

Towards a Sustainable and Resilient future of Natural Rubber

NCCF / PEFC Webinar

04.06.2021

Ben Gunneberg

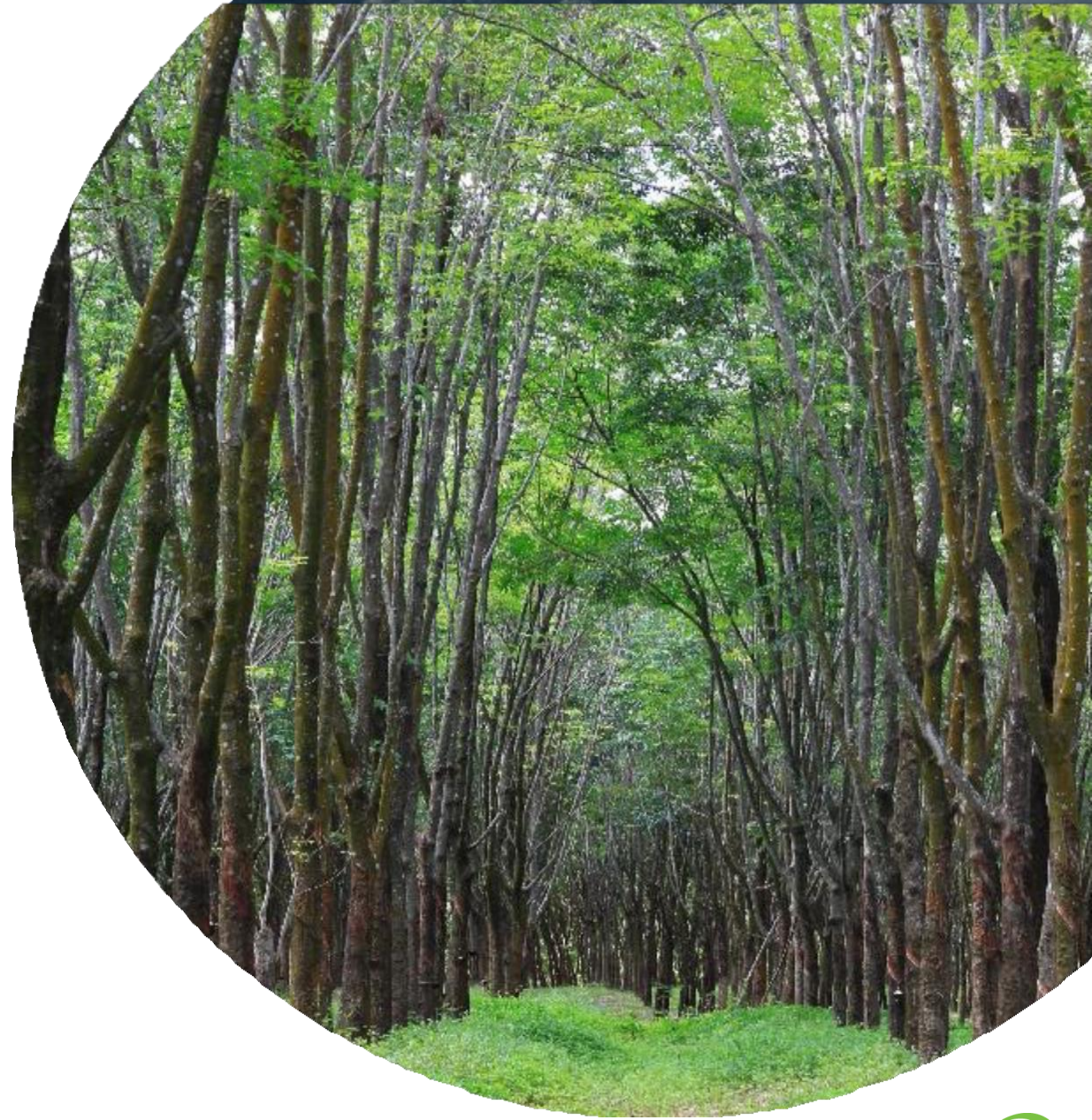
CEO and Secretary General of PEFC International

