



Malaysian Rubber Glove Manufacturers Association

MARGMA Industry Brief 2020 on the Rubber Glove Industry

Last updated on 16 July 2020

Table of Content

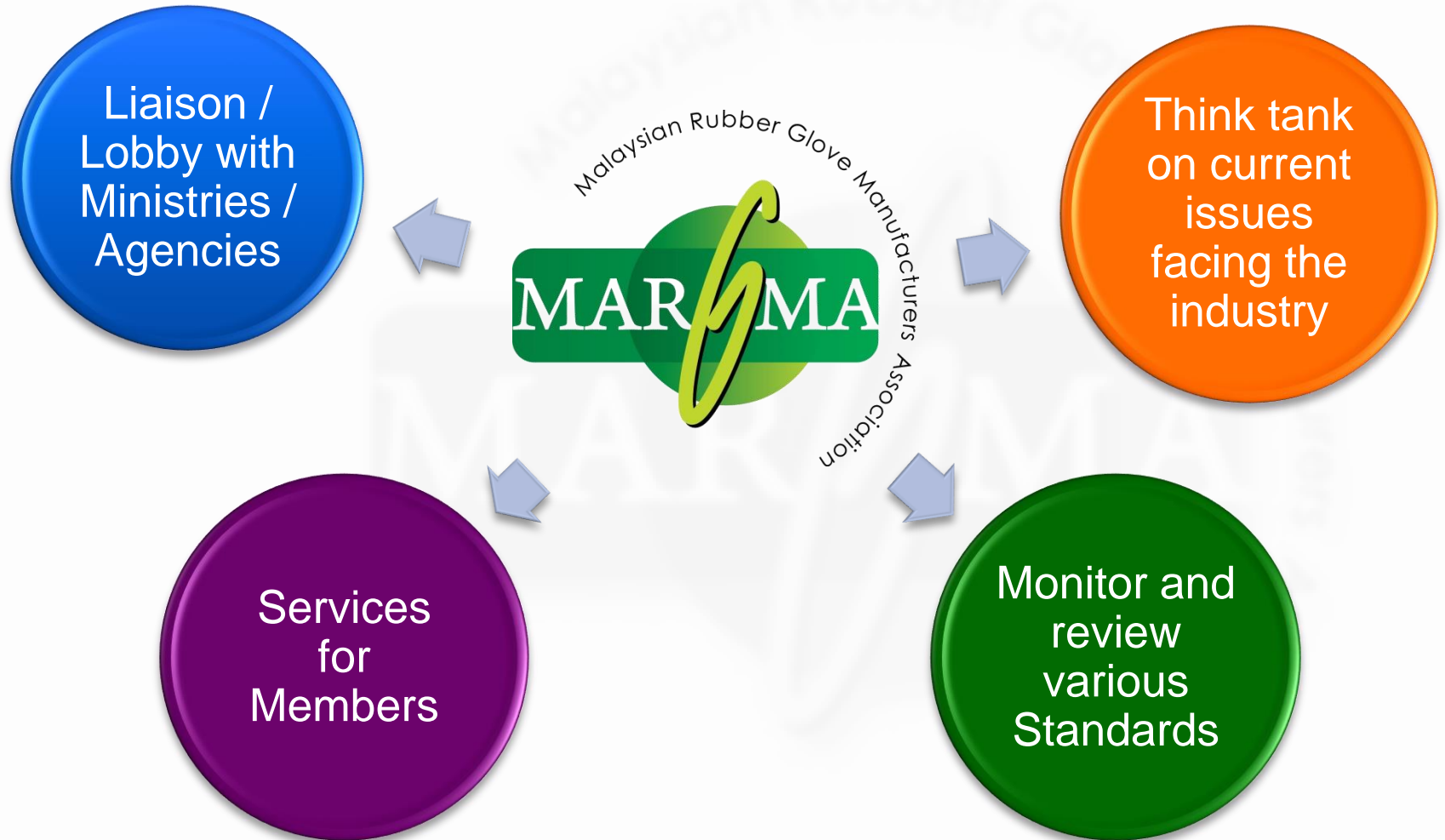
- 1. Introduction to MARGMA**
- 2. The Big Picture**
- 3. Malaysian Rubber Gloves Manufacturing**
- 4. Rubber Gloves Categories**
- 5. Technological Development**
- 6. Social Compliance Standards**
- 7. Future Growth Drivers & Sustainability of Expansion**
- 8. Current Issues & Challenges**



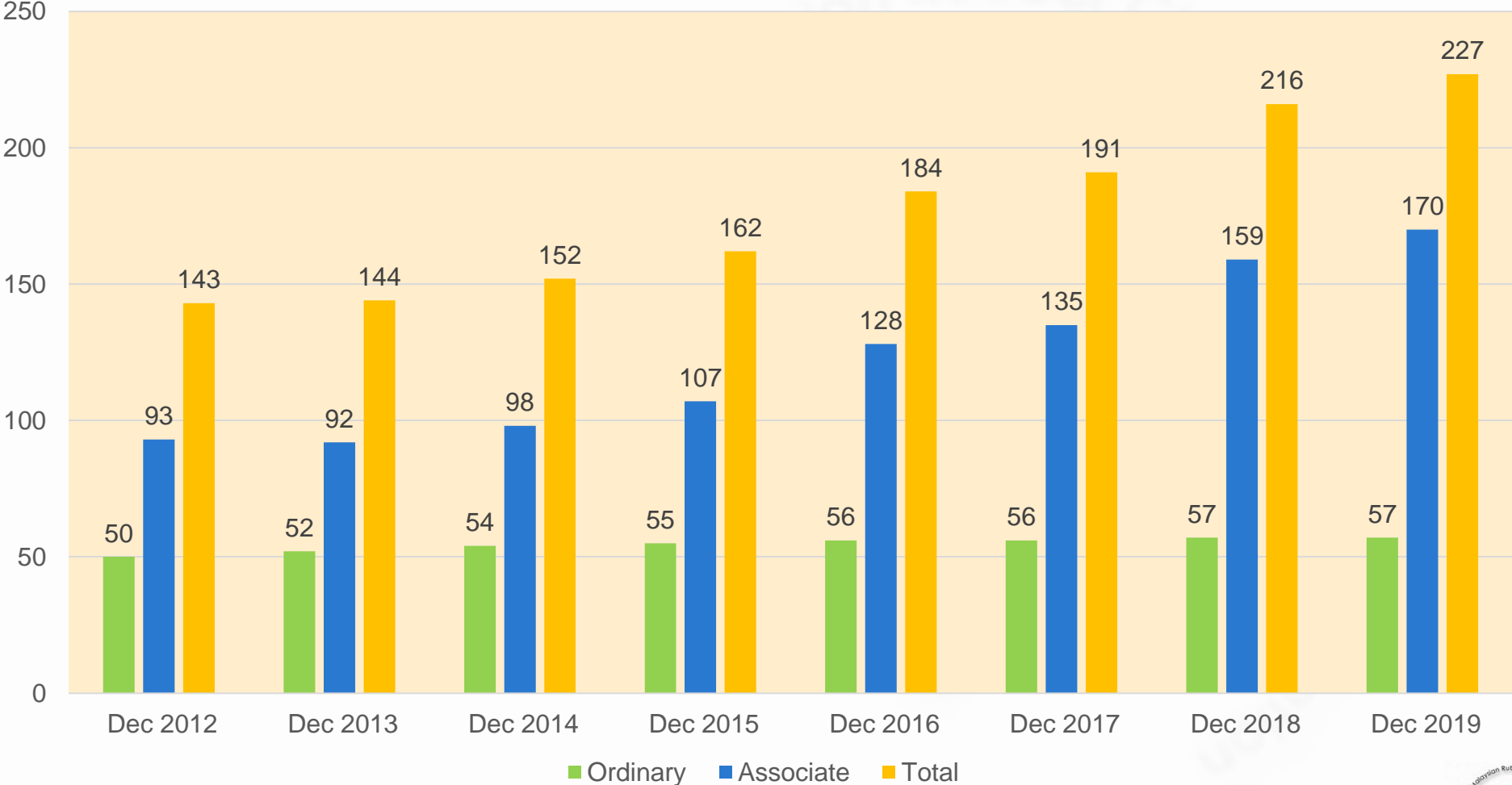
Malaysian Rubber Glove Manufacturers Association

