

MINISTRY OF ENVIRONMENT AND FORESTRY

REPUBLIC OF INDONESIA

NUMBER : P.42/Menlhk-Setjen/2015

CONCERNING

ADMINISTRATION OF FOREST PRODUCTS ORIGINATING

FROM PLANTATION FOREST IN FOREST PRODUCTION

WITH THE BLESSING OF ONE ALMIGHTY GOD

MINISTRY OF ENVIRONMENT AND FORESTRY

REPUBLIC OF INDONESIA

- Considering:
- a. That to implement Article 117 paragraph (1) of Government Regulation Number 6 Year 2007 regarding Forest Management and Forest Management Planning as well as Forest Utilization, as amended by Government Regulation No. 3 of 2008, we have stipulated Ministry of Forestry Regulation No. P.42 / Menhut- II / 2014 on Administration of Forest Products Originating From Plantation Forest In Forest Production;
 - b. That in order to improve competitiveness and forest governance in order to reduce high-cost economy as the result of a study from the team of Research and Development of Anti-Corruption Commission as well as taking into account the development of the current conditions, the management in forest product from plantation forest in forest production needs to be rearranged to give a greater role for the businessmen

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through the application of the principle of self assessment supported by a web-based information technology;

- c. Based on the considerations referred to in paragraphs a and b, it is necessary to stipulate the Ministry of Environment and Forestry Regulation on the Administration of Forest Products Originating From Plantation Forest In Forest Production;

In View Of:

1. Law No. 5 of 1990 on Conservation of Natural Resources and Ecosystems (State Gazette of the Republic of Indonesia Year 1990 Number 49, Supplement to the State Gazette of the Republic of Indonesia Number 3419);
2. Law Number 20 Year 1997 regarding Non-Tax State Revenue (State Gazette of the Republic of Indonesia Year 1997 Number 43, Supplement to the State Gazette of the Republic of Indonesia Number 3687)
3. Law No. 41 of 1999 on Forestry (State Gazette of the Republic of Indonesia Year 1999 Number 167, Supplement to the State Gazette of the Republic of Indonesia Number 3888), as amended by Act No. 19 of 2004 regarding Stipulation of Government Regulation in Lieu of Law No. 1 of 2004 on Amendments to the Law No. 41 Year 1999 on Forestry to enactment (State Gazette of the Republic of Indonesia 2004 Number 86, Supplement to the State Gazette of the Republic of Indonesia Number 4412);
4. Law No. 26 Year 2007 on Spatial Planning (State Gazette

- of the Republic of Indonesia Year 2007 Number 68, Supplement to the State Gazette of the Republic of Indonesia Number 4725);
5. Law No. 11 Year 2008 on Information and Electronic Transactions (State Gazette of the Republic of Indonesia Year 2008 Number 58, Supplement to the State Gazette of the Republic of Indonesia Number 4843);
 6. Law No. 32 of 2009 on the Protection and Management of the Environment (State Gazette of the Republic of Indonesia Year 2009 Number 140, Supplement to the State Gazette of the Republic of Indonesia Number 5059);
 7. Law No. 18 Year 2013 on Preventing and Combating Deforestation (State Gazette of the Republic of Indonesia Year 2013 Number 130, Supplement to the State Gazette of the Republic of Indonesia Number 5432);
 8. Law No. 23 Year 2014 regarding Regional Government (State Gazette of the Republic of Indonesia Year 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587);
 9. Government Regulation No. 45 of 2004 on Forests Protection (State Gazette of the Republic of Indonesia Year 2004 Number 147, Supplement to the State Gazette of the Republic of Indonesia Number 4453), as amended by the Government Regulation No. 60 Year 2009 (State Gazette of the Republic of Indonesia Year 2009 Number 137, Supplement to the State Gazette the Republic of Indonesia Number 5056);
 10. Government Regulation No. 6 Year 2007 regarding