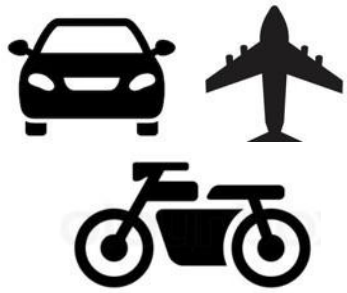
Richard Laity

PEFC South-East Asia Manager



**The future with
unsustainable
Natural Rubber**

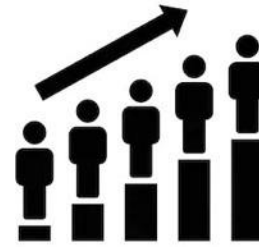




Number of vehicles worldwide is set to double by 2040



70% of natural rubber goes to tire production



Population is predicted to reach 9 billion by 2050



Natural rubber is used in over 40,000 products

Unsustainable natural rubber production practices are a threat to the world's forests and human rights



Deforestation, forest degradation - climate change



Human rights violation



Land grabbing



How does sustainable forest management mitigate environmental & social risks?

Sustainable Forest Management

IPCC, Climate and Land report, 2019:

B.3 Reducing deforestation and forest degradation lowers GHG emissions By providing **long-term livelihoods** for communities, sustainable forest management can **reduce the extent of forest conversion** to non-forest uses (e.g., cropland or settlements). Sustainable forest management aimed at providing timber, fibre, biomass, non-timber resources and other ecosystem functions and services, can lower GHG emissions and can **contribute to adaptation**

[Source: IPCC, August 2019, climate change & Land.](#)



FAO:

Forest certification may help bring about improvements in the working conditions and safety and health of forest workers, lead to improved forest conservation outcomes, and encourage sustainable forest use.

[Source: FAO](#)

UN SDGs Target 15.2

By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally

[Source: UN SDGs indicators](#)



Social & Environmental risks mitigation options

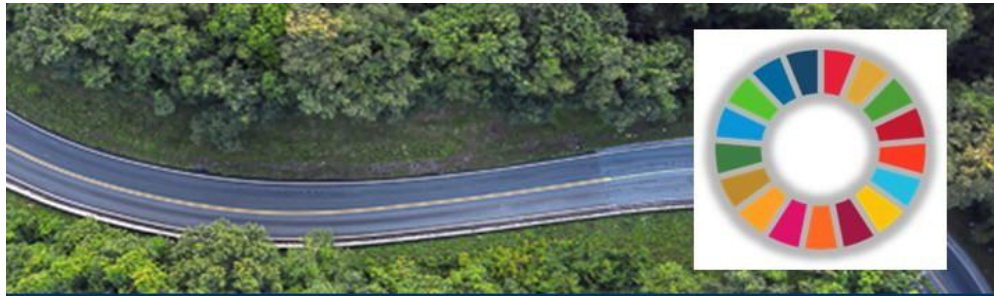


- Company led (procurement policies)
- Partnerships (local capacity and infrastructure building)
- Public Policies (enabling legal frameworks)
- Transformation (yield and quality, living incomes)

A moving trend toward sustainability in tyre industry



70% of natural rubber production goes to tire production (ISRG, 2019)



WBCSD Tire Industry Project Webinar (hosted by ERM)
Sustainability Driven: Accelerating Impact with the Tire Sector SDG Roadmap

A unique opportunity

The tire sector and the SDG agenda:

- Need for action to achieve the SDG agenda
- Rising expectations of business to contribute
- Where can we have the biggest impact?

Complex issues, with multiple stakeholders:

- What can tire manufacturers achieve as an industry?
- What should companies manage independently?
- What requires action across the value-chain?



Watch the Video:

www.sustainabilitydriven.info

- Tyre manufacturers starts using forest certification to demonstrate their sustainability committment
- Tyre Sector SDG Roadmap lauched in May 2021

Why PEFC?

