



Joint Statement
on
European Union Action Plan for
Forest Law Enforcement, Governance and Trade
by
Sabah & Sarawak Forest & Timber Industry

After an intensive dialogue held in Kota Kinabalu on this day, 23 October 2009, and attended by representatives from Sabah Timber Industries Association (STIA), Timber Association of Sabah (TAS) and Sarawak Timber Association (STA), we hereby declare as follows:-

1. Firm action be taken against illegal logging and associated illegal timber trade;
2. Support for all appropriate measures and initiatives to strengthen the legality of harvesting operations and timber trade activities;
3. Willingness and commitment to curb illegal logging and its associated trade through the Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT) initiated by the European Union ("EU");
4. Support all efforts to eradicate poverty, and towards promoting good governance practices in the forestry sector.

Nevertheless, we hereby reiterate that any Voluntary Partnership Agreement ("VPA") with EU must be directed towards tackling illegal logging and illegal timber trade. Issues of sustainability, land rights and social economic conditions of indigenous people must not be included in an agreement dealing with the timber trade between Malaysia and EU. In order not to deviate from the fundamental objective of the VPA, these other issues ought to be addressed through other schemes designed to promote the social economic well-being of the people.

VPA with EU ought to be beneficial to Malaysia and in her national interests and also ought to be in the interests of the timber industry. Malaysia's sovereign right

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to manage or regulate the use of her natural resources must not be compromised in any way by the provisions in the VPA.

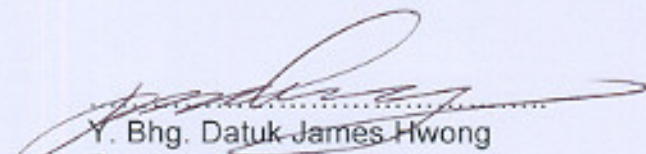
We, therefore, urge that the provisions of VPA and the definition of "Legal Timber" and the Timber Legality Assurance Scheme (TLAS) must conform with the laws of Malaysia and implemented or regulated in accordance with our existing laws. Neither EU nor any other pressure groups should be allowed to use the VPA (e.g., through the use of Third Party Monitor and Joint Implementation Committee) to agitate for changes in our laws, policies and principles governing the use of our natural resources, including our forests.

We also urge that any VPA must be fair to Malaysia, and at the same time, reflect a firm commitment by EU to take demand-side measures through legislations and new procurement policies designed to eliminate the purchase by EU member states of non FLEGT licensed timbers.

We wish to state categorically that in the negotiation and conclusion of any VPA with EU, the constitutional rights of the States of Sabah and Sarawak over Forestry be respected and honoured, and that the concurrence of the two State Governments be sought before the VPA is concluded and signed. We also urge that we will be properly consulted and our views taken into account and incorporated in the final text of the VPA.

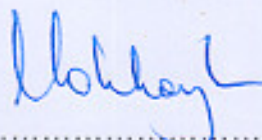
Kota Kinabalu, Sabah, 23 October 2009.

**Sabah Timber Industries Association
(STIA)**



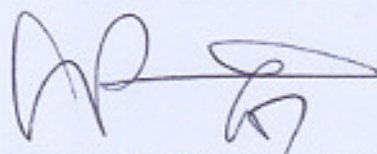
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Y. Bhg. Datuk James Hwong
President

**Timber Association of Sabah
(TAS)**



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Mr Ho Khoy Lim
For & on behalf of President

Sarawak Timber Association (STA)



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Y. Bhg. Dato Henry Lau Lee Kong
For & on behalf of Chairman