



# MINISTRY OF FORESTRY REPUBLIC INDONESIA

## Securing Timber from Legal Sources

International Seminar in Tokyo for Tackling Illegal Logging, 2007  
Tokyo, 26-27 February 2007

Presented by Dr. Hadi Daryanto

Secretary of Director General of Forest Production Development



# COMBATING ILLEGAL LOGGING IN INDONESIA

1. **ILLEGAL LOGGING AND ITS ASSOCIATED TRADE HAS BEEN A NATIONAL PROBLEMS**
  - **INDONESIA HAS SHOWN SERIOUSNESS IN THE EFFORTS OF ELIMINATING ILLEGAL LOGGING, ESPECIALLY ILLEGAL TRADE (LOGS SMUGGLING)**
3. **PRESIDENT HAS DECLARED COMBATINGS ILLEGAL LOGGING AND IT'S ASSOCIATED TRADE BY ISSUING PRESIDENT INSTRUCTION NO. 4 YEAR 2004**



**SINCE THE FOREST LAW ENFORCEMENT & GOVERNANCE (FLEG) EAST ASIA MINISTERIAL CONFERENCE HELD IN BALI , INDONESIA IN SEPTEMBER 2001, INDONESIA HAS DONE THE FOLLOWING STEPS**

**MOU to combat illegal logging & The illegal trade in illegally logged timber & wood products was signed on 18/April-2002 between **UK & Indonesia****

**MOU concerning Cooperation in combating illegal trade of Forest products was signed on 18-December-2002 between **Indonesia & China****



**Joint Announcement on the cooperation  
in combating illegal logging &  
The trade in illegally logged timber & wood products  
between **the Government of Republic of Indonesia**  
&  
**The Government of Japan****

**Was signed on 24/Jun-2003**



## LETTER OF INTENT

Between

THE MINISTRY OF FORESTRY OF REPUBLIC OF INDONESIA

And

THE USDA FOREST SERVICE OF UNITED STATES OF AMERICA

regarding

COOPERATION IN SUSTAINABLE FOREST MANAGEMENT

WAS SIGNED IN JAKARTA ON 13<sup>th</sup> NOVEMBER 2006

ABOVE HAS BEEN FOLLOWED BY

MEMORANDUM OF UNDERSTANDING (MOU)

between

THE GOVERNMENT OF REPUBLIC OF INDONESIA

And

THE UNITED STATES OF AMERICA on

COMBATING ILLEGAL LOGGING & ASSOCIATED TRADE

SIGNED ON 17<sup>th</sup> NOVEMBER 2006.

USDA = UNITED STATES DEPARTMENT OF AGRICULTURE



ACKNOWLEDGING THE EFFORTS BY THE EUROPEAN UNION TO COMBAT ILLEGAL LOGGING AND ASSOCIATED TRADE UNDER THE EUROPEAN UNION FOREST LAW ENFORCEMENT, GOVERNANCE AND TRADE (FLEGT) ACTION PLAN WAS ADOPTED IN MAY 2003,

## **INDONESIAN AND EU AGREE TO TACKLE ILLEGAL LOGGING THROUGH A FLEGT PARTNERSHIP.**

- THE HON. M.S. KABAN, MINISTER OF FORESTRY INDONESIA MET COMMISSIONERS LOUIS MICHEL AND STAVROS DIMAS, RESPONSIBLE FOR DEVELOPMENT AND ENVIRONMENT, RESPECTIVELY, IN BRUSSELS 8 JANUARY 2007.
- THEY AGREED TO INITIATE FORMAL NEGOTIATIONS TOWARDS CONCLUSION OF A VOLUNTARY PARTNERSHIP AGREEMENT (VPA) ON FOREST LAW ENFORCEMENT, GOVERNANCE AND TRADE (FLEGT), WHICH WILL PROVIDE ASSURANCE THAT INDONESIAN FOREST PRODUCTS IMPORTED TO THE EU ARE VERIFIED TO BE LEGAL.
- THE AGREEMENT WILL ALSO PROVIDE FOR COOPERATION, INCLUDING CAPACITY BUILDING, MARKET AND TECHNICAL STUDIES AND KNOWLEDGE-SHARING



# Ministry of Forestry Policy and Implementation

- ON 13 DECEMBER 2002, MOF AND MITI HAS SET UP NEW INSTITUTION CALLED BRIK (FOREST INDUSTRY REVITALIZATION BODY). BRIK'S AIM IS TO STRENGTHEN THE CONTROL OF JOINT DECREES ISSUED BY TWO MINISTERS IN CHECKING THE LEGALITY OF THE FORESTRY PRODUCTS DOCUMENTS AND MAKE ENDORSEMENT BEFORE FORESTRY PRODUCTS TO BE EXPORTED
- MOU BETWEEN MOF AND PPAJK (THE CENTER FOR ANALYSIS AND REPORTING FINANCIAL TRANSACTION) TO ANALYSE MONEY LAUNDERING LINK TO THE ILLEGAL LOGGING ACTIVITIES
- SPECIAL FOREST POLICE (SPORC) IN 10 PROVINCES HAS BEEN POSTED
- THE MAIN ACTIVITIES COMBATING ILLEGAL LOGGING ARE **PRE-EMTIVE** (e.g. P.R AND CAPACITY BUILDING TO LOCAL PEOPLE); **PREVENTIVE** (FOREST CONTROL AND SURVEILLANCE); AND **REPRESIVE** (FIELD OPERATIONAL WITH NATIONAL POLICE)