- Forest Management and Forest Management Planning as well as Forest Utilization (State Gazette of the Republic of Indonesia Year 2007 Number 22, Supplement to the State Gazette of the Republic of Indonesia Number 4696) as amended by the Government Regulation No. 3 of 2008 (State Gazette No. 16, Supplement to State Gazette of the Republic of Indonesia Number 4814);
11. Government Regulation No. 72 Year 2010 on Forestry Public Corporation (State Gazette of the Republic of Indonesia Year 2010 Number 124);
 12. Government Regulation No. 82 Year 2012 on the Implementation of Systems and Electronic Transactions (State Gazette of the Republic of Indonesia Year 2012 Number 189, Supplement to the State Gazette of the Republic of Indonesia Number 5348);
 13. Government Regulation No. 12 Year 2014 regarding Type and Tariff of Non-Tax Revenues Applicable in Ministry of Forestry (State Gazette of the Republic of Indonesia Year 2014 Number 36, Supplement to the State Gazette of the Republic of Indonesia Number 5506);
 14. Presidential Decree No. 121/P of 2014 on the Establishment of the Ministry and the Appointment of Minister of Labor Cabinet for the of Period 2014-2019;
 15. Presidential Regulation No. 7 of 2015 on the Organization of the Ministry of State (State Gazette of the Republic of Indonesia Year 2015 Number 8);
 16. Presidential Regulation No. 16 Year 2015 concerning the Ministry of Environment and Forestry (State Gazette of the Republic of Indonesia Year 2015 Number 17);

17. Ministry of Forestry Regulation No. P.39/Menhut-II/2008 on Procedures of Imposing Administrative Sanctions against Forest Utilization Permit Holders (State Gazette of the Republic of Indonesia Year 2008 Number 14);
18. Ministry of Forestry Regulation No. P.45/Menhut-II/2011 on Measurement and Testing of Forest Products (State Gazette of the Republic of Indonesia Year 2011 Number 320);
19. Ministry of Forestry Regulation No. P.30/Menhut-II/2014 concerning the Comprehensive Periodic Forest Inventory and Work Plan on Forest Timber Utilization of Industrial Plantation Forest (State Gazette of the Republic of Indonesia Year 2012 Number 687);
20. Ministry of Forestry Regulation No. P.52/Menhut-II/2014 on Procedures for Imposition, Collection and Remittance Provision of Forest Resources, Reforestation Funds, Replacement of Stands Value and Stands Compensation (State Gazette of the Republic of Indonesia Year 2014 No. 1187);
21. Ministry of Forestry Regulation No. P.54/Menhut-II/2014 on Technical Competency and Certification of Sustainable Forest Management Manpower (State Gazette of the Republic of Indonesia Year 2014 No. 1227);
22. Ministry of Environment and Forestry Regulation No. P.13/Menlhk-II/2015 regarding Industrial Business License for Primary Forest Products (State Gazette of the Republic of Indonesia Year 2015 Number 473);

23. Ministry of Environment and Forestry Regulation No. P.18/MenLHK-II/2015 on the Organization and Administration of Ministry of Environment and Forestsry (State Gazette of the Republic of Indonesia Year 2015 Number 713);

DECIDED:

Stipulated : **MINISTRY OF ENVIRONMENT AND FORESTRY
REGULATION ON THE ADMINISTRATION OF FOREST
PRODUCTS ORIGINATING FROM PLANTATION FOREST IN
FOREST PRODUCTION.**

CHAPTER I

GENERAL PROVISIONS

Part One

Understanding

Article 1

Hereinafter referred to as:

1. Administration of timber forest products is the activity on recording and reporting of production planning, logging, measuring and testing, marking, transporting / distributing, as well as processing implemented through SIPUHH.
2. Administration of Forest Information System, hereinafter referred to as SIPUHH is a series of electronic device and procedures in place to prepare, collect, process, analyze, store, display, publish, transmit, and distribute timber forest product administration information..
3. SIPUHH Application is an application to undertake the management of forest products electronically provided in SIPUHH.
4. State Forest is a forest on land that does not encumbered land rights.