Introduction to MARGMA

Roles of MARGMA



MARGMA Membership as at December of 2012 to 2019



We have 57 Ordinary Members (77 if including subsidiaries of our members)

Our Ordinary Members comprise of *bona fide* rubber glove manufacturers in Malaysia. Here are most of our ordinary members:



We have 170 Associate Members

Our Associate Members comprise of companies associated with the rubber glove manufacturing industry. Here are some of our members:

Chemicals

Services & Software

Other latex Products

Lubricants

Industrial Equipment & Machinery

Glove Traders / Buyers / Importers / Overseas Manufacturers

Raw Materials - Latex

Packaging



Malaysian Rubber Glove Manufacturers Association

The Big Picture

Projection for 2020



**With impact of
COVID-19 Epidemic.**

Estimated Global Demand:

330,000,000,000
(330 billion gloves)

(10,500 gloves used every second)

Expected annual growth:

20%

Projected Export Revenue:

RM21.8 bil or USD5.1bil

(Revised on 4 June 2020)

(60 to 67% of World Market Share)

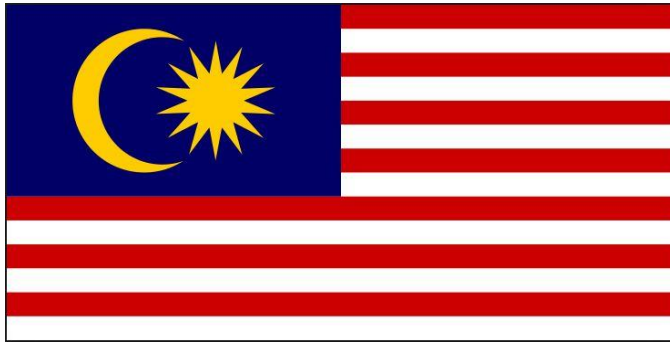
Last REVISED on 4 June 2020

Global Market Share

(estimation for year 2020)



Global Demand estimated at **330 billion gloves** for 2020



67%

Estimated **220 billion gloves** will be produced by Malaysia



Thailand

18%



China

10%



Indonesia

3%

There are more than **150 rubber glove manufacturers worldwide.**

(Estimated market share.)

Last REVISED on 4 June 2020



Malaysian Rubber Glove Manufacturers Association

Malaysian Rubber Gloves Manufacturing

Top 10 & Listed Rubber Glove Manufacturers in Malaysia by Installed Production Capacity (2019)

Publicly Listed

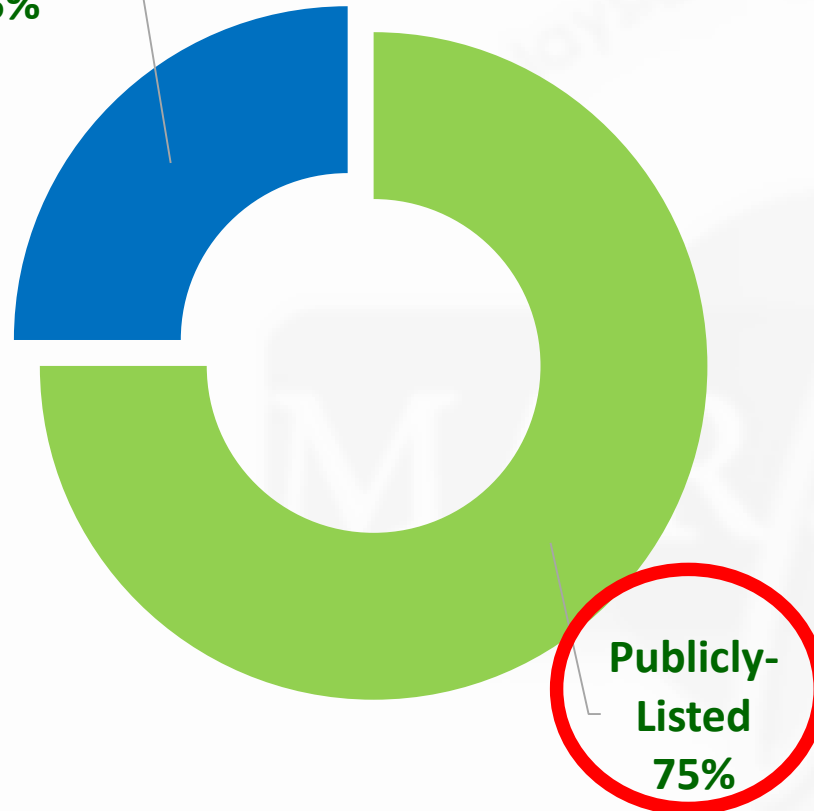


Privately Own



Installed Rubber Glove Production Capacity (2019)

Privately-
Owned
25%



Installed Production Capacity of Publicly-Listed and Non-listed Glove Manufacturers Companies in Malaysia

No of Ordinary Members
57

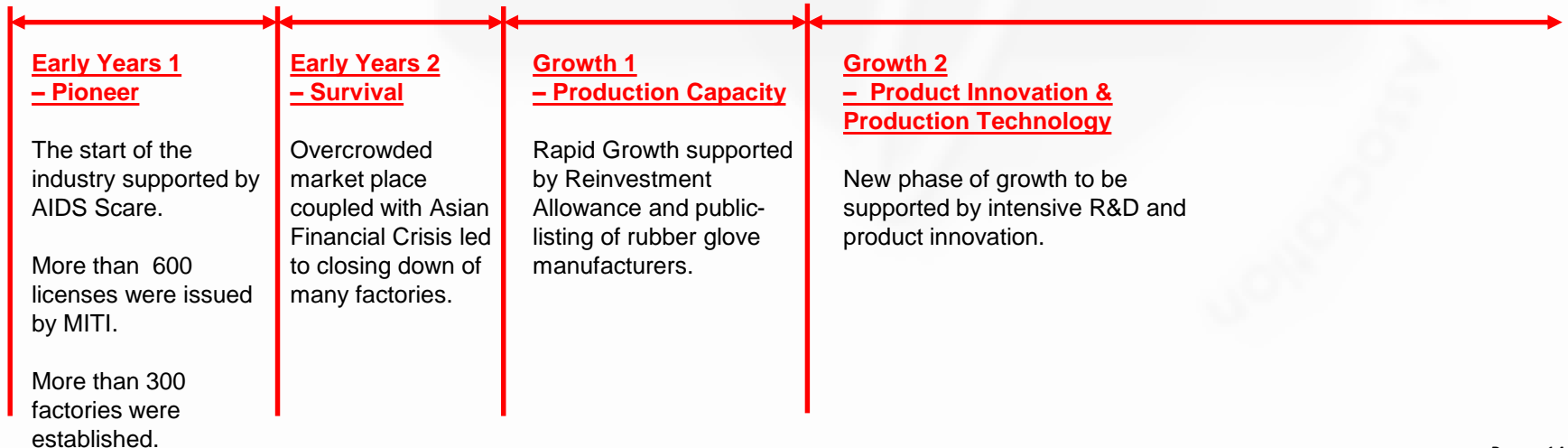
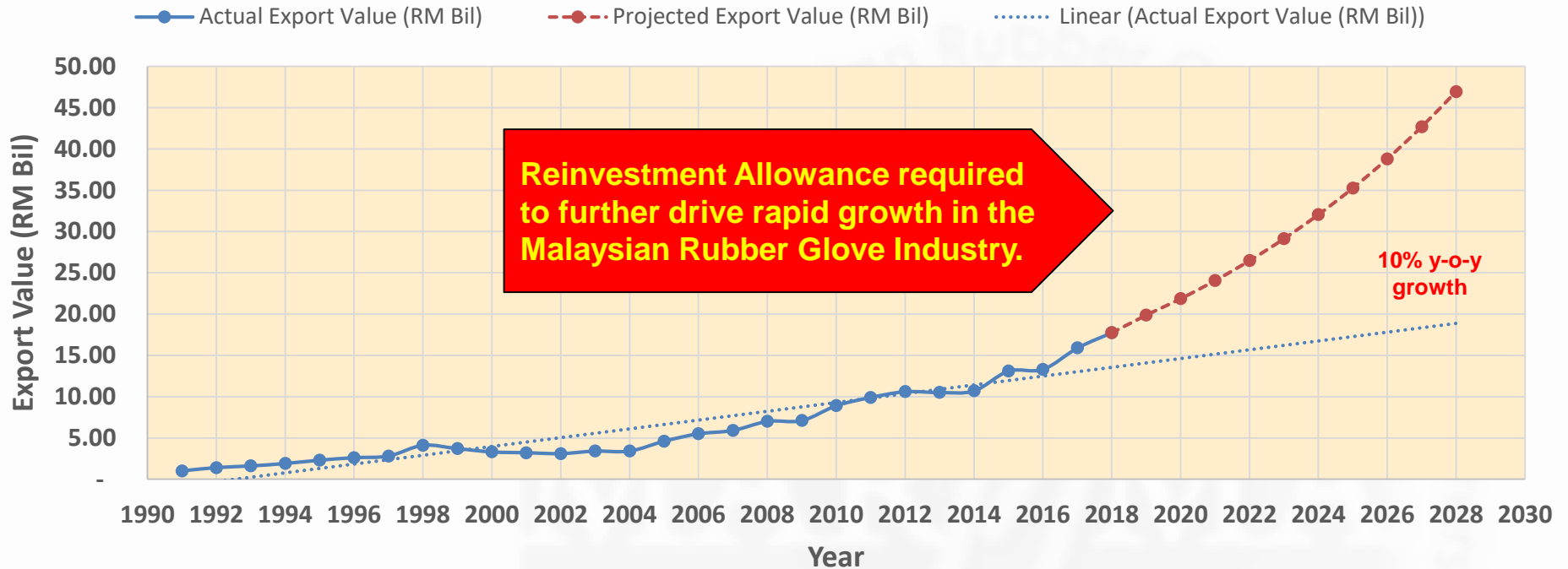
Total Factories
127