- *A system of choice for smallholders, fair & inclusive*
- *Proven risk mitigation framework*



PEFC is an NGO dedicated to forests and their values to the planet and people

1

Balancing social, environmental and economic sustainability

2

Inspiring and helping people, companies and communities to reach their sustainability goals



Our core principles have led to growth

BALANCED

People, Forests, Green Growth

IMPARTIAL

Standards developed by all stakeholders

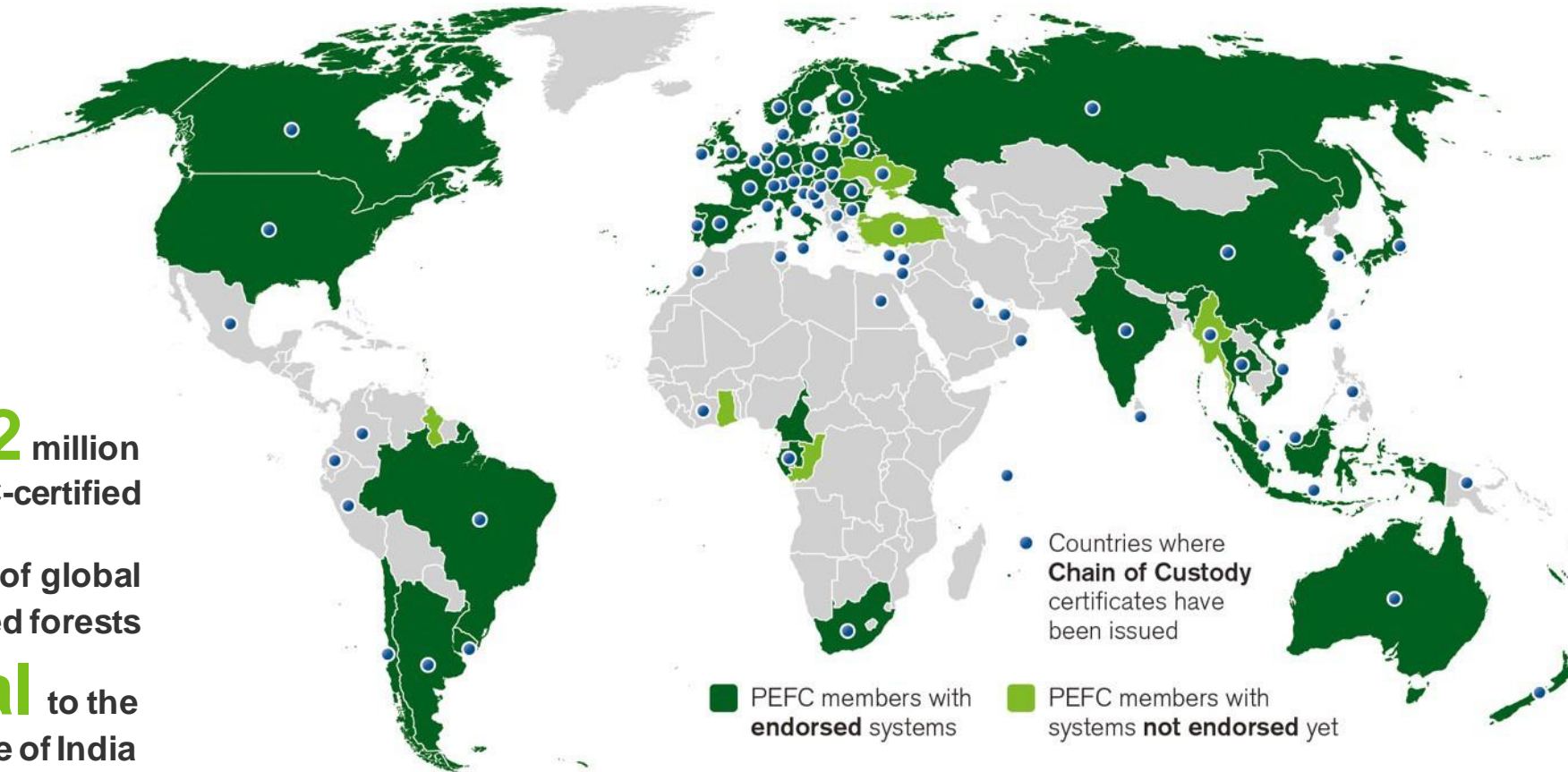
SCALE

Leader in certified material availability



PEFC has the largest scale of certified raw material

High local availability



Over **322** million hectares PEFC-certified

= **75%** of global certified forests

Almost **equal** to the size of India

48 endorsed National systems

More than **20,000** PEFC-certified companies

in **78** countries

Fair and inclusivity are within the core value of PEFC – Unique approach

- **From local to global:** Adaptation to local needs and practices, complies with legislations and regulations at local and global level
- **Multi-stakeholder engagement** based on UN Agenda 21 at local and global level
- **Smallholders are integrated** into global supply chain with Group Certification and Trees outside Forests
- **Pragmatic and cost-effective** process with national resources and expertise



