



## VIET NAM RUBBER GROUP SUSTAINABLE DEVELOPMENT PROGRAMME

*Vietnamese Investors and NGOs Networking in Laos for  
Sustainable Development  
Vientiane, 10 December 2018*



### OVERVIEW ON PRODUCTION OF VRG

The Viet Nam Rubber Industry Group (VRG) is a state-owned enterprise, playing a pivotal role in the strategy of developing rubber industry in Viet Nam.

The total rubber areas of VRG is 413,523 ha, extending from the South East, Central Highlands, Central Coast, Northern region to Laos and Cambodia. Viet Nam natural rubber has been supplied directly to domestic and foreign tire manufacturers such as Michelin, Bridgestone, Sailun, Kumho, Goodyear, Sumitomo, Cheng Shin, Casumina, DRC, Gold Star etc. In addition this raw material also is supplied to major consumers and distributors in the world as well as exported to nearly 70 countries around the world.

### PRODUCTS OF VRG NATURAL RUBBER

SVR CV60 SVR CV50

SVR 3L SVR L SVR 5

LATEX HA LATEX LA

HA LA

SVR 10 SVR 20

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### PRODUCTS OF VRG RUBBER PRODUCTS RUBBERWOOD PRODUCTS

GERUL STAR BASKET BALL

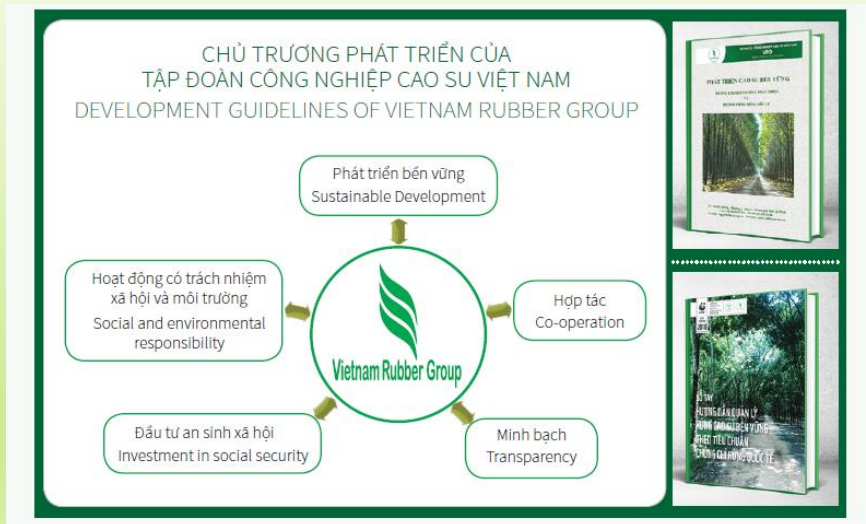
Rubber plantations of VRG



DEVELOPMENT ORIENTATIONS of VRG  
ĐỊNH HƯỚNG PHÁT TRIỂN



## DEVELOPMENT ORIENT of VRG ĐỊNH HƯỚNG PHÁT TRIỂN



- ▶ To implement the attention on local communities, forest protection, investment in social security, biodiversity development ... VRG calls for cooperation with domestic and foreign organizations and NGOs in developing roadmap and planning specific steps, associating with VRG for sustainable development.

## ON-GOING PROJECTS IMPLEMENTED BY VRG

- Commitment to Sustainable Development of VRG is published on the Website [www.vnrubbergroup.com](http://www.vnrubbergroup.com)
- Issuing the “Handbook for Public Consultation”
- Establishing the Steering Committee for Sustainable Development at VRG and at each member companies and the community relation committees.
- Develop a roadmap and solutions for getting FSC certificates
- VRG has requested the member companies to apply the "Sustainable Management of Rubber Plantations in accordance with International Forest Certification Standards" developed by WWF, VRA and VRG
- VRG has deployed in the member companies the software using GPS for management of land and plantations, such as Son La Rubber JSC, Dau Tieng Rubber Corporation, Quasa Geruco.

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## IMPLEMENTATION FOR SOCIAL SECURITY IN LAOS AND CAMBODIA

No	Activities	Cambodia	Laos	Total
1	Total number of local workers*	7,419 people	3,688 people	11,107 people
2	No. of hospitals and medical stations	18	4	22
3	No. of house for workers	2,579	37	2,616
4	No. of schools	12	1	13
5	Electrical lines serving companies	54.55 km	21.06 km	75.61 km
6	Road system serving the local people of project areas	904.75 km	329.5 km	1,234.25 km
7	No.of religious building	6	1	7
8	No.of gratitude houses	1	51	52

*Statistics figures from member companies of VRG, July 2017*

## UNDERTAKING OF VRG

- Link the goals and action plans for sustainable development of VRG with the goals and the action plans for sustainable development of the nation and the rubber industry and the international commitments which the Government of Viet Nam has signed;
- Ensure the economic efficiency of the VRG: Increasing the economical practices of saving and reducing energy consumption and inputs through efficient technologies, concentrating resources for direct production; ensuring product quality and reputation in the business and enhancing added value in the rubber supply chain;
- Undertake environmentally friendly production: Reducing emissions, using clean production technologies, not polluting the environment, not encroaching on forests, not causing forest degradation neither illegally exploit forest products;
- Raise the corporate social responsibility and support the population community: Ensuring the legal rights, income and living standards of the employees; respecting the rights and strengthening good relationships with local communities; facilitating the improvement of the livelihoods for employees and communities.