Installed Production
Lines
2,086

Installed Production
Capacity
278 bil

(Utilization rate at 75% and above)

Rubber Gloves Export from Malaysia (1991 to 2028)





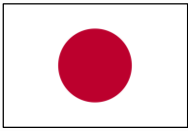


Malaysia's Total Glove Exports (Jan – Mar 2019 & 2020)

Malaysia's Export To the World	Value (RM Million)			Value (USD Million)		Quantity (Million Pairs)		Quantity Change
	(Jan - Mar) 2019	2020	% Change	2019	2020	2019	2020	% Change
Natural Rubber Gloves	1,472	1,756	+ 19.30%	345	411	7,272	7,868	+ 8.20%
Synthetic Rubber Gloves	2,728	3,128	+ 14.70%	638	732	12,529	14,698	+ 17.30%
TOTAL	4,200	4,884	+ 16.30%	983	1,143	19,801	22,566	+ 14.00%

Source: Provisional data from MREPC, 12 June 2020

Note: The quantity of gloves estimated may reach as high as 27.5 bil pairs or 55 bil gloves if a lighter average weight per glove is used to convert total weight of gloves exported to pieces of gloves. The lightest medical gloves is 3.0 grams while the heaviest medical gloves can reach 4.5 grams.

Malaysia's Top 5 Export Markets in Q1 2020 (USA, Germany, Japan, China & UK)

Period	Jan – Mar 2020		Jan – Mar 2019	
Total export Value (RM mil)	4,884	100%	4,200	100%
 USA	1,773	36.3%	1,434	34.1%
 Germany	311	6.4%	272	6.5%
 Japan	296	6.1%	289	6.9%
 China	293	6.0%	114	2.7%
 UK	170	3.5%	177	4.2%
	58.2%		54.4%	

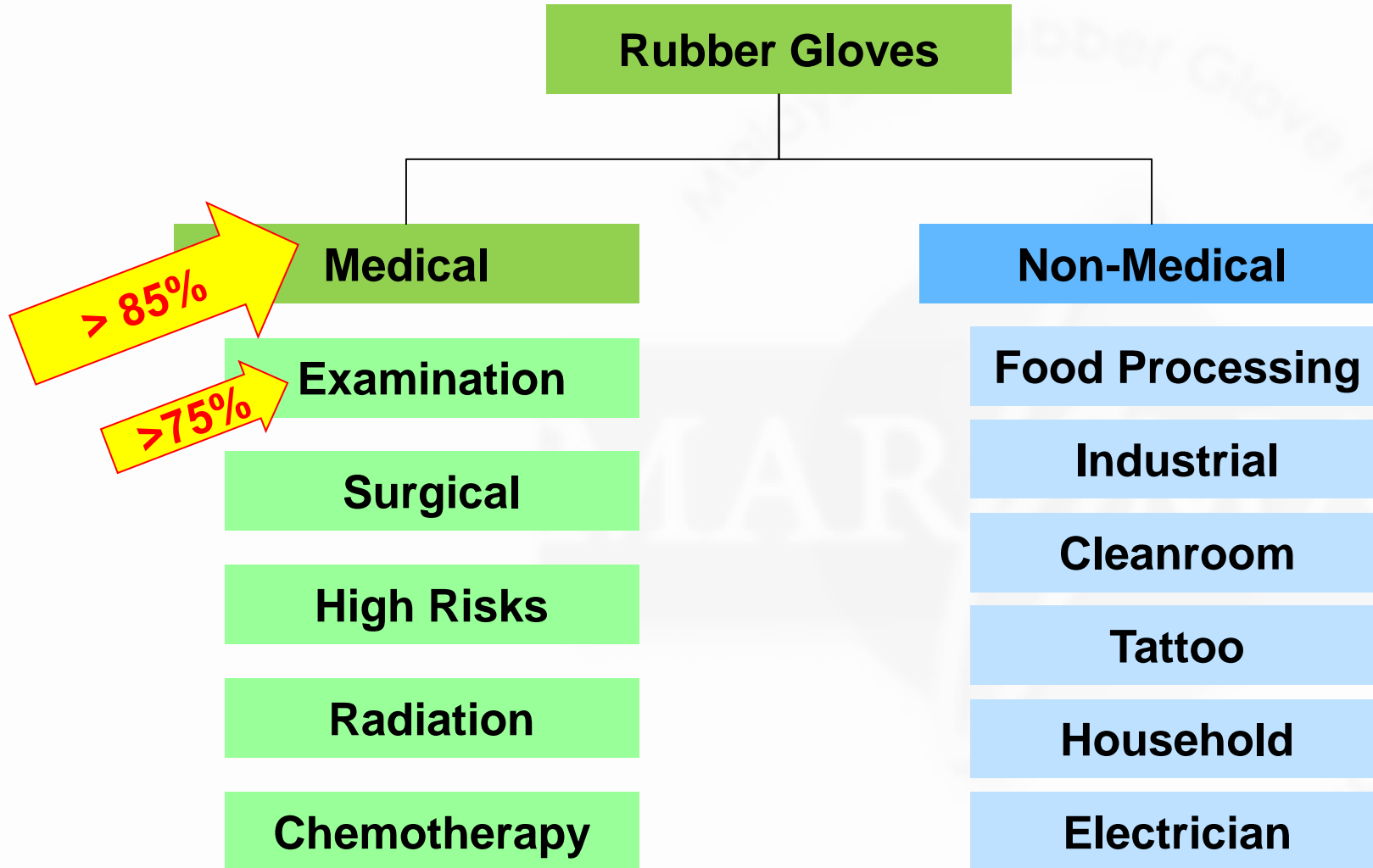
Source: Provisional data from MREPC, 12 June 2020



Malaysian Rubber Glove Manufacturers Association

Rubber Gloves Categories

Categorize by Applications



Categorize by Materials

Rubber Gloves

Natural

One-Third

Hevea Brasiliensis



R&D On-going

Guayule



Kazakh Dandelion



Eucommia ulmoides (杜仲)



...and other plant sources of rubber.

