



ASEAN RUBBER BUSINESS COUNCIL

(Established: 1st January 2005)
(formerly known as ASEAN Rubber Business Club)

MEDIA RELEASE

ASEAN Rubber Business Council (ARBC) Addresses the Concerns of Smallholders on the Sustainability Initiative

The ASEAN Rubber Business Council (ARBC), which comprises the rubber trade associations of Thailand, Indonesia, Malaysia, Singapore, Vietnam, Cambodia and Myanmar, is concerned over the sustainability initiative set by consumers of natural rubber (NR). Members of the ARBC account for around 71% of the world's total NR production.

At a recent meeting of the ARBC held in Singapore, the meeting discussed the current global NR market situation, in particular, the unremunerative NR prices and higher production costs which have affected the sustainability and the well-being of the rubber smallholders.

While acknowledging the need and importance of NR sustainability in the industry, the members were concerned over the sustainability issues which have impacted the livelihood of the smallholders. The ARBC members thus stressed the need that a sustainable NR industry should benefit both producers and consumers.

A major concern is that the low NR prices coupled with higher cost of production could affect the supply chain of rubber in the global market should the smallholders decide to switch to other crops or activities that are more remunerative. Therefore, having sustainable NR pricing is very important and should be urgently addressed against increases in cost of production and the rising cost of living that have put rubber farmers in difficulties. NR prices need to be attractive enough to ensure that the smallholders continue to remain in the industry so that they would continue to supply the necessary raw materials to meet the needs and demands of the consumers and end-users alike.

The ARBC members reinforced their views that developing sustainable NR should not be confined solely from the angle of environment and deforestation, but should encompass the economic and well-being of the rubber smallholders as well.

ASEAN Rubber Business Council (ARBC)
17 March 2023

Secretariat:

ASEAN RUBBER BUSINESS COUNCIL
Level 4, Bangunan Getah Asli (Menara), 148 Jalan Ampang, 50450 Kuala Lumpur, Malaysia
P. O. Box 10150, 50908 Kuala Lumpur, Malaysia
Secretary-General: Hairul Irwan Jamaluddin
Tel: +60 (0) 3 9206108 Fax: +60 (0) 3 2161 6586

The ASEAN Rubber Business Council, formerly known as the ASEAN Rubber Business Club was founded on 23 October 1992 in Jakarta, Indonesia under the sponsorship of natural rubber producing and trading nations in the ASEAN region, namely Rubber Association of Indonesia (GAPKINDO); the Malaysian Rubber Exchange (MRE)/the Federation of the Rubber Trade Associations of Malaysia (FRTAM); the Rubber Trade Association of Singapore (RTAS); the Thai Rubber Association (TRA); the Vietnam Rubber Association (VRA); the Association for Rubber Development of Cambodia (ARDC) and the Myanmar Rubber Planters & Producers Association (MRPPA). Among the objectives of ARBC is to establish closer rapport through exchanges of market information, to consult and discuss common trade practices, to monitor the progress and development of the NR industry in member countries and to foster closer coordination, cooperation and goodwill between the private sectors amongst member organizations.

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