

THE CONTROL OF THE CIRCULATION OF FOREST PRODUCTS AND THE PRIMARY INDUSTRY OF WOOD FOREST PRODUCTS

(Regional Regulation of the Special Capital Province of
Jakarta No. 9/2008 dated November 3, 2008)

BY THE GRACE OF GOD ALMIGHTY
THE GOVERNOR OF THE SPECIAL CAPITAL
PROVINCE OF JAKARTA,

Considering :

- a. that Regional Regulation No. 11/2004 on the Circulation of Forest Products and the Primary Industry of Wood Forest Products is no longer relevant and needs to be revised;
- b. that to control the circulation of forest products in a sustainable way according to Regional Regulation No.11/2004 as referred to in letter a, it is necessary to revise regulation on the primary industry of wood forest products by issuing a regional regulation;
- c. that based on considerations in letter a and letter b, to ensure the smooth and optimum control of the circulation of forest products in the Special Capital Province of Jakarta, it is necessary to enact a Regional Regulation on the Control of the Circulation of Forest Products and the Primary Industry of Wood Forest Products;

In view of :

1. Law No. 18/1997 on Regional Taxes and Levies (Statute Book of 1997 No. 41, Supplement to Statute Book No. 3685) as has been amended

- by Law No. 34/2000 (Statute Book of 2000 No. 246, Supplement to Statute Book No. 4048);
2. Law No. 41/1999 on Government Regulation in lieu of Law No. 1/ 2004 on Amendment to Law No. 41/1999 on Forestry into Law (Statute Book of 1999 No. 167, Supplement to Statute Book No. 3888);
3. Law No. 10/2004 on the Enactment of Legislation (Statute Book of 2004 No. 53, Supplement to Statute Book No. 4389);
4. Law No. 32/2004 on Regional Governments (Statute Book of 2004 No. 125, Supplement to Statute Book No. 4437) as has been several times amended the latest by Law No. 12/2008 (Statute Book of 2008 No. 59, Supplement to Statute Book No. 4844);
5. Law No. 29/2007 on the Government of the Special Capital Province of Jakarta as the Capital of the Unitary State of the Republic of Indonesia (Statute Book of 2007 No. 93, Supplement to Statute Book No. 4744);
6. Government Regulation No. 20/2001 on the Development and Control of the Organization of Regional Governments (Statute Book of 2001 No. 41, Supplement to Statute Book No. 4090);
7. Government Regulation No. 66/2001 on Regional Levies (Statute Book of 2001 No. 119, Supplement to Statute Book No. 4139);

8. Government Regulation No. 45/2004 on Forest Protection (Statute Book No. 4453);
9. Government Regulation No. 6/2007 on Forest Management and Plan for Forest Management and Forest Utiliation;
10. Presidential Decree No. 74/2001 on the Procedure of Supervising the Organization of Regional Governments;
11. Decree of the Home Affairs Minister No. 43/1999 on the System and Procedure of Administering Regional Taxes and Other Revenues;
12. Decree of the Forestry Minister No. 125/Kpts-II/2003 on the Procedure and Requirements of Applying for Business Permits in the Primary Industry of Wood Forest Products;
13. Regulation of the Forestry Minister No. P.51/MENHUT-II/2006 on the Use of Letter of Origin (SKAU) for the Transport of Wood Forest Products Originating from Forest Concessions as has been amended by Regulation of the Forestry Minister No. P.62/MENHUT-II/2006;
14. Regulation of the Forestry Minister No. P.55/MENHUT-II/2006 on the Administration of Forest Products Originating from State Forests as has been amended by Regulation of the Forestry Minister No. P.63/MENHUT-II/2006;
15. Regulation of the Forestry Minister No. P.70/MENHUT-II/2006 on the Third Round of Amendment to Decree of the Forestry Minister No. 300/KPTS-II/2003 on the Reregistration of Business Permits in the Primary Industry of Wood Forest Products as has been amended by Regulations of the Forestry Minister No. P.16/MENHUT-II/2004

and No. P.28/MENHUT-II/2005;

16. Regional Regulation No. 3/2001 on the Organizational Structure and Work Mechanism of the Regional Apparatuses and the Secretariat of the Regional Legislative Assembly of the Special Capital Province of Jakarta (Regional Gazette of the Special Capital Province of Jakarta of 2001 No. 66);

By the Joint Approval of

THE REGIONAL LEGISLATIVE ASSEMBLY OF THE
SPECIAL CAPITAL PROVINCE OF JAKARTA

and

THE GOVERNOR OF THE SPECIAL CAPITAL PROVINCE OF JAKARTA

DECIDES :

To stipulate :

REGIONAL REGULATION ON THE CONTROL OF
THE CIRCULATION OF FOREST PRODUCTS
AND THE PRIMARY INDUSTRY OF
WOOD FOREST PRODUCTS.