Synthetic

Two-Thirds

Nitrile (NBR)

Cast Polyethylene (CPE)

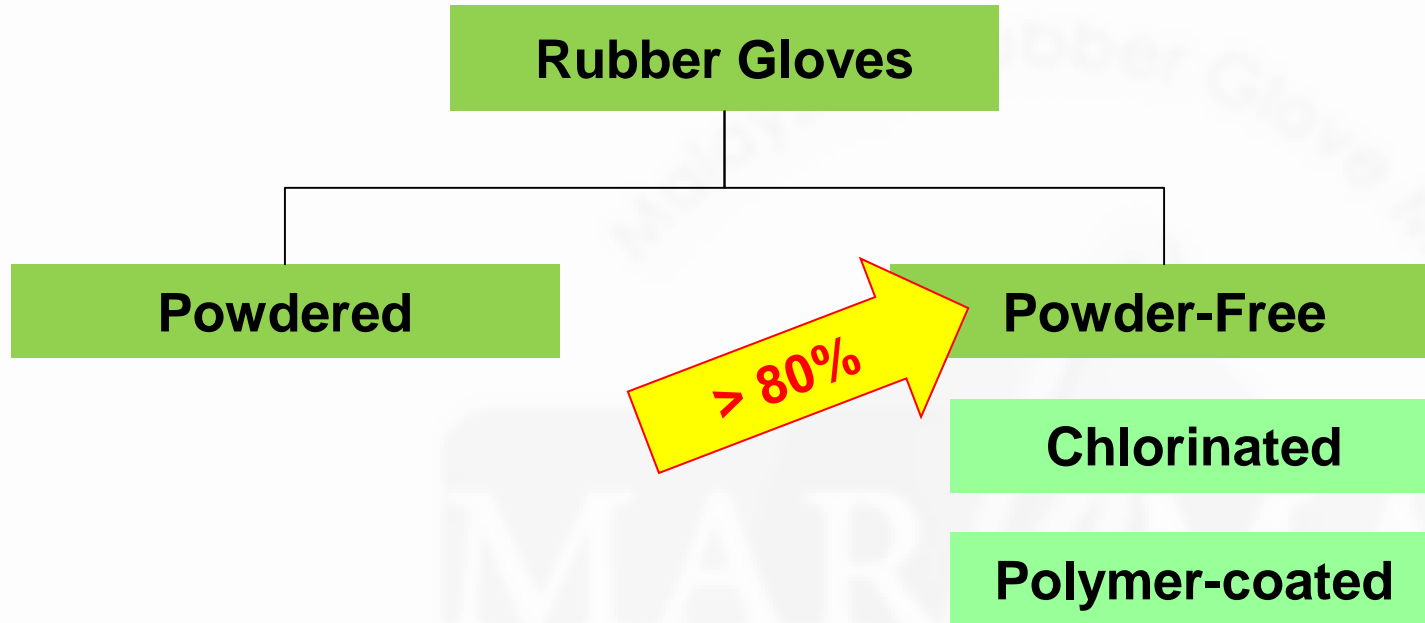
Vinyl (PVC)