Business & Industry



Children & Youth



Farmers



Indigenous Peoples



Local Authorities



Non-Governmental Organizations



Scientific & Technological Community



Women



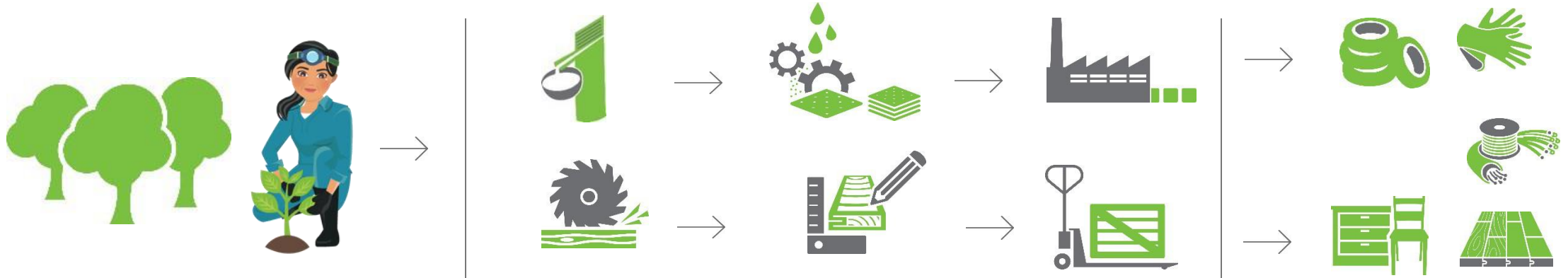
Workers & Trade Unions

Third-party verification makes PEFC completely independent and credible



- ✓ **National resources** utilization & alignment with **International frameworks** (IAF, ISO)
- ✓ **Impartial, Credible & Transparent** auditing process

Farm gate to garage



Sustainable rubber plantations with PEFC Forest Management Certification

- Improve productivity
- Ensure that rubber plantation management provides Healthy forests, workers & economy

Responsible supply chain with PEFC Chain of custody certification

- Offers traceability & delivers legal & sustainable natural rubber
- Covers requirements on health, safety and labour issues
- A mechanism to work with industry to ameliorate price volatility
- Enable controlled sources through Due Diligence System

Labeling PEFC certified rubber-based products



Sustainable rubber plantation management

Inclusive smallholder certification approaches



PEFC Group certification

- Landscape level identification mutual interests and common needs,
- Share their resources, roles and responsibilities
- Develop partnership for innovation & capacity building



PEFC Trees outside Forests (ToF)

- For countries where rubber plantations are not designated as forest
- An innovative frameworks to make PEFC SFM certification more relevant to natural rubber production systems



Traceability with Chain of Custody certification



Individual certification:

For companies that operate one facility



Multi-site Certification:

For companies that operate several facilities



Producer group certification:

For small, independent businesses forming a “group” for the purpose of certification to reduce cost



Demonstrate legal and sustainable sourcing, particularly from plantation to very first primary processors

PEFC controlled sources – covers core sustainability & legality elements

Natural Rubber from uncertified forest/plantation
or non PEFC certified



PEFC controlled sources
(can be mixed with PEFC certified Natural
Rubber)

