Memorandum of Understanding

the Government of the Republic of Indonesia and the Government of the People's Republic of China Concerning Cooperation in Combating Illegal Trade of Forest Products

The Government of the Republic of Indonesia and the government of the People's Republic of China, hereinafter referred to as the "Parties",

Recalling the Agreed Minutes of the 1st working Group Meeting on Forestry Cooperation signed in Jakarta, on January 14, 1997;

Deeply concerned with deforestation and illegal activities caused by overwhelming global demand of products derived from forest resources;

Recognizing that both countries, exporting and importing, have significant roles and responsibility in combating illegal logging and associated trade of the illegally harvested forest products;

Recognizing that illegal trade of forest products, including endangered species of flora and fauna, causes serious economic social damage, particularly on local communities, the poor and the disadvantaged, and threatens the ecosystem and puts endangered and endemic species toward extinction;

Pursuant to the prevailing laws and regulations in each country;

Have agreed as follows;

Article 1

The Parties mutually consent to the following objectives:

- 1. Combating illegal trade in forest products, including endangered species of flora and fauna, on the basis mutual respect, equality and mutual benefit, and in all-level, to ensure the sustainability of forest resources;
- 2. Improving forest law enforcement for controlling the associated illegal trade and illegally harvested or obtained forest products;
- 3. Increasing the awareness on the threats which forest destruction poses to our future environmental, economic and social well-being;
- 4. Promoting adaptive forest practices toward sustainable forest management;

Article 2

Cooperation between the Parties may include, but is not limited to the following:

- 1. Identification of illegal harvested forest products and illegal trade, and related case studies:
- 2. Support for the involvement of civil society in accordance with the respective laws and regulations in each country in the effort to combat associated illegal trade an illegally harvested forest products, particularly in monitoring the implementation of compliance verification;
- 3. The joint development of systems for the timely collection and exchange of data on timber trade, related forest laws and regulations, endangered wild fauna and flora and wood products between the Parties;
- 4. Exchange of information on respective forest laws, regulations and its enforcement. The joint development of effective collaboration between enforcement agencies and network in the two countries, joint cooperation on training of law enforcement officers and exchange of relevant information in a timely manner, aiming to provide mutual assistance in law enforcement;
- 5. Enhancement of economic cooperation in forest sector and facilitation of normal forest trade.
- 6. Criteria of sustainable forest development and forest certification.

Article 3

In order to guide the implementation of this MoU, the Parties will jointly establish an action plan

Article 4

The Parties will meet to jointly review the implementation of the commitments, entered herein to further develop experience and understanding of the issues concerning the control of associated illegal trade and illegally harvested forest products; Any dispute between the Parties arising out of the interpretation or implementation of this Memorandum of Understanding shall be settled amicably by consulting or negotiation.

Article 5

The present Memorandum of Understanding shall come into force on the date of the Parties

In witness whereof, the undersigned, being duty authorized by their respective Governments, have signed this Memorandum of Understanding.

Done, in duplicate, in Beijing on 18 December 2002, in English Chinese and Indonesian languages, all texts being equally authentic. The English text shall prevail in case of any divergence.

For the Government of The Republic of Indonesia

For the Government of The People's Republic of China

Muhammad Prakosa Minister of Forestry Zhou Sehengxian Administratrator of the State Forestry Administration