Neoprene

Polyisoprene

Polyurethane

Categorize by Processes



Length

Moisturizer coated

Multiple-Dipping

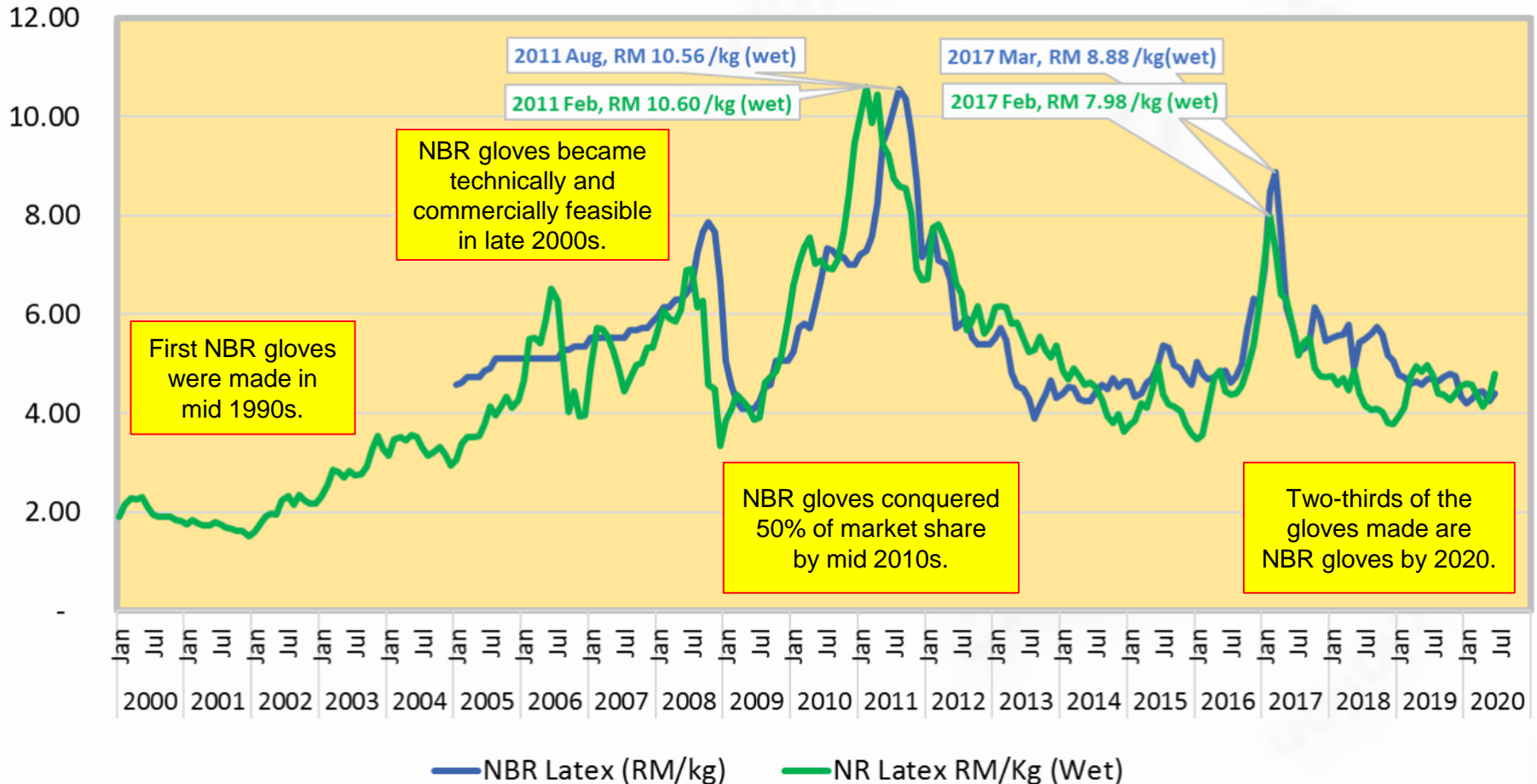
Aloe vera coated

Blended

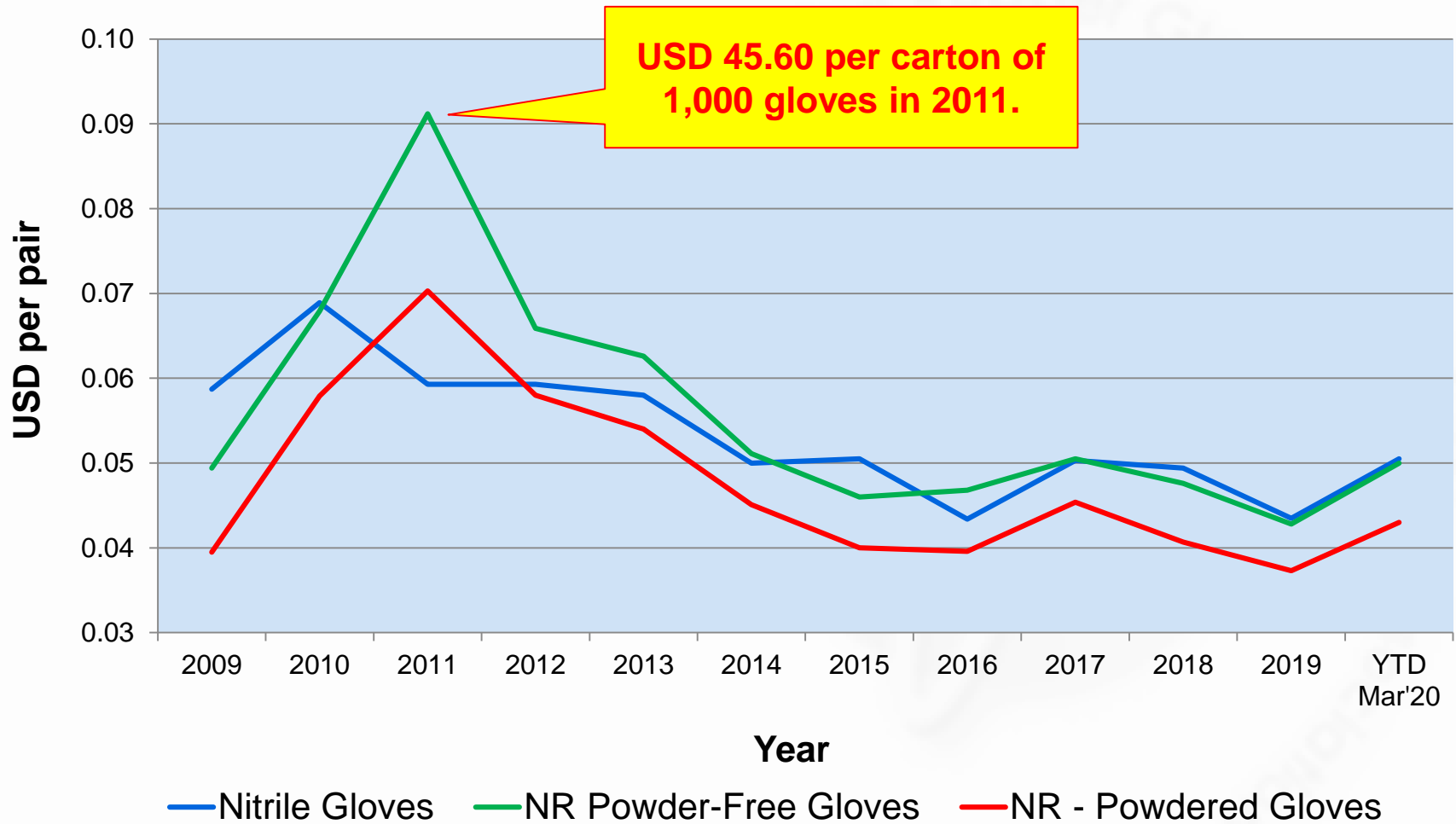
Anti-microbial

Volatility of Latex Price

Prices of NR and NBR Latex (Jan 2000 to Jun 2020)



Average Selling Price of Rubber Gloves



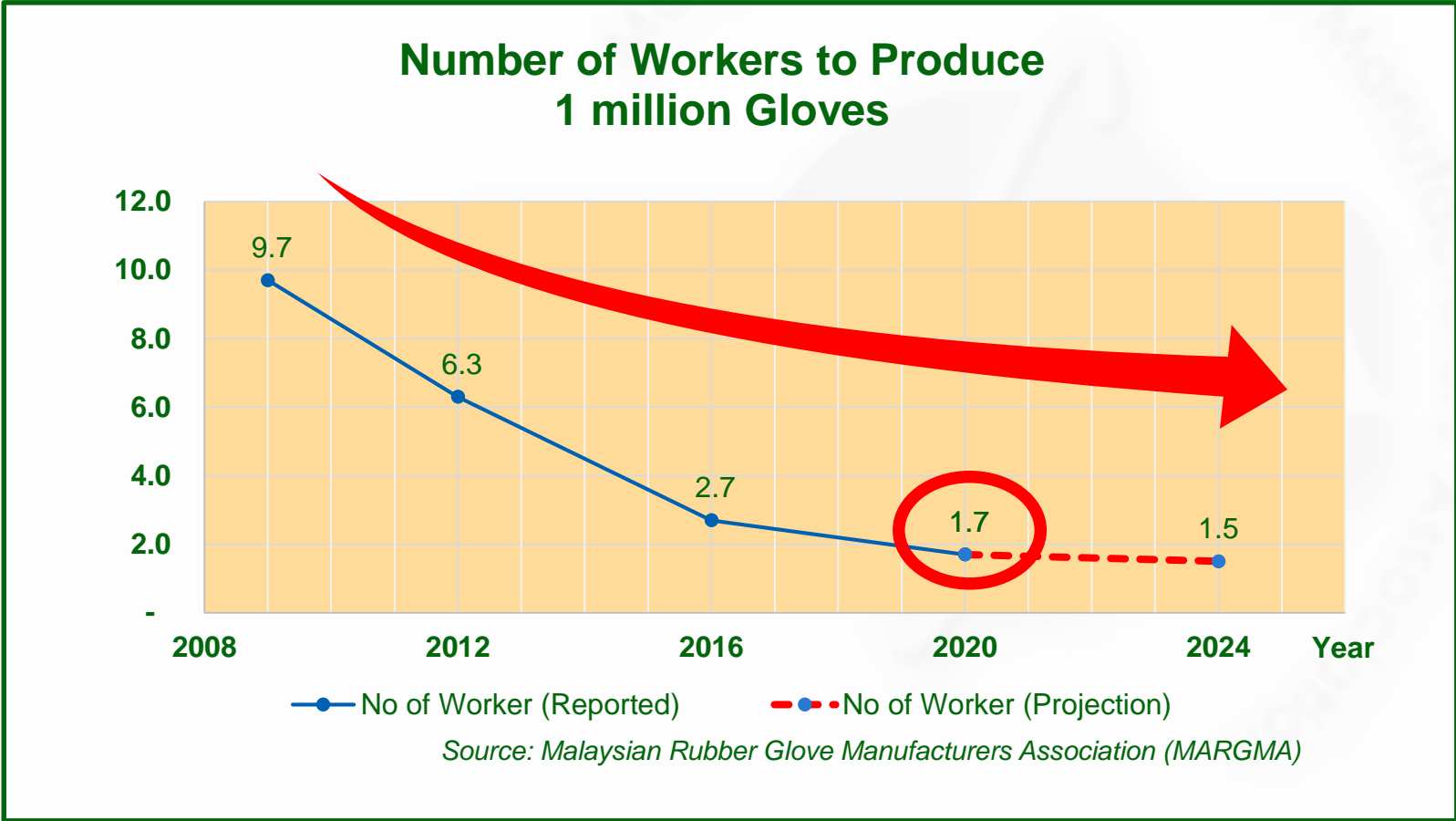


Malaysian Rubber Glove Manufacturers Association

Technological Development

Increased Productivity in Gloves Manufacturing

Modernization and automation lead to quantum leaps in productivity in some of the **MOST ADVANCED** factories.



