

MEDIA RELEASE

THE INTERNATIONAL TRIPARTITE RUBBER COUNCIL ADDRESSING DOWNWARD TREND IN NATURAL RUBBER PRICES

The International Tripartite Rubber Council (ITRC) Senior Officials Meeting was held on 29 November 2017 in Chiang Mai, Thailand. It was attended by officials from Thailand, Indonesia and Malaysia.

2. The meeting took note on the current supply and demand situation of Natural Rubber (NR) and was concerned that prices are not reflective of market fundamentals. This is taking into account the current rainy season in the major rubber producing areas which resulted in a reduction in supply. In addition, stocks of NR in major importing countries i.e. China has shown a declining trend.

3. The meeting expressed concern on the direct impact of low NR prices to the income and the well-being of rubber smallholders in ITRC member countries.

4. The meeting agreed that a number of measures has to be implemented on an immediate basis, including implementation of the Agreed Export Tonnage Scheme (AETS). Under this scheme, the 3 ITRC member countries will restrict exports of NR for the specific time frame with the objective of addressing the current declining trend on NR prices. In this context, ITRC is to implement the 5th AETS in December 2017.

5. ITRC continues to implement other measures with the objective of ensuring the well-being of rubber smallholders. ITRC strongly believes that a fair and remunerative price levels will benefit all stakeholders in the NR industry, in particular rubber smallholders.

Released by IRCo
30 November 2017
Chiangmai, Thailand