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5. Production Forest is a forest area that has the principal function of producing forest products.
6. Forest Manager is Perum Perhutani or Forest Management Unit outside the working area of Perum Perhutani.
7. Business License of Timber Forest Product Utilization in Industrial Plantation Forest, hereinafter referred to as IUPHHK-HTI is a granted business license to utilize timber forest products from plantation forest in production forest through land preparation, seeding, planting, maintenance, harvesting and marketing.
8. Business License of Timber Forest Product Utilization in Community Plantation Forest hereinafter referred to as IUPHHK-HTR is a plantation forest in production forest made by individuals or community groups to increase the potential and quality of production by implementing silviculture practices to ensure the sustainability of the forest resources.
9. Business License of Timber Forest Product Utilization in Plantation Rehabilitation Forest hereinafter referred to as IUPHHK- HTHR is a plantation forest in production forest that was made through the rehabilitation of land and forests in production forests to restore, maintain and improve the land and forests function in order to maintain the bearing capacity, productivity and its role as a life support.
10. Business License of Timber Forest Product Utilization in Community Forest, hereinafter referred to as IUPHHK-HK_m is granted a business license to utilize forest timber products in the working area of IUPHK_m in forest production.
11. Timber Utilization Permit in Forest Village hereinafter referred to as IUPHHK-HD is a business permit granted to utilize forest products such as forest village wood in forest production through planting,

- maintenance, harvesting, and marketing.
12. The permit holders are holders of IUPHHK- HT / HTR / HTHR / HD / HKm.
 13. Provision of Forest Resources, hereinafter referred to as PSDH is a levy imposed to the licensee as a substitute for the intrinsic value of forest products collected from the state forests.
 14. Primary timber industry product, hereinafter referred to as primary industry is an industry that process logs into semi-finished goods or finished goods.
 15. Further timber processing industry hereinafter referred to as the secondary industry are industries that process forest products whose raw materials came from the primary industry and / or from the Registered Timber Shelter Company (TPT-KO).
 16. Integrated wood processing industry hereinafter referred to as integrated industry is the primary and secondary industries located in the same area under the same legal entity.
 17. Annual Work Plan is a unit block of a certain forest area for timber logging within a period of one (1) year.
 18. Logging Plot Area is a part of the logging block of a certain area and becomes the smallest utilization business unit receiving the same silvicultural treatment.
 19. Wood Collection Points hereinafter referred to as TPn is the shelter of harvested wood from the nearby logging plot area.
 20. Timber Depot hereinafter referred to as Forest TPK is a property of the licensee that serves to hoard logs from several TPn, which is located within the boundaries of the license holder.
 21. Inter Wood Hoarding Shelter, hereinafter referred to as TPK Antara is the place to accommodate logs from 1 (one) licensee or more than 1 (one) the licensee which is from the same group, either in the form of

- logpond or logyard, which is located outside the licensee area and is within the production forests and / or outside the forest area.
22. Timber Depot Manufacturing Industry is hereinafter referred to as TPK is a logpond or logyard hoarding located in the industrial area and/or in the surroundings.
 23. Registered Log Shelter hereinafter referred to as TPT- KB is a place to accommodate logs, belonging to a company engaged in forestry or timber.
 24. Registered Timber Shelter hereinafter referred to as TPT-KO is a place to accommodate timber belonging to a company engaged in forestry or timber.
 25. Inventory Stands Prior to Logging, hereinafter referred to as ITSP is an activity of measurement, observation and recording of the trees (to be cut), tree cores, protected trees, regeneration, and other field data, to determine the type, quantity, diameter, height, as well as the information about state of the field / environment in a certain intensity in accordance with the provisions that has been set.
 26. Cruising Report hereinafter referred to as LHC is the result of tree data processing based on the ITSP on the logging plot area that contains quantity of tree, type, diameter, height and estimated volume.
 27. Harvesting is logging / cutting trees from the plantation areas.
 28. Logs are woods from production products as a result of harvesting from the plantation forest.
 29. Measurement book is where to record the test results of timber product measurements done in TPn.
 30. Production Report, hereinafter referred to as LHP is a document containing logging data results from the annual work plan / logging plot area that has been set.
 31. Timber hereinafter referred to as KO is a product of processed logs