# DEVELOPMENT OF TIMBER LEGALITY STANDARD AND ITS VERIFICATION SYSTEM

- ON APRIL 4<sup>TH</sup> 2006 MOF STIPULATED DECREE NUMBER 70/MENHUT-II/2006 TO SET UP NATIONAL STEERING COMMITTEE AND MULTI STAKEHOLDER WORKING GROUPS DECREE NUMBER 63/KUM-II/2006 FOR WOOD LEGALITY STANDARD HARMONIZATION.
- DEVELOPMENT AND HARMONIZATION OF THE LEGALITY STANDARD HAS BEEN FACILITATED BY INDONESIAN ECOLABELLING INSTITUTE (LEI) TO INVOLVE MULTI STAKEHOLDERS IN INDONESIA (THE MINISTRY OF FORESTRY, BUSINESS ASSOCIATION, ACADEMICIANS, CERTIFICATION BODY AND NGOs).
- THE DRAFT OF THE HARMONIZED STANDARD HAS BEEN DERIVED FROM THE RESULT OF MoU UK- INDONESIA AND TFF's DRAFT ON LEGALITY STANDARD, WHICH IS A RESULT OF COMPARATIVE STUDY FROM:
  - 1) KEURHOUT PROTOCOL FOR THE VALIDATION OF CLAIMS OF LEGAL TIMBER IN PARTICULAR WITH A VIEW ON LEGAL ORIGIN (TFF);
  - 2) THE REQUIREMENTS FOR 'VERIFIED LEGAL' IN WWF'S NUSA HIJAU CONDITIONS OF PARTICIPATION (NTTA);
  - 3) THE "OLB (ORIGINE ET LEGALITE DES BOIS) CERTIFICATION AND CONTROL SYSTEM : ORIGIN AND LEGALITY OF TIMBER" (EUROCERTIFOR).





## RESULT OF REPRESIVE OPERATION BY FOREST POLICE MOF :

- IN 2005 : 1.493 SUSPECTS;
  - 281.491 M3 LOGS; 36.084.7 M3 SAWN TIMBER.
  - HEAVY EQUIPMENT 45 UNIT; CONTAINER 179 UNIT
- IN 2006 : 423 SUSPECTS;
  - 454.486 LOGS; 4.257.846 M3 SAWN TIMBER;
  - HEAVY EQUIPMENT 6 UNIT; TUG BOAT 2 UNIT; SAW MILL 3UNIT.

## RESULT OF REPRESIVE ACTION BY NATIONAL POLICE :

- PAPUA (2005): 186 SUSPECTS,
  - 35.402 LOGS, 53.208.8 M3 LOGS; 329.610.18 M3 SAWN TIMBER;
  - HEAVY MACHINERIES 680 UNITS.
- PAPUA (2006): 315 SUSPECTS;
  - 572.380 LOGS;
  - 3 TUG BOATS; 41 SHIPS; 71 TRUCKS; 122 HEAVY MACHINERIES



- On July 10<sup>th</sup> 2006 MoF ISSUED DECREE NUMBER P.51/MENHUT/2006 TO BETTER ADMINISTRATIVE WORK OF WOOD FROM PRIVATE FOREST WHICH WILL GUARANTEE THE LEGALITY OF THE LOGS HARVESTED.
- ON 29/AUGUST 2006 MINISTER OF FORESTRY ISSUED DECREE NO. P-55/MENHUT-II/2006 TO ACHIEVE BETTER ADMINISTRATIVE WORK OF SUSTAINABLE FOREST MANAGEMENT ESPECIALLY IN FOREST PRODUCTS DISTRIBUTION MONITORING SYSTEM, WHICH WILL GUARANTEE THE LEGALITY OF THE LOGS HARVESTED. THE DECREE IS ALSO AS TECHNICAL GUIDELINE OF CHAIN OF CUSTODY



**DECREE NO. P-55/MENHUT-II/2006  
ON 29/AUGUST 2006  
TO REPLACE P126, 2003**

- skshh (Forest Products legality letter was used as a General Term)

It covers following documents with respective legal activities

LHC (Cruising Reports),

RKT (Annual Working Plan),

LHP (Cutting Report),

SKSKB (Round Log Legality Letter),

FA (Transportation Invoice)

