
PRESS RELEASE

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FSC Malaysia launches natural rubber project in Malaysia to elevate the country as a sustainable natural rubber producer in Southeast Asia

Kuala Lumpur, January 19, 2023 – The Forest Stewardship Council® (FSC®) Malaysia today announced the launch of its natural rubber project in the country, which has the potential to elevate Malaysia as a sustainable natural rubber producer in the region, while delivering broad benefits for people and nature.

The project will be implemented in collaboration with partners, Control Union, an accredited Certification Body and CMO Group, a forestry training and consulting firm. It will also be supported by non-profit organisation, WWF-Malaysia.

“An important part of this project is working together with stakeholders to create conditions that enable local smallholder rubber producers to sustainably manage their plantations, ultimately improving their livelihoods, while delivering positive environmental outcomes, through FSC-certification,” said FSC Malaysia Country Director, Charmaine Chee.

Through this project, smallholder rubber producers can expect to benefit from the technical expertise of local and international experts who are experienced in FSC-certification and working with smallholder groups. They will be empowered through training, capacity building and guidance, as well as market entry for their primary products.

Natural rubber is an environmentally friendly choice, but only if it is sourced sustainably. FSC certification helps the rubber industry deliver nature-positive results, uphold the rights of smallholders and communities, as well as verify sustainable sourcing at every step in the supply chain, from forest to consumer.

“Smallholders across the world have traditionally been excluded from participating at scale in the sale of responsibly produced forest products. They are the most reliant on receiving a fair return from their rubber plantations and this project is now offering the opportunity to set a new benchmark for Malaysia as a country regarding FSC certification for smallholders. We are excited to collaborate with our project partners – FSC Malaysia, Control Union and WWF-Malaysia,” said Michal Brink, Chief Executive Officer (CEO) of CMO Group.

There is a strong demand for natural rubber globally¹ and it is anticipated that there would be an average 2.4% annual growth in rubber demand between 2023 and 2031². In Malaysia, the rubber industry is one of the most important commodity industries, and contributors to the nation’s export earnings³.

Supun Nigamuni, Managing Director for Control Union Malaysia said, “We see much disparity in how wealth is being shared in the natural rubber value chains. Rubber prices fluctuates all the time, and rubber being a smallholder dominated crop, these fluctuating prices have a significant effect on the production decisions and livelihoods of both rubber farmer groups and households. So, it’s important to create value at the farm gate and find ways how wealth can be shared all the way to the upstream. Over the years, we have seen certification, particularly FSC emerging as a credible way of adding value to the rubber supply chains. We are enthusiastic to take part in this project where we try to bring all rubber related stakeholders together to seek ways on how responsibly managed, environmentally appropriate, ethically sourced natural rubber as well as rubberwood can create value.”

¹ <https://conbio.onlinelibrary.wiley.com/doi/pdf/10.1111/conl.12170>

² <https://www.european-rubber-journal.com/article/2091994/irsg-expects-rubber-demand-to-grow-2-4-through-to-2030>

³ [https://www.lqm.gov.my/webv2/coreActivities/tot/\(tot:about\);](https://www.lqm.gov.my/webv2/coreActivities/tot/(tot:about);)

https://www.bnm.gov.my/documents/20124/3026377/emr2020_en_book.pdf

In January 2022, FSC Malaysia published its new FSC National Forest Stewardship Standard (NFSS), which included requirements for non-timber forest products (NTFPs) such as natural rubber. With the inclusion of natural rubber within the scope of the NFSS of Malaysia, we thus begin embarking on this project to increase the uptake of FSC Forest Management/Chain of Custody certification amongst smallholder natural rubber producers in Malaysia.

Globally, FSC-certified rubber plantations have more than doubled since 2019, and we continue to see an increasing trend in smallholder group certifications and expansion of members in the groups.

“The rubber sector is the second largest agricultural sector in Malaysia behind the oil palm sector, and has a significant impact on the environment. As such, WWF-Malaysia is looking forward to supporting FSC Malaysia on this project through the award of a subgrant, and also by providing technical input,” said Dr. Henry Chan, Conservation Director for WWF-Malaysia.

The project will begin with a scoping study of rubber cultivation across the country, involving stakeholder engagement, followed by awareness and capacity building, as well as FSC-certification preparation before the main audit assessment. This project, which includes a scaling-up strategy, is expected to be completed by the end of 2023.



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About Forest Stewardship Council (FSC) and FSC Malaysia

The Forest Stewardship Council (FSC) is a non-profit organization that provides a proven sustainable forest management solution. Currently, over 210 million hectares of forests worldwide is certified according to FSC standards. FSC is trusted by NGOs, consumers, and businesses alike to protect healthy and resilient forests, for all, forever, and is regarded as the most recognized, trusted and rigorous forest certification system to tackle deforestation, climate-related, and biodiversity challenges. FSC's "check tree" label – found on millions of products worldwide – verifies sustainable sourcing from forest to consumer. FSC's comprehensive economic, environmental, and social approach to forest stewardship contributes to 14 of the 17 Sustainable Development Goals (SDGs), including those focused on life on land, poverty, equality, natural resources, production and consumption patterns, decent work, climate change, inclusive and accountable societies, and global partnerships.

FSC Malaysia is an independent network partner, carrying out the FSC mission of promoting environmentally appropriate, socially beneficial, and economically viable of the world's forests at a national level.

About WWF-Malaysia

Established in 1972, WWF-Malaysia is part of WWF, the international conservation organisation. Working to sustain the natural world for the benefit of people and wildlife, WWF-Malaysia's efforts to conserve nature focus on six major goals - forests, oceans, wildlife, food, climate and energy, as well as freshwater – and three key drivers of environmental problems – markets, finance and governance. Our mission is to stop the degradation of the earth's natural environment and to build a future in which humans live in harmony with nature. Find our latest news here:

https://www.wwf.org.my/media_and_information/media_centre/

For media inquiries or interview requests, please contact info@my.fsc.org