CHAPTER I

GENERAL PROVISIONS

Article 1

Referred to in this Regional Regulation as :

1. Region is the Special Capital Province of Jakarta.
2. Government of the Special Capital Province of Jakarta is the Governor and the Regional Apparatuses of the Special Capital Province of Jakarta as the administrator of the Special Capital Province of Jakarta.

3. Governor is the Regional Head of the Special Capital Province of Jakarta.
4. Forest products are biological articles in the form of wood forestproducts and non-wood forest products and their derivatives other than wild plants and animals.
5. Control is the act of nurturing and supervising the circulation of forest products and the primary industry of wood forest products.
6. Circulation of forest products is a series of activities including the entry and release of forest products.
7. Primary industry of wood forest products is the industry directly processing logs and/or chip raw materials into semi-finished goods in the form of sawn timber, chips, veneer, plywood/wood panel and finished goods as the continuation of industry processing semi-finished goods.
8. Official report on the inspection of forest products is the result of control and inspection of forest products and accompanying documents.
9. Authorized officer is the regional civil servant responsible for the forestry sector and appointed according to the law to serve as an officer inspecting, measuring and examining forest products.
10. Document and other certificates are legal evidence of forest products.
11. Forestry service post is the place to provide forest product inspection, measurement and examination services.
12. Body is state-owned company (BUMN), regional government-owned company (BUMD), private

company or cooperative engaged in the exploitation of forest products.

13. Facilities and infrastructures are the places owned by the Government of the Special Capital Province of Jakarta to hoard, dehydrate, preserve, and process forest products.

CHAPTER II

THE CIRCULATION OF FOREST PRODUCTS

Article 2

- (1) Every forest product entering the region shall be equipped with a document and other legal certificates.
- (2) The legality of the document and other certificates as referred to in paragraph (1) shall become the responsibility of the owner/transporter of the forest product according to the law.

Article 3

- (1) Anyone or body carrying the forest product and document as referred to in Article 2 paragraph (1) shall report to the nearby forestry service post.
- (2) The authorized officer in the forestry sector shall inspect every forest product entering the region to ensure that it matches the accompanying document.
- (3) If the physical condition of the inspected forest product as referred to in paragraph (2) matches the accompanying document, the document shall be validated by the forestry officer.
- (4) Further procedures of inspection and examination as referred to in paragraph (3) are to be provided for in the Regulation of the Governor.

CHAPTER III

THE INSPECTION, MEASUREMENT AND EXAMINATION OF FOREST PRODUCTS

Article 4

- (1) Every forest product entering the region as referred to in Article 3 shall be subject to inspection, measurement and examination by the authorized officer to ensure that it matches the accompanying document.
- (2) The inspection, measurement and examination of forest product as referred to in paragraph (1) shall take place at the forestry service post, the forestry product hoarding and accommodating place.
- (3) The authorized officer as referred to in paragraph (1) shall make an official report on the inspection, measurement and examination of forest product.
- (4) Further procedures of inspection, measurement and examination as referred to in paragraph (2) are to be provided for in the Regulation of the Governor.

CHAPTER IV

THE LICENCING AND EVALUATION OF THE PRIMARY INDUSTRY OF WOOD FOREST PRODUCTS

Article 5

- (1) Anyone or body engaged in the primary industry of forest products with a capacity of up to 6,000 m³ (six thousand cubic meters) a year shall hold a business permit of the primary industry of forest products from the Governor.
- (2) The permit as referred to in paragraph (1) shall be valid as long as the relevant industry is still opera-

tional and evaluated at least once every 3 (three) years.

- (3) Anyone or body wishing to obtain a business permit of the primary industry of forest products with a capacity of more than 6,000 m³ (six thousand cubic meters) a year shall receive a recommendation from the Governor.
- (4) Further requirements and procedures of applying for the permit and recommendation as referred to in paragraphs (1), (2) and (3) are to be provided for in the Regulation of the Governor.

CHAPTER V

FOREST PRODUCT FACILITIES AND INFRASTRUCTURES

Article 6

- (1) Anyone or body can benefit from forest product facilities and infrastructures owned by the Regional Government consisting of:
 - a. forest product hoarding place;
 - b. wood dehydrating and preserving instrument;
 - c. forest product processing instrument;
 - d. instrument to test already-dehydrated and preserved wood and examine the types or quality of wood.
- (2) Further requirements and procedures of benefiting from the facilities and infrastructures as referred to in paragraph (1) are to be provided for in the Regulation of the Governor.