Advancement in Glove Production Technology

1992

Malaysian Built Lines produce 6,000 gloves/hour

2007

Further improvement resulting in 30,000 gloves/hour

3,000

6,000

20,000

30,000

36,000

42,000 to 45,000

1988

1992

2002

2007

2010

2013

1988

Imported lines from Taiwan produce about 3,000 gloves/hour

2002

Major Innovation using double formers resulting in production of 20,000 gloves/hour

2010

Improved speed to 36,000 gloves/hour

2013

Achieved breakthrough speed between 42,000 and 45,000 gloves/hour



Malaysian Rubber Glove Manufacturers Association

Social Compliance Standards

Multiple Social Compliance Standards



International Labour Organization



amfori
Trade with purpose



SUSTAINABLE DEVELOPMENT GOALS
17 GOALS TO TRANSFORM OUR WORLD



Ethical Trading Initiative

For workers' rights.
For better business.



Responsible Business Alliance

Advancing Sustainability Globally

Improving Social Compliance in the Rubber Glove Industry



Malaysian Rubber Glove
Manufacturers Association

- Industry Driver
- Awareness promotion

MARGMA called for Extra-ordinary General Meeting on **9 November 2019** and passed the following resolutions:

- 1) Members to adopt Code of Conduct on Social Compliance (developed by MREPC).
- 2) Members to join SEDEX and participate in the SMETA Audit Programme for social compliance within 12 months.



- 3) Members to adopt Zero Cost Policy for the recruitment of foreign workers with immediate effect.

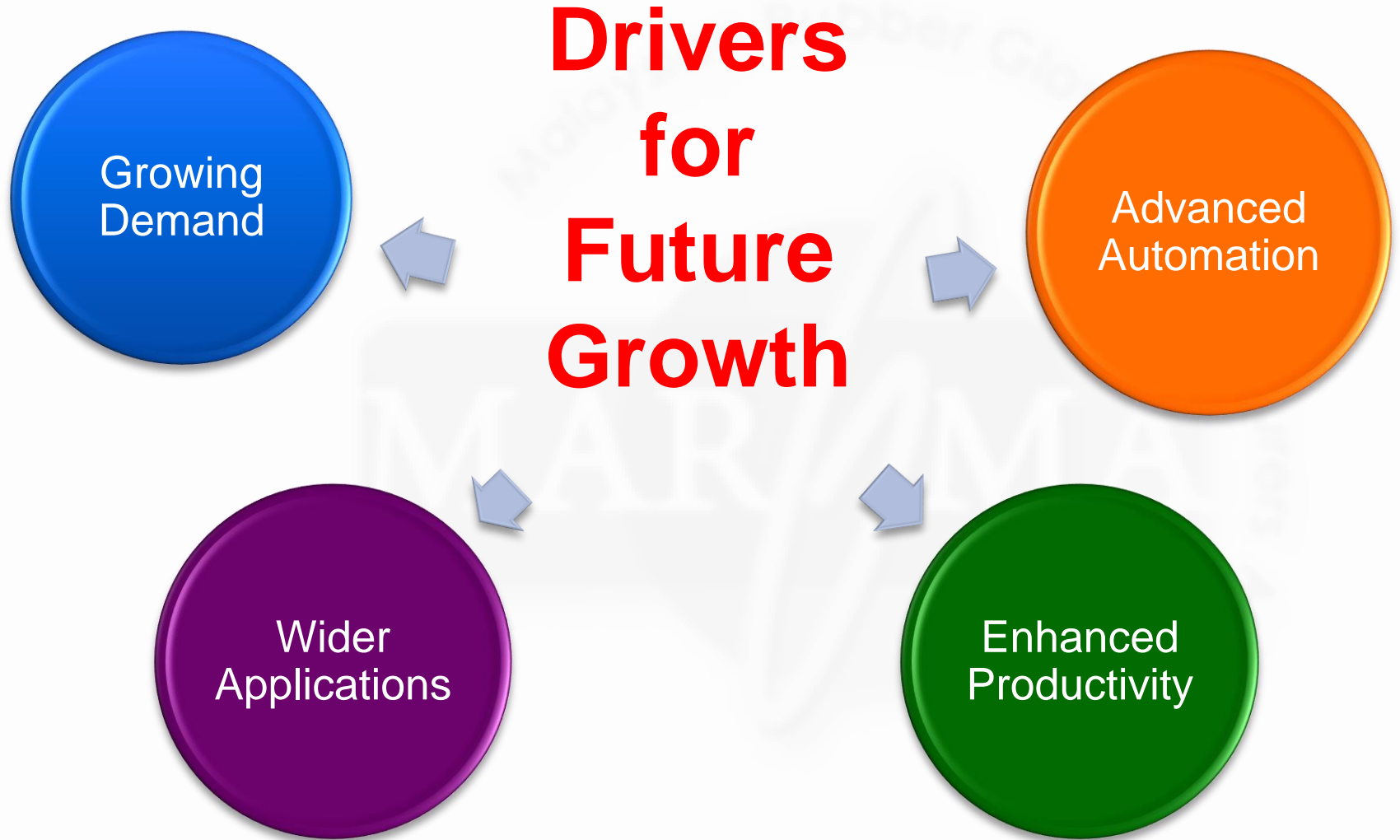




Malaysian Rubber Glove Manufacturers Association

Future Growth Drivers and Sustainability of Expansion

The Future for Rubber Gloves



Drivers for Growth

North America

- Regulatory Requirements
- Healthcare Awareness

Europe

- Regulatory Requirements
- Healthcare Awareness
 - Aging Population

Russia

- Regulatory Requirements
- Healthcare Awareness
 - Population Growth

Asia

- Regulatory Requirements
- Healthcare Awareness
 - Growing Affluence
 - Population Growth

Africa

- Regulatory Requirements
- Healthcare Awareness
 - Population Growth

South America

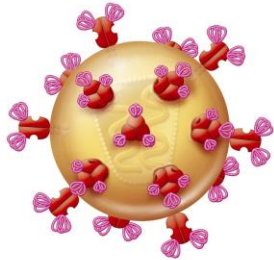
- Regulatory Requirements
- Healthcare Awareness
 - Population Growth

Oceania

- Regulatory Requirements
- Healthcare Awareness

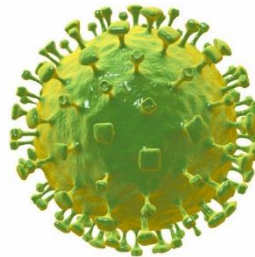
Epidemic and Pandemic

The current Malaysian Rubber Glove Industry was driven by the emergence of HIV in 1986. Every subsequent epidemic and pandemic pushes the awareness on the importance of rubber gloves further up and increases in tandem the usage of gloves as well.



