

**Government Regulation (PP) of the Republic of Indonesia
Number 105 Year 2015
On The Second Amendment of government regulation (PP)
Number 24 Year 2010 on the Utilization of Area of Forest**

**By the Grace of God Almighty
President of the Republic of Indonesia,**

- Considering
- a. that in effort to accelerate the development excluding the activities of forestry within the area of forest, it shall be necessary to amend the regulation concerning the types of activities, the obligations of the holder of permit of borrow-to-use area of forest, and the procedure of utilizing the area of forest;
 - b. that based on the consideration as cited in letter a, it shall be necessary to enact a government regulation (PP) on the second amendment of government regulation (PP) Number 24 Year 2010 on Utilization of Area of Forest;
- Referring to in
1. Article 5 paragraph (2) of the 1945 Constitution of the Republic of Indonesia;
 2. Law number 41 Year 1999 on Forestry (State Gazette of the Republic of Indonesia Year 1999 Number 167, Supplement to State Gazette of the Republic of Indonesia Number 3888) as having been amended by Law Number 19 Year 2014 on Enactment of government regulation (PP) in lieu of Law Number 1 Year 2004 on Amendment of Law Number 41 Year 1999 on Forestry, of which to be legislated into a Law (State Gazette of the Republic of Indonesia Year 2004 Number 86, Supplement to State Gazette of the Republic of Indonesia Number 4412)
 3. Government Regulation (PP) Number 24 Year 2010 on Utilization of Area of Forest (State Gazette of the Republic of Indonesia Year 2010 Number 30, Supplement to State Gazette of the Republic of Indonesia Number 5112) as having been amended by government regulation (PP) Number 61 Year 2012 on Amendment of government regulation (PP) Number 24 Year 2010 on Utilization of Area of Forest (State Gazette of the Republic of Indonesia Year 2012 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 5325);

DECIDES:

To Enact GOVERNMENT REGULATION (PP) ON SECOND AMENDMENT OF GOVERNMENT REGULATION (PP) NUMBER 24 YEAR 2010 ON UTILIZATION OF AREA OF FOREST.

Article 1

Stipulations of government regulation (PP) Number 24 Year 2010 (State Gazette of the Republic of Indonesia Year 2010 Number 30, Supplement to State Gazette of the Republic of Indonesia Number 5112) as having been amended by government regulation (PP) Number 61 year 2012 on Amendment of government regulation (PP) Number 24 Year 2010 on Utilization of Area of Forest (State Gazette of the Republic of Indonesia Year 2012 Number 140, Supplement to State Gazette of the Republic of Indonesia Number 5325) shall be amended as follows:

1. Stipulations (provisions) of paragraph (2) letters d, g and l of Article 4 shall be amended and reading as follows:

Article 4

(1) The utilization (use) of area of forest for the sake of development excluding the activities of forestry shall be allowed only for the activity with strategic goal, of which cannot be disregarded.

(2) The intention of development excluding the activities of forestry as

cited in paragraph (1) shall include the activities of:

- a. religion;
- b. mining;
- c. installation of power generation, transmission, and distribution of electricity as well as the application of technology of new and renewable energy resources ;
- d. construction of telecommunications networks, stations of radio broadcasting, TV relay stations, and geo-station of outer-space observation;
- e. development of public roads, toll roads, and railway tracks;
- f. transportation that is not categorized as public transportation for the delivery of the result of production;
- g. development of dam, dyke, embankment, irrigation, passageway (drain) of potable water, sewage and sanitation, and other irrigation facilities;
- h. public facilities;
- i. industry in addition to primary industry of forest produces;
- j. defense and security;
- k . supporting infrastructure for public safety;
- l. shelter for the victims of natural disaster with temporary activity; or
- m certain agriculture for the sake of food resilience and energy resilience.

2. Stipulation of Article 6 shall be amended and reading as follows:

Article 6

- (1) Utilization (use) of area of forest for the sake of development excluding the activities of forestry as cited inn Article 4 paragraph (2) shall be based on a permit of borrow-to-use area of forest.
- (2) Permit of borrow-to-use area of forest as cited in paragraph (1) shall be applicable:
 - a. for Province whose area of forest is equal to or less than 30 (thirty) percent) of the area of watershed, island, and/or Province, with compensation of:
 - 1. land area for commercial purpose; and
 - 2. activity of planting of vegetation for the sake of rehabilitation of river watersheds especially in area of forest for non-commercial purposes.
 - b. in Province whose area of forest is greater than 30 (thirty) percent of the total area of watershed, island, and/ or Province, with compensation as follows:
 - 1. to give payment for State's non-tax revenue for the utilization of area of forest and to plan vegetation for the sake of rehabilitation of watersheds especially in area of

forest for commercial purposes; and

2. to plant vegetation for the sake of rehabilitation of watersheds especially in area of forest for non-commercial purposes;

c. in the whole Province for the activities as follows:

1. State's defense, the means of safety of sea traffic or land traffic, and the means of meteorology, climatology, and geophysics;
2. survey and exploration; and
3. shelter for victims of natural disaster with temporary activity in the location,

and other activity without compensation of land area or without compensation of payment of State's non-tax revenue for the utilization of area of forest and without the activity of planting for rehabilitation of watersheds.

