



MENTERI PERUSAHAAN PERLADANGAN DAN KOMODITI MALAYSIA
(Minister of Plantation Industries and Commodities Malaysia)

KPPK 474(03)816/1 Klt. 4 ()

25 November 2013

H.E. Mrs Sharon Dijksma
State Secretary for Economic Affairs
Ministry for Economic Affairs
The Netherlands

Dear Excellency,

**ACCEPTANCE OF MALAYSIAN TIMBER CERTIFICATION SCHEME BY
TIMBER PROCUREMENT ASSESMENT SYSTEM**

I wish to record my appreciation on your visit and discussions at my Ministry on Tuesday, 19 November 2013. This meeting provided the window to exchange views in moving forward towards full recognition of the Malaysian Timber Certification Scheme (MTCS), under the Netherlands Timber Procurement Assessment System (TPAS).

2. My Ministry is appreciative of your efforts towards recognition of the MTCS, as it will contribute to further strengthen sustainability efforts in Malaysia. Sustainable forest management of tropical forests is very challenging, as indicated by the insignificant percentage of such forests being certified. I believe that the recognition of the MTCS by the Dutch Government will strongly encourage other tropical countries to implement sustainable forest management and timber certification.

3. During the discussions, we acknowledge that indigenous peoples' rights is a highly complex issue, which is not only unique to Malaysia. In this context, the Malaysian Government is continuing with concerted efforts towards ensuring the indigenous peoples are given special attention and assistance through various measures and initiatives. This is to intergrate them into the mainstream society and benefit from the country's social and economic development.

4. I also wish to inform you that under the forest certification standard, Malaysian Criteria and Indicators (MC&I) (Natural Forest) has been revised to include the requirement for "free, prior and informed consent (FPIC)" for a number of the Criteria and Indicators. This is more stringent requirement compared to MC&I(2002) standards, which stipulates the requirement for "free and informed consent".

5. In view that the FPIC is a new requirement, MTCC will undertake the following measures:

- i. issue a new guidance document on the 'Interpretation of the term "Free, Prior and Informed Consent" in the MC&I(Natural Forest)';
- ii. conduct briefing sessions to familiarise the Forest Managers of the certified Forest Management Units on the above requirement; and
- iii. liaise with the Certifying Bodies (CB) to provide clarity on the reporting format for audit reports on this requirement. The auditors will be required to make more explicit reference to the relevant criteria relating to FPIC in the audit reports.

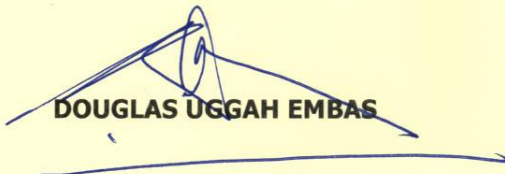
6. MTCC commits to undertake the above measures before the end of 2014. I believe that the above will provide you with the assurance and confidence to enable you to convince the Dutch Parliament to arrive at a positive decision on the MTCS during the forthcoming Parliamentary debate on 4 December 2013.

7. In addition to the above, as the National Governing Body of a PEFC-endorsed scheme, MTCC is committed to continuous improvement of the MTCS. As such, the scheme is subjected to periodic assessments by PEFC. The MTCS is currently undergoing assessment for re-endorsement under PEFC, the outcome of which is expected by the middle of 2014.

Look forward to a positive outcome on the MTCS recognition.

Thank you.

Yours sincerely,


DOUGLAS UGGAH EMBAS

c.c:

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