

Press Release



Figure 1 Smallholder rubber plantation in Tuaran, Sabah

Malaysia welcomes its first FSC®-certified group of smallholder rubber farmers



Sabah, 23 January 2024 | The rubber sector in Malaysia achieved a significant milestone this new year, with the inaugural Forest Stewardship Council® (FSC®) forest management (FM)/chain of custody (COC) certification of rubber plantation in Sabah, totalling 183.14 hectares, held by the first group of 56 rubber farmers (from indigenous communities) under the purview of the Sabah Rubber Industry Board (SRIB) (or Lembaga Industri Getah Sabah).

As the pioneer of forest certification, FSC sets the standard for responsible forest stewardship which ensures forests and forest plantations are managed in a way that is environmentally appropriate, socially responsible and economically viable. Beyond ensuring rubber plantations are sustainably-managed via the rigorous standards of FSC, the project serves to ensure readiness for the increasing demand for products made of FSC-certified materials, and compliance with the European Union Deforestation-free Regulation (EUDR) as well as other similar legislations/policies.

Datuk Seri Panglima Dr. Jeffrey Kitingan, Deputy Chief Minister 1 and Minister of Agriculture, Fisheries and Food Industries of Sabah, said in his speech during the award ceremony held yesterday in Kota Kinabalu, “Apart from implementing smallholders' land development programmes, sustainable ecosystem balance is a priority. Without environmental sustainability, economic stability and social cohesion cannot be achieved.”

The successful outcome of this project was made possible with FSC Malaysia’s sustainable natural rubber project, alongside partners CMO International, Control Union (M) Sdn Bhd and WWF-Malaysia. The commitment and dedication of the SRIB management and team played an important role in the implementation of the project.



Figure 2 Representatives from SRIB, CMO, WWF-MY and FSC Malaysia

In his speech, Datuk Seri Panglima Dr. Jeffrey Kitingan further added that the project was a response to the challenge and responsibility of caring for the environment, and the awarding and certification by FSC which was initiated in the Tuaran district marks a historical milestone for the Malaysian rubber sector.



Figure 3 At the award ceremony held in Kota Kinabalu, Sabah yesterday. YB Datuk Seri Panglima Dr Jeffrey Kitingan (Deputy Chief Minister 1 / Minister of Agriculture, Fisheries and Food Industries), YB Peto Galim (Assistant Minister of Agriculture, Fisheries and Food Industries), YB Datuk Robert Stidi (Permanent Secretary, Ministry of Agriculture, Fisheries and Food Industries), YB Datuk Edward Linggu (Chairman, Sabah Rubber Industry Board), Tuan Sabdil Jalong (General Manager, Sabah Rubber Industry Board), Chia Ching Lian (Deputy General Manager, Sabah Rubber Industry Board), representatives from FSC Malaysia, CMO International, Control Union and WWF Malaysia, as well as the FSC group scheme.

“I am happy and grateful to be part of this project and I have learned about the importance and benefits of getting certified. I hope the rubber industry is sustainable for our future generation” said Sylvester Dani, one of the smallholders from Tuaran in the FSC group scheme.

Sabdil Bin Tanjong, the General Manager of Sabah Rubber Industry Board said, “We are in the process of obtaining FSC COC certification for 2 of our rubber factories, the Beaufort Latex factory and Tenom Standard Malaysia Rubber (SMR) Factory. Our aim is to produce and export FSC-certified SMR and FSC-certified Latex Concentrate to the international market.”

A scale-up plan is embedded in the project, where progressively more smallholders are onboarded into the FSC group scheme, held by CMO Malaysia Sdn Bhd FSC-C195423. Barring any unforeseen circumstances, the FSC group scheme is expected to cover over 7,000 hectares of FSC-certified rubber plantation by the second quarter of 2024.

“CMO is very proud to be able to bring this group of rubber smallholders in Tuaran, Sabah, to FSC certification. The smallholders have been trained and put in a lot of effort to comply with FSC requirements in their daily routine” says Michal Brink, CMO International Managing Director. “With active cooperation of SRIB, we believe this can quickly be scaled up to include smallholders in other areas throughout Sabah” he added.



Figure 4 CMO team training and on-boarding smallholder rubber farmers

CMO International team played an instrumental role in training the smallholder farmers, and ensuring they understand and conform with FSC standards. As the *Group Entity* holding the FSC certificate for this group scheme, CMO uses its software (‘Empower’) to map each member on the ground, compile the necessary management documents, conduct internal audits and monitor performance of the group members, in line with the requirements of the FSC standards.