(3) In regard that of the permit of borrow-to-use area of forest for exploration as cited in paragraph (20 letter c point 2 there will be sampling for mining test for the sake of economic feasibility, the requirements shall be of paragraph (2) letter a point 1 or letter b point 1.

(4) further stipulation concerning the land area of compensation as cited in paragraph (2) letter a point 1 and the planting of vegetation for rehabilitation of watersheds as cited in paragraph (2) letter a point 2 and letter b shall be regulated under a Ministerial Decree.

3. Stipulations (provisions) of paragraph (1) of Article 9 shall be amended and reading as follows:

Article 9

(1) Application (request) as cited in Article 7 paragraph (1) shall be submitted by:

- a. Minister or Ministerial-level Official;
- b. Provincial Governor;
- c. Regent/ Mayor;
- d. management of legal entity; or
- e. individual, group of individuals and/or people (community)

(2) Application (request) as cited in paragraph (1) shall meet:

- a. administrative and
- b. technical requirements

(3) Further stipulation concerning the administrative and technical requirements as cited in paragraph (2) shall be regulated under a Ministerial Decree.

4. Stipulation of paragraph (3) of Article 10 shall be amended and paragraph (4) of Article 10 shall be removed, and reading as follows:

Article 10

- (1) Based on the application (request) as cited in Article 9 paragraph (1), Minister shall conduct an assessment.
- (2) In case that from the result of assessment as cited in paragraph (1) the application has yet to meet the requirements, Minister shall issue a notice of refusal.
- (3) In case that from the result of assessment as cited in paragraph (1) the application has already met the requirements, Minister shall issue a permit of borrow-to-use area of forest.
- (4) Removed.

5. Stipulations (Provisions) of Article 11 are removed.

6. Stipulations (Provisions) of Article 12 are removed

7. Stipulations (Provisions) of Article 13 are removed

8. Stipulations (Provisions) of Article 15 shall be amended and reading as follows:

Article 15

- (1) The holder of permit of borrow-to-use area of forest shall be obliged to do as follows:
 - a. to identify and determine the boundaries of location of the permit of borrow-to-use area of forest;
 - b. to provide the payment of State's non-tax revenue for the utilization of area of forest;
 - c. to plant vegetation for the sake of rehabilitation of watersheds;
 - d. to handover the result of identification and determination of boundaries and to reforest the land area of compensation;
 - f. to reclaim and/ or reforest the location of borrow-to-use area of forest that is no longer occupied; and
 - g. to fulfill other obligations as determined by Minister.
- (2) The holder of permit of borrow-to-use area of forest shall be obliged to identify and determine the boundaries of the location of borrow-to-use area of forest as cited in paragraph (1) letter a in a maximal period of 1 (one) year after the issuance of permit of borrow-to-use area of forest and there will be no extension of time.
- (3) In case that the holder of permit of borrow-to-use area of forest is a governmental agency, the period of time for identification and determination of boundaries as cited in paragraph (2) shall be extendable for a maximal period of 1 (one) year.
- (4) In case that the holder of permit of borrow-to-use area of forest has already concluded the identification and determination of boundaries of the location of borrow-to-use area of forest as cited in paragraphs (2) and (3), Minister shall legitimately determine the boundaries of the location of borrow-to-use area of forest .
- (5) In case that the holder of permit of borrow-to-use area of forest has yet to conclude the identification and determination of

boundaries of the location of borrow-to-use area of forest in a period of time as cited in paragraphs (2) and (3), the permit of borrow-to-use area of forest shall be declared null and void (abolished).

9. Stipulations (Provisions) of Article 17 shall be amended and reading as follows:

Article 17

- (1) The holder of permit of borrow-to-use area of forest shall be prohibited to do as follows:
 - a. to handover the permit of borrow-to-use area of forest to another party or to change the name of the holder of permit of borrow-to-use area of forest without the consent of Minister;
 - b. to make the location of the permit of borrow-to-use area of forest as collateral or mortgage to another party; and/ or
 - c. to carry out activities in the location of the permit of borrow-to-use area of forest before conducting the identification and determination of boundaries of the location of the permit of borrow-to-use area of forest, except for the activity to prepare for the construction of direction kits and/or for the measurement of facilities and infrastructures.
- (2) In case that the permit of borrow-to-use area of forest is designated for the activities of national development of vital goal such as those of geothermal for electricity, oil and gas, power generation, water dam and embankment, the holder of the permit of borrow-to-use area of forest shall be allowed to carry out such activities in the location of borrow-to-use area of forest before the completion of the identification and determination of boundaries.