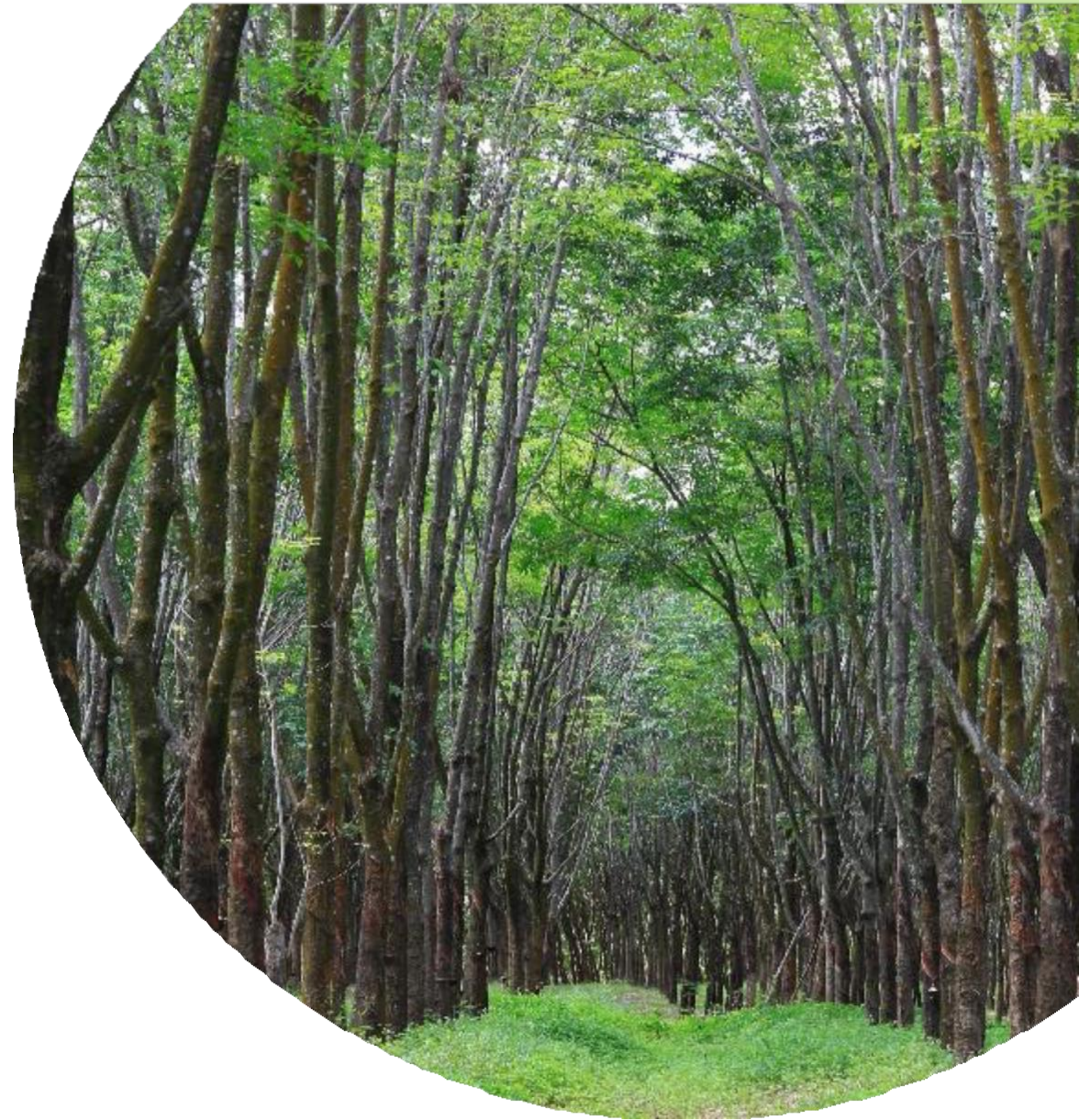
PEFC controlled sources **exclude**
natural rubber from:

- Activities that **violate human rights**
- Activities that **do not comply** with local, national or international **legislation**
- **Genetically modified trees**
- Activities where forest **conversions** occur, unless with justified circumstances
- Activities that don't respect PEFC **ecologically important forest area**
- **Conflict natural rubber/rubberwood**