CHAPTER VI

FOREST PRODUCTS FROM AUCTION

Article 7

- (1) Forest products from an auction carried and/or moved shall be subject to inspection, measurement and examination.
- (2) Forest products from an auction as referred to in paragraph (1) shall be equipped with a document and other certificates.

CHAPTER VII

LEVIES

Article 8

Anyone or body using the services of measurement and examination, obtaining a business permit of the primary industry of wood forest products, and benefiting from the facilities and infrastructures owned by the Regional Government shall be subject to levies the amount of which is set in the Regional Regulation on Regional Levies.

CHAPTER VIII

NURTURING AND SUPERVISION

Article 9

- (1) The Governor shall nurture and supervise anyone and/or body engaged in forestry business.
- (2) The Governor can delegate the task of nurturing and supervising anyone and/or body engaged in forestry business as referred to in paragraph (1) to the regional apparatuses responsible for the forestry sector.
- (3) The nurturing and supervision as referred to in paragraph (1) shall be done as part of the efforts to :
 - a. familiarize the public with the forestry law;
 - b. improve the legal awareness of anyone and/

or body engaged in the forestry sector and apparatuses implementing this Regional Regulation;

- c. supervise the circulation of forest products.

CHAPTER IX

PUBLIC PARTICIPATION

Article 10

- (1) The public can participate in supervising the circulation of forest products and the primary industry of forest products.
- (2) The public participation as referred to in paragraph (1) is conducted by giving:
 - a. information;
 - b. suggestions;
 - c. considerations.

CHAPTER X

ADMINISTRATIVE SANCTIONS

Article 11

Officers violating provisions in Article 3 paragraph (2), Article 4 paragraph (1) and paragraph (4) shall be liable to personnel disciplinary sanctions according to the law and regulation.

Article 12

Anyone or body engaged in the wood forest product industry that is not equipped with a business permit and violating provisions in Article 5 paragraph (1) and paragraph (2) shall be liable to administrative sanctions in the form of :

- a. written warnings issued 3 (three) times at an interval of 7 (seven) days;

- b. having their business closed.

Article 13

Anyone or body engaged in the primary industry of wood forest products by holding a business permit but the capacity of the industry exceeds that contained in the business permit, shall be liable to administrative sanctions in the form of :

- a. written warnings issued 3 (three) times at an interval of 7 (seven) days;
- b. having their permit revoked;
- c. having their business closed.

CHAPTER XI
INVESTIGATION

Article 14

- (1) Besides officials of the Police of the Republic of Indonesia tasked with investigating criminal offences, the investigation of the criminal offences as referred to in this Regional Regulation can also be conducted by civil servant investigators (PPNS) of the Regional Government.
- (2) In conducting the investigation, the PPNS officials as referred to in paragraph (1) have the authority to :
 - a. receive a report or complaint from an individual about a criminal offence;
 - b. take the first step at that time on the scene and conduct inspection;
 - c. ask a suspect to stop and check the identity of the suspect;
 - d. confiscate articles or letters;
 - e. take fingerprints and take a picture of other

person/an individual;

- f. summon people to undergo questioning as a suspect or witness;
 - g. invite an expert used in the investigation of case;
 - h. stop investigation after receiving guidance that there is no adequate evidence or the case is not a criminal offence, and then give the matter to the public prosecutor, the suspect or his/her relatives;
 - i. take other legal action that can be accounted for.
- (3) In performing their duties, PPNS officials are not authorized to make an arrest and/or detention.
 - (4) PPNS officials shall make an official report for each action on:
 - a. the investigation of suspect;
 - b. the ransacking of house;
 - c. the seizure of articles;
 - d. the examination of letters;
 - e. the investigation of witness;
 - f. on-the-spot investigation and send the dossiers to the District Court with a copy addressed to the investigators of the Police of the Republic of Indonesia.

CHAPTER XII
CRIMINAL PROVISIONS

Article 15

- (1) Anyone or body that carries forest product along with the accompanying document without reporting to the forestry service post and violates provisions in Article 3 paragraph (1) shall be sentenced

to a maximum of 3 (three) months in jail or be fined a minimum of Rp15,000,000 (fifteen million rupiahs) and a maximum of Rp50,000,000 (fifty million rupiahs).

- (2) The criminal offence as referred to in paragraph (1) is violation.

Article 16

- (1) Anyone or body that does not conduct inspection, measurement and examination nor complete a document and other legal certificates for forest product from an auction shall be sentenced to 3 (three) months in jail or fined a minimum of 15,000,000 (fifteen million rupiahs) and a maximum of Rp50,000,000 (fifty million rupiahs).
- (2) The criminal offence as referred to in paragraph (1) is violation.