- from the primary or integrated industry.
32. ID barcode is a QRCode or 2D barcode which is a symbol of log legality in the form of a label stuck on the tree trunks / logs, which contains information about the legality and origins of the product, which can be read using a specific device.
 33. Director General is the Director General entrusted with duties and responsibilities in the field of Sustainable Forest Management Production.
 34. Director is the director entrusted with duties and responsibilities in the areas of costs and distribution of Forest Products.
 35. Provincial Office is the government agency entrusted with duties and responsibilities in the forestry sector.
 36. Agency is an operation technical unit that is under and is responsible to the Director General.
 37. Forest Management Unit hereinafter referred to as KPH are forest management area in accordance to the allotment of its principal function, which can be managed efficiently and sustainably.

Part Two

Purpose, Objectives and Scope

Article 2

- (1) Administration of forest wood from plantations forest in the forest production are intended to ensure the rights of the state over all the forest timber products originating from the plantations that used permission/management rights in accordance with the provisions of the legislation.
- (2) Administration of timber forest products originating from forest plantations in forest production aims to ensure the legality and

orderly circulation of the forest products as well as making the data and information available.

- (3) The scope of the forest product administration from forest plantation in the production forests covers the entire forest product from the forest plantation that is used by the forest manager / holder of a valid permit and implements the self assessment through SIPUHH.

CHAPTER II

PRODUCTION

Part One

Production Planning

Article 3

- (1) Holders of IUPHHK-HTI / HTR / HTHR / HD / HKm shall implement the ITPS in accordance with the provisions of the legislation, as the basis for harvest planning in RKTUPHHK-HT.
- (2) ITSP results as referred to in paragraph (1) shall be recorded in the Cruising Report (LHC) electronically and uploaded into the SIPUHH application.
- (3) ITSP as referred to in paragraph (1) and the making of LHC as referred to in paragraph (2) shall be conducted by GANISPHPL Canhut.

Article 4

- (1) TPn and / or Forest TPK is appointed by the leader of the forest manager / corporate license holders or employees of companies holding managerial level, and is included in the RKTUPHHK document.
- (2) In the event that permission has expired and there are still forest timber stock left at the forest TPK, the permission remains in effect

until the entire inventory of wood is transported within a maximum period of one (1) year.

- (3) TPK Antara is located in the forest area designated by the Provincial Head.
- (4) In the event that within 5 (five) working days the Provincial Head did not specify the TPK Antara, the Director may determine the TPK Antara and the implementation shall be done by the Agency Head.
- (5) TPK Antara that are located outside the forest area is designated by the Director.
- (6) The application process and / or determination of TPn, forest TPK and TPK Antara is through the SIPUHH application.

Part Two

Measurement Testing

Article 5

- (1) All logs from the plantations forest in the forests production needs to determine the type and measurement by GANIS PHPL PKB in the TPn in accordance with the provisions of the legislation.
- (2) The measurement results of the examination referred to in paragraph (1) shall be recorded in the measurement book electronically and uploaded into the SIPUHH application as the basis for making the LHP.
- (3) Measurements can be done by:
 - a. log per log; or
 - b. staple meter conversion rate or weighing
- (4) The permit holder / forest managers can lable the logs on the timber body using the ID barcode for logs measured by using the log per log procedure.
- (5) Further provision on the staple meter and weight conversion (tons)

rate into the m³ (cubic meter) unit as referred to in paragraph (3) letter b is regulated by the Director General Regulation.