Proven approach to risk mitigation

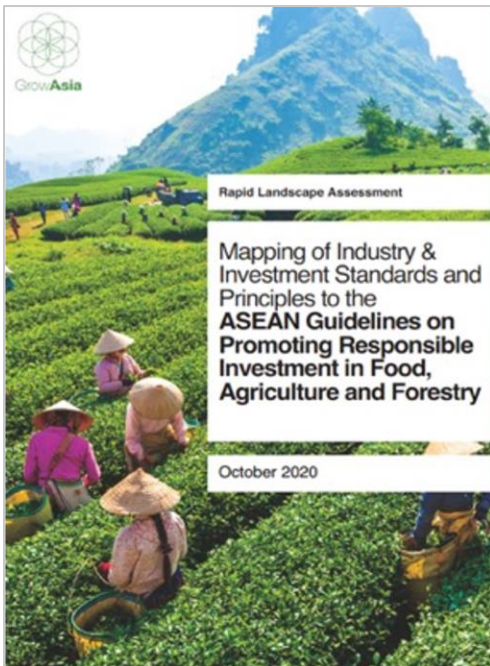
Third party assessment



PEFC International was assessed against the Standards, Principles and Criteria of the Dutch Procurement Criteria.
Final judgement: “PEFC International is conforming”

PEFC International (latest version)																		
Score	Sustainable Forest Management (SFM)									Chain of Custody (CoC)			Development, Application and Management (DAM)					PEM*
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P1	P2	P3	P4	P5	P1
2																		
1																		
0																		

*PEM: Procedure on Endorsement of Certification Systems by a Meta-System



6. Programme for Endorsement of forest Certification Scheme



95% Overall Match

PEFC received **highest ranking** against the ASEAN RAI

(Responsible Investment in Agriculture and Food Systems), supported by the UN

– scoring **9.5/10** thanks to our national & regional approach

PEFC supports the UN Sustainable Development Goals and meets international procurement guidelines



NL - TPAC
(Timber Procurement Assessment)



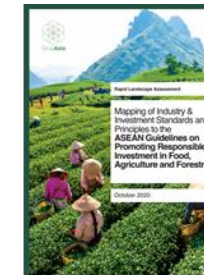
European Green Public Procurement



The Lacey Act 2008 (amended)



Australia Illegal Logging Prohibition Act 2012



ASEAN RAI



PEFC's competitiveness & efforts in the sector



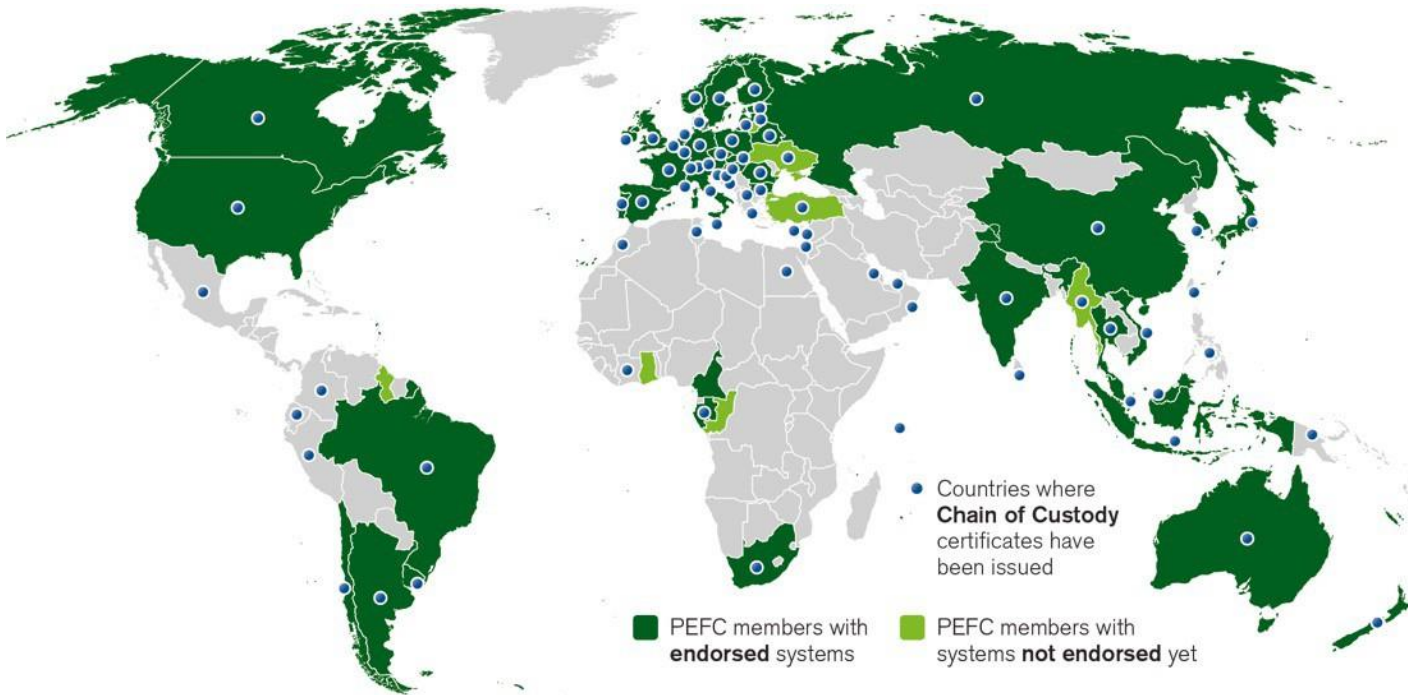
Key natural rubber producers and consumers are PEFC membership with local expertise