Article 17

- (1) Anyone or body that enters forest product without any document or the physical condition of forest product does not match the document or other legal certificates and violates provisions in Article 2 paragraph (1) shall be liable to criminal sanction according to the law.
- (2) The criminal offence as referred to in paragraph (1) is a crime.

CHAPTER XIII
TRANSITIONAL PROVISIONS

Article 18

- When this Regional Regulation takes effect,
- a. permits issued before this Regional Regulation takes effect shall remain valid;

- b. permit applications being processed shall be settled based on this Regional Regulation.

CHAPTER XIV

CONCLUSION

Article 19

When this Regional Regulation begins to take effect, Regional Regulation No. 11/2004 on the Circulation of Forest Products and the Primary Industry of Wood Forest Products shall be declared null and void.

Article 20

This Regional Regulation shall come into force as from the date of promulgation.

For public cognizance, this Regional Regulation shall be promulgated by placing it in the Regional Gazette of the Special Capital Province of Jakarta.

Stipulated in Jakarta
on November 3, 2008

THE GOVERNOR OF THE SPECIAL
CAPITAL PROVINCE OF JAKARTA,
sgd.

FAUZI BOWO

Promulgated in Jakarta
on November 3, 2008

THE REGIONAL SECRETARY OF THE SPECIAL CAPITAL PROVINCE OF JAKARTA,
sgd.

MUHAYAT
NIP 050012362

REGIONAL GAZETTE OF THE SPECIAL CAPITAL
PROVINCE OF JAKARTA OF 2008 NO. 9.

ELUCIDATION
OF
REGIONAL REGULATION OF
THE SPECIAL CAPITAL PROVINCE OF JAKARTA
NO. 9/2008
ON
THE CONTROL OF THE CIRCULATION OF FOREST
PRODUCTS AND THE PRIMARY INDUSTRY
OF WOOD FOREST PRODUCTS

I. GENERAL

The Special Capital Province of Jakarta as the center of administration, services, and trade is the biggest destination city for the marketing of forest products from other regions.

The volume of forest products entering the Special Capital Province of Jakarta increases every year, consisting of logs, processed wood, and non-wood forest products. Processed wood forest products are not only consumed by the public for the development of housing, office buildings, shopping centers and recreational areas but also are shipped to other regions and even exported. The increasing volume of logs entering the Special Capital Province of Jakarta has encouraged the growth of wood forest product industries. To control the circulation of forest products and the industry of wood forest products, the Special Capital Province of Jakarta has issued Regional Regulation No. 11/ 2004 on the Circulation of

Forest Products and the Primary Industry of Wood Forest Products.

With the enactment of Regulation of the Forestry Minister No. P. 55/MENHUT/2006 on the Administration of Forest Products Originating from State Forests as has been amended by Regulation of the Forestry Minister No. P. 63/MENHUT/2006, there has been a change in the procedure and nomenclature of the types of permits over which the authority is given to the region and therefore, Regional Regulation No. 11/2004 needs to be amended by issuing a Regional Regulation.

II. ARTICLE BY ARTICLE

Article 1

point 1 up to point 3

Sufficiently clear.

point 4

Referred to as :

- a. wood forest product is log, sawn timber and semi-finished wood;
- b. non-wood forest product is non-wood forest product including plantation commodities collected from state forests such as rattan, resin, volatile oil, and bark.

point 5 up to point 13

Sufficiently clear.

Article 2

Paragraph (1)

Referred to as entering is circulating, and transiting in and passing through the territory of the Special Capital Province of Jakarta.

Paragraph (2)

Sufficiently clear.

Article 3

Sufficiently clear.

Article 4

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Referred to as hoarding place is the place owned by the Regional Government to accommodate forest products and the place has met technical requirements to accommodate and collect forest products and maintain their quality.

Referred to as accommodating place is the place owned by the private sector to accommodate and collect forest products.

Paragraph (3) and Paragraph (4)

Sufficiently clear.

Article 5

Paragraph (1)

The decision to set the maximum capacity of up to 6,000 m³ (six thousand cubic meters) is based on the regional authority according to the law.

Paragraph (2) up to Paragraph (4)

Sufficiently clear.

Article 6

Sufficiently clear.

Article 7

Paragraph (1)

Referred to as forest product from auction is forest product seized from illegal logging.

Paragraph (2)

Sufficiently clear.

Article 8 and Article 9

Sufficiently clear.

Article 10

Paragraph (1)

Sufficiently clear.

Paragraph (2)

Referred to as public participation is the involvement of the public in controlling the circulation of forest products and the primary industry of wood forest products to assist the Regional Government.

Article 11 up to Article 20

Sufficiently clear.

(S)