**2. Chain of Custody is mandatory**

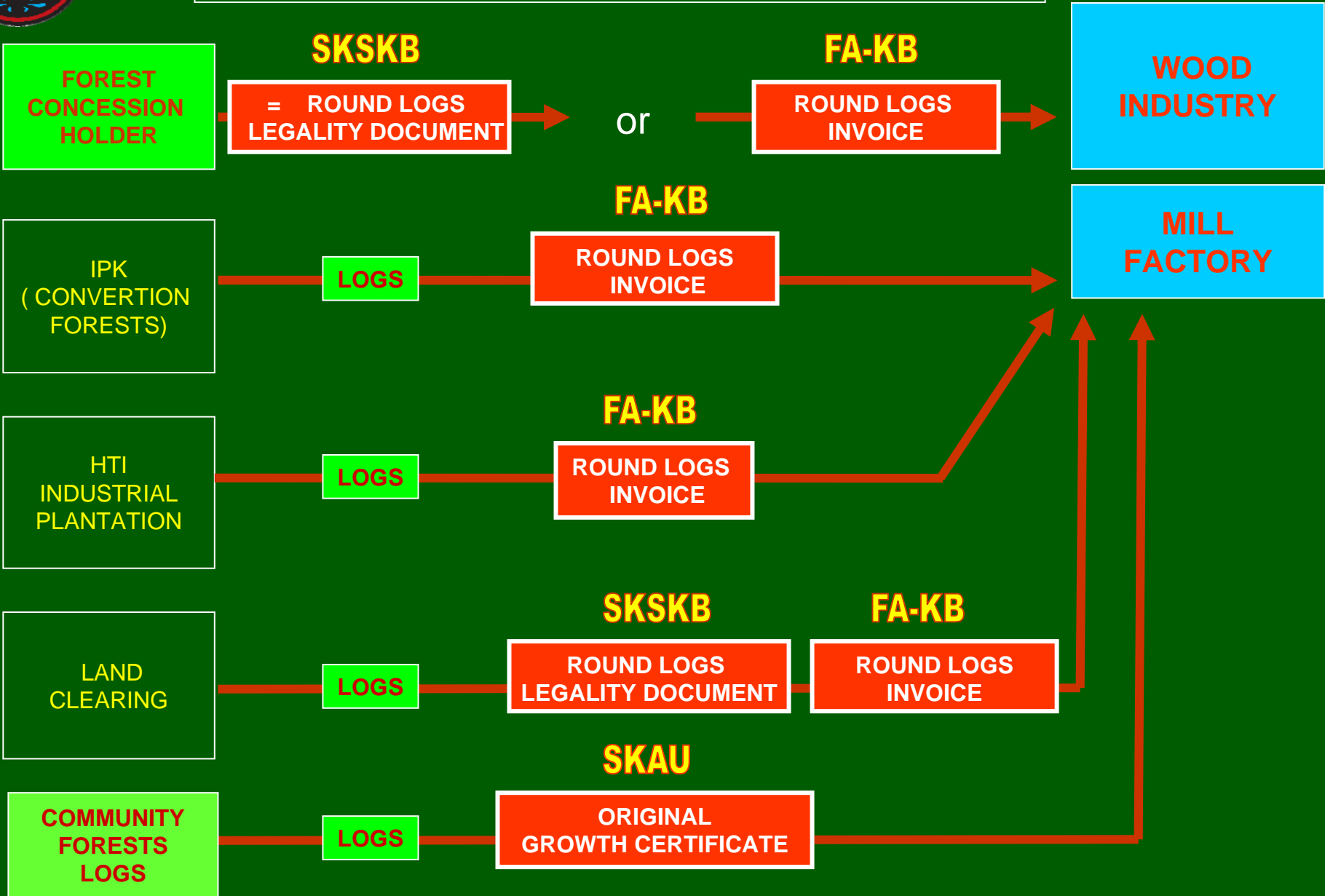


## LEGAL DOCUMENTS FOR LOGS OR PROCESSED WOOD PRODUCTS ARE :

1. SKSKB (LEGAL LOGS DOCUMENT)  
(From Forest Concession to designated place)
2. FA-KB (ROUND LOG INVOICE)  
(From 1<sup>st</sup> designated place to further designated place )
3. FA-KO (PROCESSED WOOD PRODUCTS INVOICE )  
(From seller's place to buyer's place)
4. SKAU (CERTIFICATE OF ORIGIN)
5. SAL ( LEGAL LETTER FOR AUCTIONED LOGS AND SAWN  
TIMBER )



# CHART OF LEGAL DOCUMENTS FOR LOGS





# ROLE of BRIK ACCORDING

**MINISTER OF TRADE'S DECREE 02/M-DAG/PER/2/2006  
and DG OF FOREIGN TRADE DECREE 01/DAGLU/PER/3/2006**

**STIPULATED :  
REGULATION & IMPLEMENTATION PROCEDURES OF  
ENDORSEMENT BY BRIK FOR EXPORT OF INDUSTRIAL  
WOOD PRODUCTS.**

**DOCUMENTS TO BE ENDORSED BY BRIK ARE :**

- 1. Photocopy of SKSKB (Round log legality letter) &  
Photocopy of SAL (Legal letter for auctioned logs)  
legalized by OFFICER OF FORESTRY DEPARTMENT**
- 2. Photocopy of FA-KB (Round log Invoice); FA-KO (Processed Wood  
Products) ; SKAU (Certificate of Origin)  
legalized by DESIGNATED OFFICER(s) who issued the FA-KB; FA-KO;  
SKAU**



**THANK YOU  
FOR YOUR ATTENTION**

御静聴

誠に有難う御座いました。