10. Stipulations (Provisions) of paragraph (3) of Article 18 shall be amended and reading as follows:

Article 18

- (1) The period of time for the borrow-to-use area of forest shall be similar to the term of the permit of borrow-to-use area of forest as in compliance with the prevailing laws and regulations.
- (2) In regard of the period of time for the borrow-to-use area of forest for any activity that is not equipped with permit as per nature of activity, the permit of borrow-to-use area of forest shall be subject to a maximal period of effectiveness for 20 (twenty) years and extendable based on the result of evaluation.
- (3) The period of time for the borrow-to-use area of forest for the sake of State's defense, facilities of safety of sea traffic or air traffic, public roads, railway tracks, water dams, dykes and embankment, irrigation, passageways (drains) of potable water, sewage of waste water and sanitation, other irrigation construction, the means of meteorology, climatology, geophysics, and religious facilities, shall be for the length of time of usage.
- (4) The permit of borrow-to-use area of forest as cited in paragraphs (1), (2) and (3) shall be evaluated by Minister one time in 5 (five) years or at any time when necessary.
- (5) In case that based on the result of evaluation of the holder of permit of borrow-to-use area of forest, the location is no longer occupied by the holder of the permit of borrow-to-use area of forest; consequently the permit of borrow-to-use area of forest shall be

revoked.

11. Stipulations (Provisions) of paragraph (1) of Article 19 shall be amended and reading as follows:

Article 19

- (1) Minister shall conduct monitoring and evaluation of the holder of the permit of borrow-to-use area of forest.
- (2) In regard of conducting the monitoring and evaluation as cited in paragraph (1), Minister shall be allowed to delegate the task to an official as assigned or to Provincial Governor.
- (3) Further stipulations (provisions) on the monitoring and evaluation shall be regulated under a Ministerial Decree.

12. Stipulations (Provisions) of Article 20 shall be amended and reading as follows:

Article 20

- (1) The permit of borrow-to-use area of forest as cited in Article 10 paragraph (3) shall be null and void (abolished) in case that:
 - a. the term of permit of borrow-to-use area of forest has expired;
 - b. it is revoked by Minister; or
 - c. the area is voluntarily relinquished by the holder of the permit of borrow-to-use area of forest before the expiration of term and there has been a written statement in view of that.
- (2) The permit of borrow-to-use area of forest as cited in paragraph (1) letter b shall be revoked in considering that the holder of the permit of borrow-to-use area of forest is sanctioned based on this government regulation (PP).
- (3) In regard of the voluntary relinquishment as cited in paragraph (1) letter c, Minister shall make a decision concerning the revoke of the permit of borrow-to-use area of forest.

13. Stipulations (Provisions) of Article 25 shall be amended by adding 1 (one) letter namely letter c and reading as follows:

Article 25

With the enactment of this government regulation (PP),

- a. the principle permit for the utilization of area of forest that had been granted by Minister prior to the enactment of this government regulation (PP) and all the obligations have been fulfilled as stated in the principle permit, shall be allowed to be further processed to become a permit of borrow-to-use area of forest with further obligations stated under this government regulation (PP);
- b. the agreement or permit of borrow-to-use area of forest that had been applicable prior to the enactment of this government regulation (PP) shall remain effective up to the expiration of the permit or agreement of borrow-to-use area of forest.
- c. The holder of the principle permit for the utilization of area of forest who has made available part or the whole of the land area of compensation shall remain compulsory to handover the land area of compensation, of which will be converted into an area of forest and

furthermore it shall be processed under this government regulation (PP).

Article II

This government regulation (PP) shall be effective as of the date of enactment. That every one shall be made aware of, and this government regulation (PP) shall be published in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta
Dated December 22, 2015
PRESIDENT OF THE REPUBLIC OF INDONESIA.

Signed

JOKO WIDODO

Legislated in Jakarta
on December 28, 2014
MINISTER OF LAWS AND HUMAN RIGHTS
OF THE REPUBLIC OF INDONESIA.

Signed

YASONNA H. LAOLY

STATE GAZETTE OF THE REPUBLIC OF INDONESIA YEAR 2015 NUMBER 327

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MINISTRY OF STATE SECRETARIAT
OF THE REPUBLIC OF INDONESIA
Head Of Bureau Of Laws And Regulations

Signed

Muhammad Sapta Murti