Part Three

The Making of LHP

Article 6

- (1) LHP is made electronically via the SIPUHH application by GANISPHPL PKB appointed as the LHP maker, at least at the end of each month.
- (2) LHP as referred to in paragraph (1) is the verification and validation result of the data with the logging plan on RKTUPHHK that includes the correctness of annual work plan origin and logging plots.
- (3) In the case LHP comes from two (2) logging districts / city or more, then the LHP is made for each district / city.

CHAPTER III

TRANSPORTING FOREST PRODUCT

Part One

Documents of Transporting Forest Product

Article 7

- (1) Each transport, control, or possession of timber forest products must be accompanied with the Certificate of Legal Timber Forest Products transport document (SKSHHK).
- (2) Transport document referred to in paragraph (1), is only valid for 1 (one) time carriage with one (1) destination.
- (3) Sender, carrier and receiver is responsible for the accuracy of documents and of the physical timber transported, delivered, or received.

Article 8

- (1) SKSHHK as referred to in Article 7 paragraph (1) is used to accompany the transport of:
 - a. Logs from TPK forest, TPK Antara, TPT-KB and primary industry;
 - b. Processed wood are sawn timber, veneer and flakes of primary industry.
- (2) Form of Transport is used for:
 - a. Transporting wood charcoal and / recycled wood;
 - b. Gradual transport of wood from the delivery location to the port of loading and / or unloading to the final destination point;
 - c. Transporting timber from TPT-K0;
 - d. KBK transport coming from a naturally grown trees prior to the issuance of land rights of forest area which has changed status to non forest area allocated for cerucuk;
 - e. Transportation of imported wood from the public port to the wood processing industry.
- (3) Transporting processed wood other than those referred to in paragraph (1) and (2) must be accompanied by a Company Memorandum.

Part Two

Publishing of Transportation Document

Article 9

- (1) SKSHHK as referred to in Article 8 paragraph (1) letter a, may only be issued to protect the forest products logs that have paid the PSDH fully in accordance with the provisions of the legislation.
- (2) SKSHHK as referred to in Article 8 paragraph (1) letter b, can only be issued to protect the processed wood of forest products such as sawn

timber, veneer and flakes from logs that are legitimate and processed by the primary industry that has a valid license.

- (3) SKSHHK is published by SKSHHK publisher via self assessment through the SIPUHH application.
- (4) SKSHHK publisher as referred to in paragraph (3) is an employee of the licensee who has the appropriate qualifications and competence of GANISPHPL.
- (5) Form of Transport is issued via self-assessment by the employees of the licensee.

Part Three

Appointment of TPT-KB and TPT- KO

Article 10

- (1) TPT-KB/TPT-KO is appointed by the Provincial Head at the request of the company or individual who are engaged in the timber industry along with the proposed location of the wood shelter.
- (2) The application process and the appointment of TPT-KB / TPT-KO as referred to in paragraph (1) is done via the SIPUHH application.
- (3) In the case of the Provincial Head within a period of 5 (five) working days does not appoint the TPT-KB / TPT-KO as referred to in paragraph (1), the Director may appoint the TPT-KB / TPT-KO, and the implementation shall be done by the Agency Head
- (4) Appointment of TPT-KB / TPT-KO is valid for three (3) years and can be extended as required.
- (5) TPT-KB / TPT-KO is not allowed to process wood.
- (6) In case the TPT-KB / TPT-KO holders does any violation as referred to in paragraph (5), the appointment of TPT-KB / TPT-KO will be revoked by the Provincial/ Agency Head.

Part Four

Transportation Document Treatment in Destination Points

Article 11

- (1) SKSHHK accompanying the transport of logs is verify at the destination point by GANIS PHPL PKB through the SIPUHH application.
- (2) GANISPHPL PKB as referred to in paragraph (1) is an employee of the licensee who is appointed and authorized by the permit holder to receive logs.
- (3) SKSHHK accompanying the transport of processed wood does the recording at the receiving destination point without going through the SIPUHH application.
- (4) SKSHHK received by the craftsmen / home industries are also recorded by the receiver without going through the SIPUHH application.