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## SOLUTIONS TO IMPLEMENT THE SUSTAINABLE DEVELOPMENT

- Develop a specific action plan in each phase of the development of VRG;
- Assign specific leaders and divisions to formulate, implement, and supervise the action programs
- Consider specific development investment projects from the viewpoint of sustainable development
- Organize the implementation of social security investment in the rubber project areas in accordance with the target investment programs for the approved projects
- Continue to expand cooperation with domestic and international organizations towards the goals of sustainable development and take reliable steps in developing policies that are transparent to the related parties;
- Direct Member Companies to actively participate in and implement sustainable development certification programs.
- **Stop expanding domestic and international rubber plantation areas from poor natural forest conversion;**

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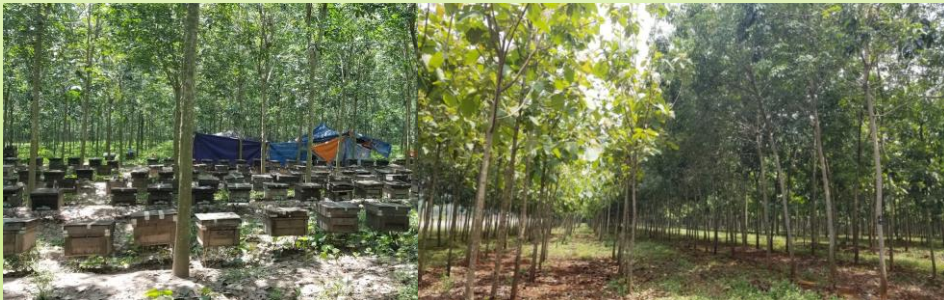
### DETAILED GOALS

- Continuing the roadmap for re-association with FSC certification, implementing the Sustainable Forest Management
- Compliance with the investment laws of the host country
- Investing in material facilities, contributing to the construction of infrastructure in the locality.
- Creating jobs, attracting local labor force
- Training staff with expertise on sustainable development
- Apply measures to apply techniques in sustainable rubber cultivation
- Three more companies will get ISO 14000 certificates in 2019
- Develop the TECHNICAL GUIDELINES FOR SUSTAINABLE RUBBER PRODUCTION as a Tool for implementing National Action Program REDD+ in the rubber industry of Viet Nam

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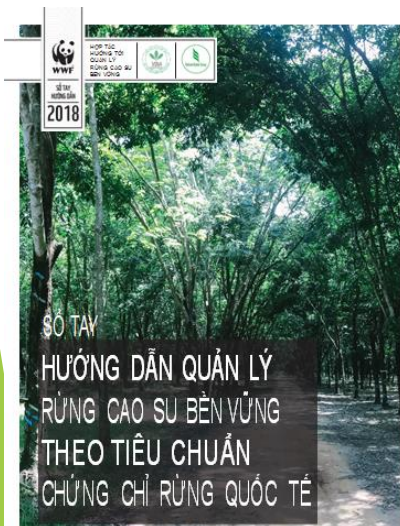
### DETAILED GOALS (cont.)

Diversification of crops on rubber plantations or on rubber rows where conditions permit, and development of forests (including large timber forests), consists of intercropping in new or replanted rubber plantations or pure cultivation for an area of about 20,000 ha, both in and outside the country; Developing other crops to ensure biodiversity and improving land use.



### ACHIEVED ACTIVITIES

Developing a Handbook for Sustainable Management of Rubber Plantations



**Handbook for Sustainable Management of Rubber Plantations in accordance with International Forest Certification Standards (Cooperation of WWF, VRA, VRG, 2018)**

Developing the Voluntary Guideline for Vietnamese Enterprises 2017 - 2018

**MITIGATING SOCIAL – ENVIRONMENTAL RISKS:  
VOLUNTARY GUIDELINE FOR VIETNAMESE OUTWARD INVESTMENT IN AGRIBUSINESS**

#### Organizers



#### Partners



## VRG's Strategy and Commitment

[https://vnrubbergroup.com/media/phattrienbenvung/camketphattrienbenvung\\_en\\_final.pdf](https://vnrubbergroup.com/media/phattrienbenvung/camketphattrienbenvung_en_final.pdf)



Attending the Workshop on Sustainable Rubber Plantations in Viet Nam, 24 July, 2017, Ho Chi Minh City



## Attending Private Sector Dialogue on Viet Nam Sustainable Rubber, USAID Green Invest Asia + VRG, 4 December 2018, Ho Chi Minh City



### CONCLUSIONS

- Sustainable development of the rubber industry is an indispensable trend in the world to provide sustainable raw material for many industries and the society's demand.
- The strategy and action plans for the sustainable development of the rubber industry is being paid attention by many countries and enterprises to link economic development with social and environmental responsibility, creating the consensus of the communities and related organizations.
- In Vietnam, sustainable development of commodities, including natural rubber is a legal requirement that businesses need to comply with.
- Demand from the market is looking for sustainable natural rubber and rubber wood, which are responsible for society and the environment, thus creating a motivation for VRG to commit to sustainable development.
- VRG is developing and implementing an action plan for sustainable development based on the legal guidelines of the Government of Vietnam and host countries where VRG is investing in rubber development and the support of domestic and foreign organizations.
- VRG is expected to continue receiving the cooperation and support of all stakeholders to ensure that VRG's roadmap and action plan for sustainable development is compliant with international standards and in accordance with the laws of Vietnam and host countries.

Thank you!

Find out more at <https://rubbergroup.vn/>



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