“Control Union Malaysia extends sincere congratulations to CMO Malaysia Sdn Bhd and SRIB for their historic achievement in successfully completing the FSC Forest Management audit. They stand as the first entities in Malaysia to attain the esteemed FSC certificate for a group of smallholder rubber plantations. The thorough audit, meticulously conducted by Control Union, involved consultations with over 400 national and regional stakeholders, along with comprehensive on-site visits, demonstrating steadfast compliance with FSC national standards. Additionally, we wish to highlight the significant role of smallholders in the Malaysian rubber industry. Their invaluable contributions play a crucial part in the sector's overall growth and sustainability. Recognising their importance is essential for fostering the well-being of local communities and promoting ethical, sustainable business practices. We commend their inclusive approach in collaborating with smallholders, reflecting a commitment to the betterment of local communities. This accomplishment further underscores their dedication to responsible forestry practices and the preservation of our valuable ecosystems”, said Supun Nigamuni, Managing Director of Control Union Malaysia.



Figure 5 CMO team training smallholder rubber farmers and SRIB team

Dr. Henry Chan, Conservation Director for WWF-Malaysia said, “We would like to congratulate FSC Malaysia and the Sabah Rubber Industry Board on this achievement. As Malaysia is the seventh largest producer of natural rubber in the world, we have to ensure that rubber and products made from rubber are sustainably produced and used, to ensure minimal impact to the environment. WWF-

Malaysia wholeheartedly supports FSC-certified sustainable rubber and advocates for deforestation-free production. We fully support Malaysia's shift towards sustainable practices, focusing on responsible production for the well-being of our planet and future generations.”

This is the start of a journey to propel Malaysia as one of the major suppliers of sustainably-produced FSC-certified rubber in the Asia-Pacific region.

FSC has made significant strides in certifying the natural rubber value chain across diverse consumer sectors. Numerous products with FSC-certified natural rubber, such as balloons, footwear, gloves, mattresses, pillows, tyres and yoga mats, are now available on the market. FSC-certification assures that the natural rubber in these items originates from forests or plantations adhering to safe working conditions, free from deforestation or environmental harm.

Michal Brink added, “We hope this achievement by the rubber smallholders in Sabah can be a catalyst for more rubber smallholders in Malaysia to be certified under the FSC group scheme. We believe FSC certification provides added value to the commodity and at the same time bring direct benefits to the local environment and communities”.

“We are thrilled with the successful implementation of the project, thanks to our project partners, culminating in the first FSC-certified group of smallholder farmers in rubber production in Malaysia. From better environmental outcomes to community empowerment and enhanced traceability, we have much to celebrate. This is only the beginning. As we look ahead, we're ready to build on this progress and lead the way to a more sustainable natural rubber value chain for Malaysia.” said Charmaine Chee, Country Director of FSC Malaysia.

For more information about the Project, please reach out to FSC Malaysia at info@my.fsc.org.

About the Forest Stewardship Council and FSC Malaysia

Healthy forests help life on Earth thrive. The Forest Stewardship Council (FSC) – a nonprofit organisation governed by environmental, social, and economic perspectives equally – covers more than 150 million hectares of certified forests and is the global benchmark for sustainable forestry. NGOs, consumers, and businesses alike trust FSC to protect and enhance healthy and resilient forests, for all, forever. Equally governed by environmental, social, and economic perspectives, FSC helps forest managers, smallholders, and governments ensure thriving forest ecosystems and safeguard the livelihoods of forest communities. FSC's forestry standards, linked to a strict chain of custody certification, are a proven solution to fight the climate and biodiversity crises. The FSC logo – found on millions of products worldwide – is the most recognized mark for responsible forestry. Learn more here: <https://fsc.org/en>

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

About CMO International

CMO International operates world-wide, with an experienced forestry team having worked in over 80 countries. Its purpose is to make the global supply chain for forest products legal, transparent and safe for responsible participants. CMO International provides market entry for small growers and companies to trade their responsibly produced forest products in the mainstream global market. CMO International offers comprehensive forest management, planning, and monitoring services, as well as technical training and consultation within the forestry sector. In addition, CMO International specialises in implementing and managing FSC forest management and chain of custody group schemes on a global scale. CMO International has extensive experience in managing small farmers in many different countries worldwide. To date, CMO International has managed and certified thousands of charcoal small producers in Africa as well as rubber smallholders in Thailand and Malaysia using the same FSC group scheme methodology.

CMO International group holds several FSC licences: FSC-C140298, FSC-C150700, FSC-C155102, FSC-C151846, FSC-C172532 and FSC-C195423.

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/

Project Owner
FSC Malaysia



Project Partner
CMO International



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Accredited Certification Body
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