** is a strategic and essential raw material : allow mobility and protect our health
- To achieve a natural rubber zero deforestation supply chain, all stakeholders have to adopt and implement **people-centered** actions:
 - - Mechanisms to provide to farmers an adequate level of income;
 - - Incentivise agroforestry and multi-crops farms;
 - - Implement technology transfer on the fields;
 - - Promote a framework for continuous education accessible to all farmers, especially youths, women and ethnic minorities.
 - - Promote a constructive dialogue among Governments of producing and consuming countries and private sector to achieve a zero deforestation natural rubber supply chain.



Thanks for your attention !

Salvatore Pinizzotto

Secretary-General

International Rubber Study Group

51 Changi Business Park Central 2
6th Floor, Unit Number 04 & 05
Singapore 486066

Tel: +65 6588 0463 Ext. 200

Email: salvatore@rubberstudy.org
secgen@rubberstudy.org

Web: www.rubberstudy.org



International
Rubber Study Group



View my digital
Business Card

Scan to
keep in touch!