North America



Germany, Italy, France, Spain



Malaysian Timber Certification Council



Indonesian Forestry Certification Cooperation



China Forest Certification Council



Network for Certification and Conservation of Forests (India)



Myanmar Forest Certification Committee



Sustainable Green Ecosystem Service (Japan)



Viet Nam Forest Certification System



Thailand Forest Certification Council

“About 80% of global Natural Rubber is produced in South-East Asia



Rubber Thematic Taskforce: aim & ongoing activities in 2021

- 12 members from 6 countries
- Active since Dec, 2019

Overall aim

- PEFC to become a **leader** in emerging **sustainability issues** through the rubber sector
- **Position PEFC in the rubber industry** & other wood-based sectors.
- **Showcase PEFC's inclusive framework** in this new sector

Scope of activities

- **Launch & running Supporting Sustainable Rubber (SSR)** campaign innovatively
- Advocacy in emerging initiatives (GPSNR, ISRG, IRRDB, ANRPC and national governments)
- Engage Original Equipment Manufactures (OEMs) & rubber-based industry for inclusive procurement
- Market outreach for both producer countries and consumer countries
- Collaborate with other taskforces e.g., Advocacy, Furniture & Textile
- Collaborate in projects to demonstrate PEFC framework especially for smallholders



Rubber Thematic Taskforce: Achievement just far

1. Developing marketing and communication materials (brochure, factsheet, infographic, video)

85% of global natural rubber is produced by smallholders

80% of global natural rubber is produced in the tropical areas of Southeast Asia

20,000 companies in 85 countries trust PEFC

1 million smallholders have achieved PEFC certification

70% of global certified forest areas are PEFC certified

About PEFC
 Founded by small and family forest owners in 1986, PEFC is a leading global alliance of national forest certification systems. As an international non-profit, more governmental organisations, we work to protect our forests by promoting sustainable forest management through independent, third party certification. PEFC is committed to delivering the most feasible certification processes for Rubber sector.

PEFC key members driving sustainable rubber:

PEFC SUPPORTING SUSTAINABLE RUBBER
 Caring for our forests globally and locally

Choose PEFC
 By becoming PEFC certified and promoting and selling PEFC-certified rubber and latex, you help address deforestation and also support the welfare of smallholders - the most important actors in the rubber supply chain.

2. Market linkages and outreach with producer & consumer members



3. Engaging emerging multi-stakeholder platforms (GPNSR & IRSG)

GPSNR Members

Producers, Processors and Traders	Tire Makers and Other Natural Rubber Makers/Buyers
Smallholder Producers	Civil Society
<ul style="list-style-type: none"> Brazil 1 Côte d'Ivoire 4 Ghana 2 Indonesia 5 Myanmar 4 Thailand 5 Vietnam 6 	
Car Makers, Other Downstream Users, and Financial Institutions	

PEFC certified sustainable rubber is available!



