

RUBBER IN THE TRADE Hub



Natural rubber is an important commodity for modern society as it is used in over 40,000 products¹. 34.8% of natural rubber exports are produced in Thailand², and 41% of total global imports are attributable to China³. The production of rubber is largely dominated by smallholders, making them a key stakeholder to target to improve the sustainability of rubber trade in the future.

Within the TRADE Hub, we focus on improving trading relations between manufacturers and producers to change business pathways and create a sustainable future for the natural rubber trade, with a particular focus on China and the Yunnan province.

Using this diagram which is based on a generic supply chain, we can explore the work that the TRADE Hub is doing at each stage of the rubber supply chain



Acronyms

CCCMC = China Chamber of Commerce of Metals Minerals & Chemicals
CIFOR = Center for International Forestry Research
CMF = Centre for Mountain Futures
ICRAF = World Agroforestry Centre
RGBE = Royal Botanic Garden Edinburgh



Endnotes

- 1) Hayashi, Y. 2009. Production of natural rubber from Para rubber tree. Plant Biotechnology, 26(1), pp.67-70.
- 2) Workman, D. (2019). Natural Rubber Exports by Country. [online] World's Top Exports. Available at: <http://www.worldstopexports.com/natural-rubber-exports-country/>
- 3) Workman, D. (2019). Natural Rubber Imports by Country. [online] World's Top Exports. Available at: <http://www.worldstopexports.com/natural-rubber-imports-by-country/>

FARMERS/PRACTICES

We are studying production systems and mechanisms - filling gaps in knowledge about current farming practices, impacts on ecosystems and people, and direct impacts of high-level policy decisions.

- Conducting a smallholder farmer household survey and analysing the socio-economic impacts of rubber price changes at farmer level (CMF/ICRAF)
- Studying the economics of small holder rubber plantations at global and key geographies such as Indonesia (CIFOR)



METRICS AND TOOLS

We are developing powerful models that envision future pathways for trade, as well as metrics and indicators that help plan and monitor for more sustainable trade systems.

- Developing an interactive *early warning system* online platform advising importers/ investors (both from China and elsewhere) regarding risks (environmental, social and economic) associated with rubber production, with Vietnam, Myanmar and Laos as three initial focal countries (CCCMQ)
- Designing a rubber plantation distribution maps showing landcover and biodiversity loss, and other changes, since 2000 (CMF/ICRAF, RBGE)
- Writing a recommendation report based on outputs from 2020-2021, including lessons learned from the recent rubber boom and bust, in order to avoid future loss-loss scenarios (CMF/ICRAF, RBGE)

CONSUMERS

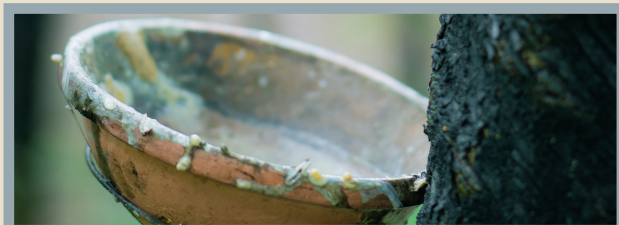
We are studying drivers of consumer behaviour, and mechanisms of influence.

- Designing rubber plantation maps with focal geographies in southern China and continental South Eastern Asia - targeting consumer businesses (not at the individual level), with the aim of increasing awareness of companies on the diverse implications of rubber plantations, aiming at better decision making (CMF/ICRAF, RBGE)

CAPACITY BUILDING

We are working consistently towards improving capacity and skills for all TRADE Hub members, with an emphasis on interdisciplinary learning and knowledge exchange.

- Developed modular training materials and plan to run a series of training events in 2021, targeting the private sector (CCCMQ)
- Designing a handbook to guide companies' practices to achieve sustainable rubber outcomes (CCCMQ)



- Building collaboration with key industry associations in the Mekong Region to promote the adoption of sustainable rubber practices (CCCMQ)
- Developing modular training courses for companies in the rubber industry, with training events planned in 2021 (CCCMQ)
- Setting up an *early warning system* online platform to advise importers of risks associated with rubber production (CCCMQ)



We are dissecting the role that importers play, and researching how demand side management can change the way commodities are traded.

IMPORTERS