

JOINT MINISTERIAL DECLARATION (Bali Declaration) 2001

The Minister of Industry and Trade of the Republic of Indonesia, the Minister of Primary Industries Malaysia and the Deputy Minister of Agriculture and Cooperatives of the Kingdom of Thailand,

RECOGNIZING the need to ensure adequate and orderly supply of rubber on a continuing and long-term basis to ensure fair and remunerative income for rubber smallholders,

RECOGNIZING FURTHER the need to address the current low rubber prices which are adversely affecting the livelihood of rubber smallholders and the socio-economic advancement of the countries to the detriment of long-term assurance of supply,

DESIROUS of strengthening the existing ties and cooperation among the three countries,

DO HEREBY AGREE AS FOLLOWS:

FIRST, this Joint Ministerial Declaration is to establish the International Tripartite Rubber Organization (ITRO) which shall be the framework through which the three major rubber-producing countries will cooperate and work together to address the problem of oversupply and low rubber prices with the aim of restoring the rubber industry to an economically viable and stable position in the interests of producers and consumers;

SECOND, that the objectives of the ITRO will be:

1. To seek to revive rubber prices to levels which are remunerative to producers on the basis of targeted prices;
2. To seek to manage the imbalance in supply over demand, which has largely resulted in the current depressed prices;

THIRD, at the initial stage, to carry out these objectives, the following measures shall be implemented among others:

1. To effect a 4% cut back in production for the year 2002 and 2003 through the implementation of supply management measures;
2. To abide by the agreed export tonnages for the year 2002 through a 10% cut back in the exports of the three countries;

FOURTH, the mechanism for implementation and coordination shall be as follows:

1. Each country will set up a National Tripartite Rubber Corporation (NTRC) or designate an agency, as a subsidiary organ of the ITRO to implement and/or monitor the agreed export tonnage and the supply management measures;

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2. The three countries will jointly establish an International Tripartite Rubber Council (ITRC) as the highest governing body of the ITRO to oversee and coordinate implementation of the agreed measures to ensure that the targets and objectives are attained;
3. The ITRC will be serviced by a secretariat, to be based in a member country. The staff for the secretariat, as agreed to by the ITRC, shall be appointed to enable the secretariat to begin functioning as soon as possible. Pending this, the host country shall provide an "interim secretariat" for the ITRC;
4. An administrative budget to meet the cost of staffing and administration of the secretariat will be financed by contributions from the three participating countries;
5. The participating countries shall ensure that their NTRCs or designated agencies responsible for implementing and/or monitoring the agreed export tonnage and supply management measures shall cooperate, report and work closely with the ITRC and its secretariat to enable the necessary coordination and monitoring to be carried out on a timely and effective basis;

FIFTH, while the initiative has been taken by the three major rubber-producing countries, the Ministers welcome support and collaboration from other members of the ANRPC in the interest of all rubber producers. The Ministers will consult members of ANRPC on their participation in this cooperation after it is operational .

Done at Bali in triplicate on the 12 Day of December in the Year 2001.

For the Republic of Indonesia:



(Mdm. Rini M.S. Soewandi)
Minister of Industry and Trade

For Malaysia:



(Dato' Seri Dr. Lim Keng Yaik)
Minister of Primary Industries

For the Kingdom of Thailand:



(Mr. Prapat Panyachatraksa)
Deputy Minister of Agriculture and
Cooperatives.