Product	Country	Area/companies	Volume/market
Certified natural rubber	Vietnam	50 000 ha	70 000 tons
Certified rubberwood	Vietnam	50 000 ha	300 000 m3
Controlled source rubberwood	Malaysia Thailand	<ul style="list-style-type: none">• Many companies in Malaysia• 2 new companies in Thailand	EU market

PEFC on the ground

Supporting smallholders, SMEs
toward transforming a sustainable
rubber sector



Activities to support smallholders



- Livelihood diversification through co-certified: natural rubber & rubberwood
- Silvicultural practice training
- Productivity improvement
- Market linkage & access

Utilising PEFC framework for the Rubber sector

Project	Country	Objective	Status
Promote PEFC DDS for smallholder inclusion	<ul style="list-style-type: none">ThailandVietnam	<ul style="list-style-type: none">Large scale growers to include smallholders plantation under their certification scope	<ul style="list-style-type: none">On-going to support:<ul style="list-style-type: none">+ Management system.+ DDS implementation guideline for rubber producers
Trees outside of Forests standard development & application	<ul style="list-style-type: none">Thailand	<ul style="list-style-type: none">Revise national standard to include small rubber plantations as ToF	<ul style="list-style-type: none">On-going

Supporting smallholders & SME projects

Project	Country	Target	Plan
Projects with rubber farmer cooperatives-RAOT	Thailand	<ul style="list-style-type: none"> Group certification of 300 smallholders with 500 ha 	<ul style="list-style-type: none"> Certificate issued by Q3/2021
		<ul style="list-style-type: none"> Group certification of 900 smallholder with 1500 ha 	<ul style="list-style-type: none"> Certificate issued by Q1/2022
Rubber wood and rubber latex companies in Thailand		<ul style="list-style-type: none"> PEFC CoC for rubber saw-mills link with rubber wood company in Malaysia PEFC CoC for rubber latex company 	<ul style="list-style-type: none"> Development management system
Rubber plantation companies	Vietnam	<ul style="list-style-type: none"> Demonstrate large-scale industrial plantation commitment 	<ul style="list-style-type: none"> 100 000 ha certified by 2021



We are part of the solution for a sustainable & resilient rubber future

What can you do?

- Implement Sustainable Forest Management
- Responsible sourcing of certified natural rubber & rubberwood
- Have an inclusive procurement policy and communicates to your upstream suppliers.
- Collaborate in **pilot projects** with PEFC



How can we help?

- Training & best practice sharing
- Closing the certification gaps in your supply chain
- Reach out to us...



"We need to work together to improve market access and productivity. I hope that you can partner with us and PEFC to improve our livelihoods"

Let's move- Start a on the ground pilot project with us?

- **Secure** long-term certified supplies
- **Validate** the PEFC framework against company's expectations

- **Cost-effective** & scalable
- **Minimise risks** with local expertise, smaller scale and flexibility



- Provide **incentives** to smallholders to transform their practices

- Excellent story to **demonstrate your commitment** to sustainable development
- Pilot projects are promoted by PEFC to **55 NGBs and 30 ISMs**



Joining us at the World Rubber Summit 2021

WORLD RUBBERSUMMIT2021



World Rubber Summit 2021

Facing the Future : Inclusiveness, Sustainability and Growth for the Next Normal



Ministère de l'Agriculture et du Développement Rural



International Rubber Study Group

8 June 2021—11 June 2021

Virtual Event

Day Three -10th June

Afternoon 17:00-20:30, SGT

Panel Discussion

Climate Adaptation & Mitigation: Farm to Trade

Moderator:

Salvatore Pinizzotto, Secretary-General, IRSG

19:15 – 20:30

Panellists:

Datuk Dr Abdul Aziz, Secretary-General, IRRDB

Dr Frederic Gay, Scientist, CIRAD

Richard Laity, South East Asia Manager, PEFC

Stefano Savi, Director, GPSNR

Panel Discussion - Climate Adaptation & Mitigation: Farm to Trade



For more detail and registration:

<https://www.wrs2021.rubberstudy.org/>

PEFC

SUPPORTING
SUSTAINABLE
RUBBER



PEFC
PEFC/01-00-01



Launching soon!



Joining us to save our rubber sustainable & resilient future!

See you all at 15:00 (GMT+7), 7th July 2021

Ben Gunneberg - CEO, Secretary General, PEFC International

Richard Laity - PEFC South-East Asia Manager



**Thank you
very much!**

Contact us:

Richard.Laity@pefc.org