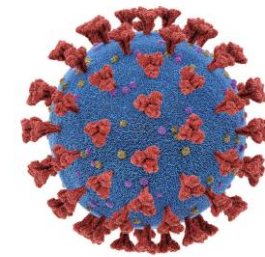
Human Immunodeficiency Virus (HIV)

<https://time.com/>



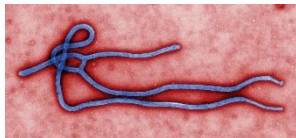
Nipah Virus (NiV)

<http://revistabionatura.com/>



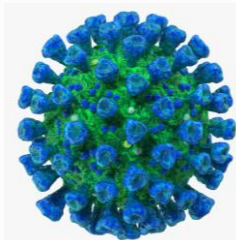
Severe Acute Respiratory Syndrome (SARS) Virus

<https://www.calwater.com/>



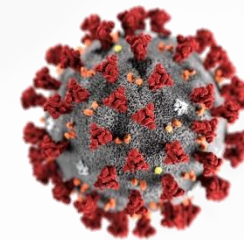
Ebola Virus

<https://www.cdc.gov/>



Middle East Respiratory Syndrome (MERS) Virus

<https://www.turbosquid.com/>



Coronavirus disease 2019 (COVID-19)

<https://en.wikipedia.org/>

Ever Increasing Applications for Rubber Gloves



- **Medical & Dental**

Original and major market segment

- Pharmaceutical & Laboratory

- Food Industry – Processing & Service

- Electronics – Clean Room

- Industrial – Janitorial/Mechanical

- Tattooing procedures

- Household

- Specialized medical applications



Support from Suppliers and Service Providers

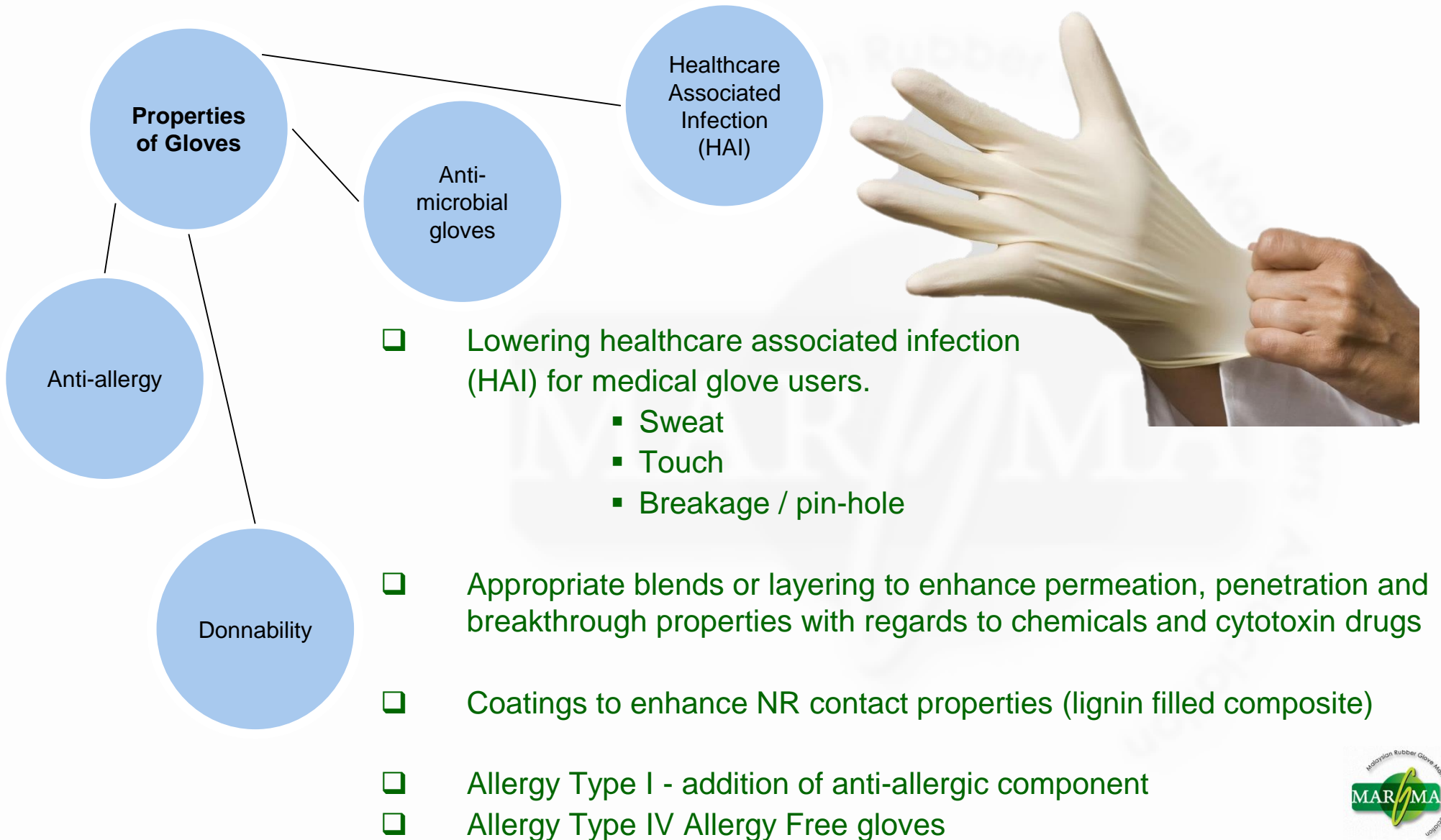
latex
chemicals
packaging
machinery
construction
electrical
tooling
brush



IT
banks
testing
printing
logistics
maintenance
sterilization
pigment
former

The support from our suppliers and service providers are essential for the continuous growth and success of the Rubber Glove Industry.

R&D on Glove Properties





Malaysian Rubber Glove Manufacturers Association

Current Issues and Challenges

Challenges in the Rubber Glove Industry



Manpower

Energy

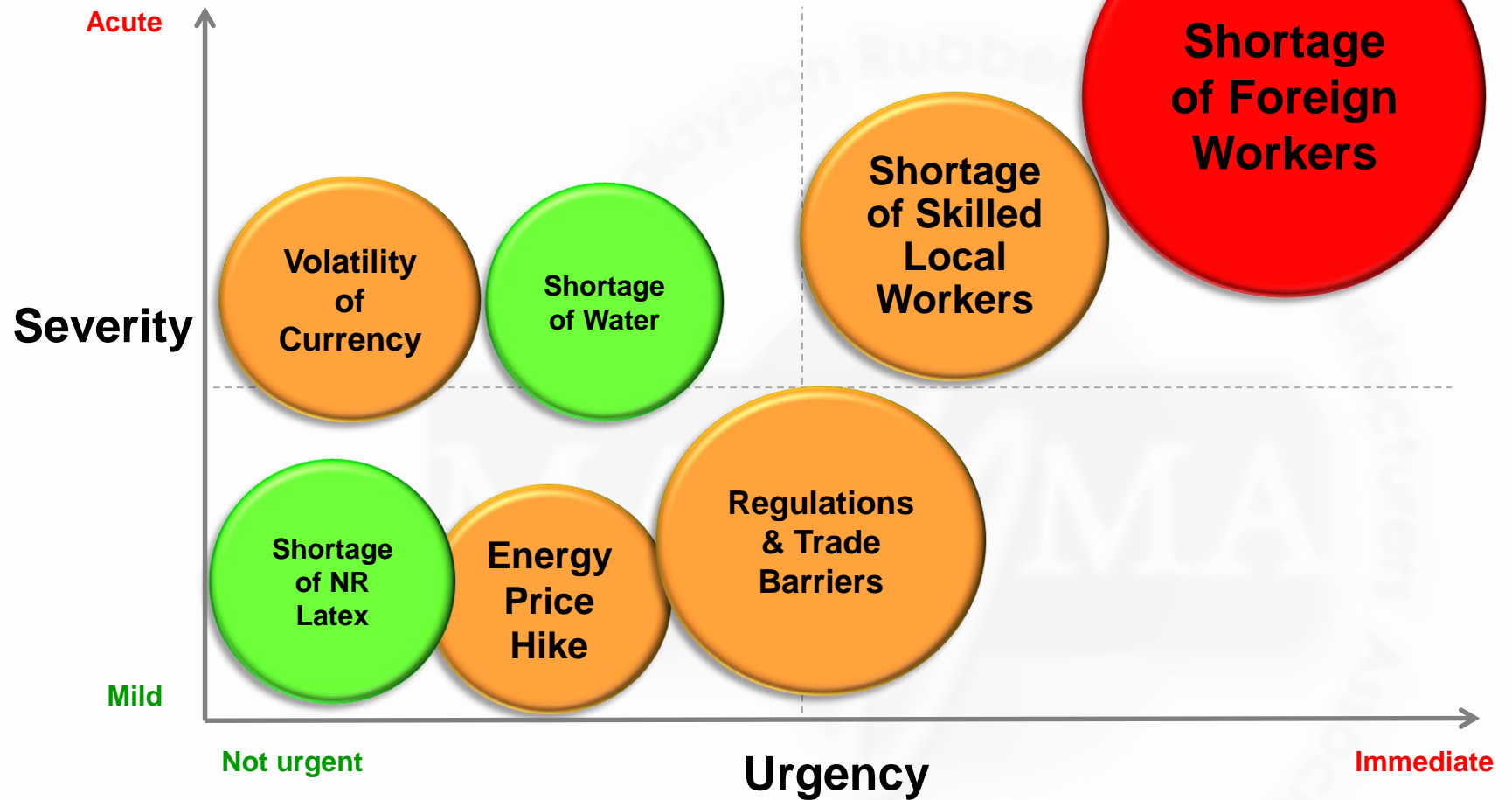
Latex Supply

Water Supply

are always the challenges
for the industry.

MARGMA is working with the Government to push for further automation to overcome labour shortage.

Our Current Challenges



The Industry is constantly engaging the Government to manage the challenges. The industry has the expertise and is experienced enough to overcome such challenges.

Additional Manpower Required

We estimate that to meet the **increased** global demand, we need to hire an additional 25,000 workers **urgently** as summarised below:

Nationality	Estimated Current Manpower	%	Additional Manpower	%
Malaysians	28,000	39%	10,000	40%
Foreigners	43,800	61%	15,000	60%
Total	71,800	100%	25,000	100%

Estimated in June 2020

Automation of all segments of the production cycle will further erode the dependence on manual labour.

19 Feb 2016 : Freeze on all FW Intake
 Suspension to remain in place while Government review 2-tier levy programme and Rehiring programme.

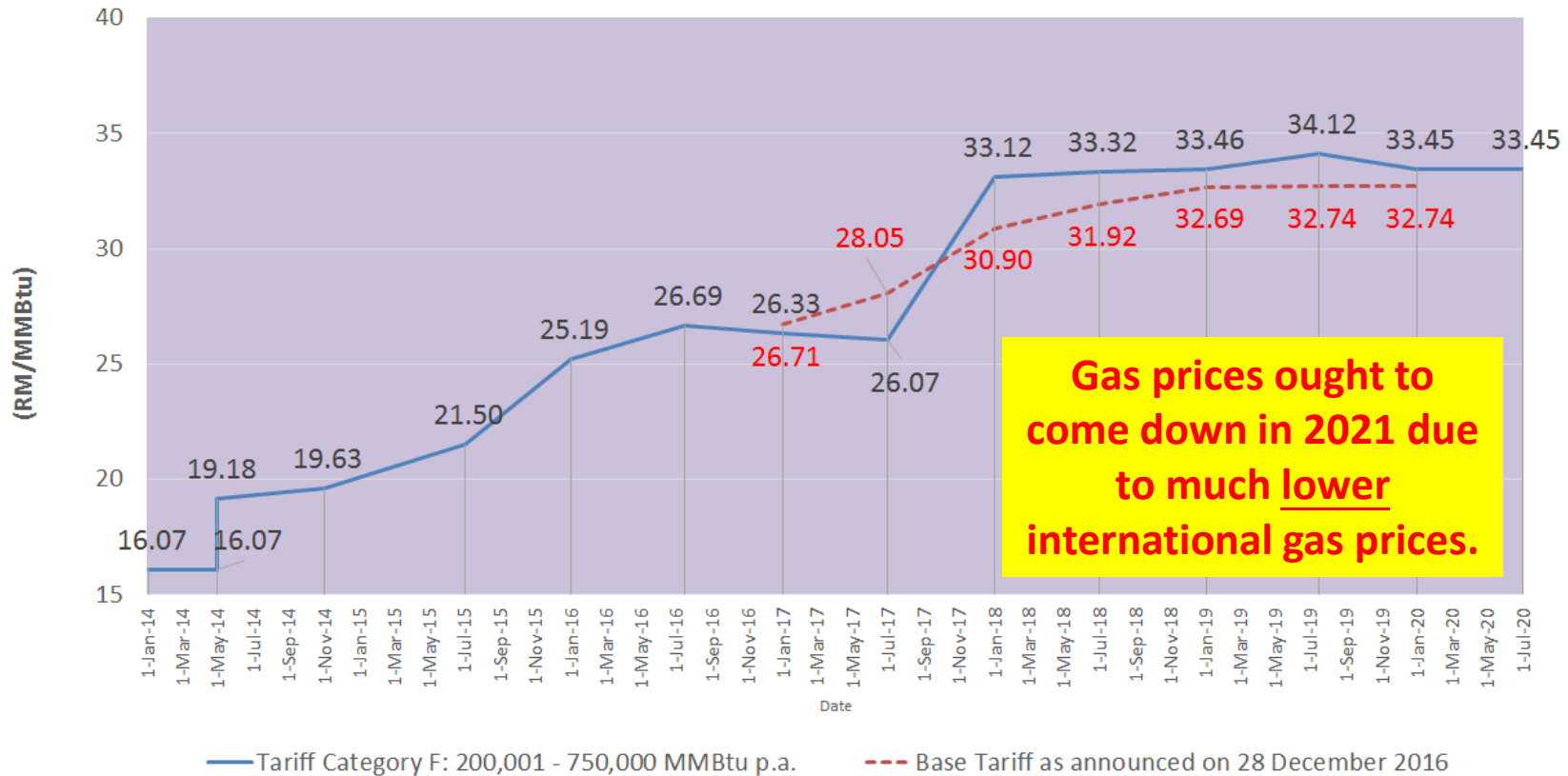
22 June 2020 : Freeze on all FW Intake
 No foreign workers intake until end of 2020 as announced by MoHR Minister.



Energy Cost

Natural Gas Price in Malaysia (2014 to 2020)

Effective Tariff for Tariff Category F (RM/MMBtu)



Gas prices ought to come down in 2021 due to much lower international gas prices.

World's **LARGEST** Rubber Glove Conference & Exhibition at the Kuala Lumpur Convention Centre

10th IRGCE
International Rubber Glove
Conference & Exhibition

IRGCE 2020

The 10th IRGCE will be held from 11th to 13th of August 2021 at Kuala Lumpur Convention Centre.

<p>Organised by:</p>  <p>Malaysian Rubber Glove Manufacturers Association</p>	<p>Co-Host:</p>  <p>Malaysian Rubber Expert Promotion Council</p>	<p>Co-Organisers:</p>  <p>Malaysian Rubber Products Manufacturers Association</p>  <p>Plastics and Rubber Institute Malaysia</p>  <p>Malaysian Institute of Chemistry</p>	<p>In Association with:</p>  <p>Thailand Rubber Glove Manufacturers Association</p>  <p>Indonesian Rubber Glove Manufacturers Association</p>	<p>Supporting Ministries and Government Agencies:</p>  <p>Ministry of Primary Industries</p>  <p>Ministry of International Trade and Industry</p>  <p>Ministry of Tourism, Arts & Culture Malaysia</p>  <p>Malaysian Rubber Board</p>  <p>Malaysia External Trade Development Corporation</p>  <p>Malaysia Digital Economy Corporation</p>  <p>Malaysia Convention & Exhibition Bureau</p>  <p>Malaysia Daily Asia</p> <p>Supporting Publications:</p>  <p>Rubber Asia THE COMPLETE MAGAZINE ON RUBBER</p>  <p>RUBBER / INTERNATIONAL RUBBER JOURNAL</p>  <p>THE RUBBER</p>
---	---	---	--	--



Thank you!

Malaysian Rubber Glove Manufacturers Association

Units 1313 & 1311, 13th Floor, Block A, (Lift Lobby 4),

Damansara Intan, 1 Jalan SS20/27,

47400 Petaling Jaya, Selangor, Malaysia.

Tel: +603-7727 3197 Fax: +603-7727 3191

Website: www.margma.com.my

Email: contact@margma.com.my