CHAPTER IV

MANAGEMENT OF FOREST PRODUCTS EXPORT / IMPORT

Article 12

- (1) In the implementation of wood export through a public port, transportation to the ports shall be accompanied by FA-KO or Company Memorandum.
- (2) Freight of timber imports from the public port to the wood processing industry is equipped with the Letter of Transport issued by the timber owner enclosing the copies of import documents.

CHAPTER V
STANDARDIZATION OF FORMAT AND FORM PROCURMENT

Article 13

- (1) SKSHH form format is determined by the Director General.
- (2) Serial number and procurement of SKSHHK form is done through the SIPUHH application.

CHAPTER VI
REPORTING

Article 14

- (1) Reporting of forest products management is done through the SIPUHH application.
- (2) KPH Head, Provincial Head, Agency Head and the Director does the monitoring and evaluation of forest products management report through SIPUHH.

CHAPTER VII
GUIDANCE AND CONTROL

Article 15

- (1) KPH Head, Agency Head, and Provincial Head conducts technical guidance and control of the implementation of the forest products management in their working area.
- (2) Based on the initial data and information from SIPUHH, General Director together with KPH, Agency and Provincial Office shall carry out post-audit of the implementation of the forest products management against the licensee / forest managers.

CHAPTER VIII

SANCTIONS

Article 16

- (1) License holder who does not conduct the timber forest products management, is subject to administrative sanction in accordance with the provisions of the legislation.
- (2) Timber forest products management as referred to in paragraph (1), includes:
 - a. Making the LHP report in accordance with the volume of timber harvested;
 - b. Carry out all the stages of forest product management through the SIPUHH application.

CHAPTEER IX

MISCELLANEOUS

Article 17

- (1) All stages of the forest product management from forest plantation in the forest production is carried out through SIPUHH.
- (2) Owners and managers of SIPUHH as referred to in paragraph (1) is the Directorate General.
- (3) SIPUHH access rights is granted to:
 - a. Administrator;
 - b. Directorate General Operator;
 - c. Provincial Office Operator;
 - d. Agency Operators;
 - e. License Holder Operator;
 - f. Public;
 - g. Others as are determined by the Director General.
- (4) Directorate General provides SIPUHH implementation costs, such as:

- a. The cost of procurement and maintenance of hardware and software in the Directorate General;
 - b. The cost of increasing the capacity of an administrator, operator of the Directorate General, operators of the Provincial Office and operator of the Agency;
 - c. SIPUHH development costs.
- (5) License holders provides SIPUHH operational costs such as:
- a. The cost of procurement, use and maintenance of hardware (hardware);
 - b. The cost of procurement / use of network / internet connection;
 - c. The cost of increasing the capacity of licensee operator
- (6) The Directorate General may allocate cost to increase the capacity of license holder operator.
- (7) SIPUHH implementation guidelines as referred to in paragraph (1) shall be further regulated in the Regulation of the Director General.

Article 18

- (1) Administration of forest products originating from Perum Perhutani is regulated separately by the Directors of Perum Perhutani.
- (2) Administration of timber forest products as referred to in paragraph (1) is conducted online via the information system that is built and developed by Perum Perhutani.
- (3) The information system referred to in paragraph (2) related to the issuance of LHP, PSDH payment and the issuance of transport documents is connected with the SIPUHH application.

Article 19

In the case of the Annual Work Plan (RKT) where the licensee still has plans of logging natural forest in the context of land preparation, the administration of its timber shall comply to administration of forest products

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in natural forest.

CHAPTER X TRANSITIONAL PROVISIONS

Article 20

- (1) TPK Antara, TPT-KB and TPT-KO which have been assigned under the applicable legislation before the entry of this regulation came into force remain valid until the expiration of the period specified.
- (2) FA-KB and FA-KO forms printed before this regulation is declared remain valid until the publication date on December 31, 2015.
- (3) In the event after the date of December 31, 2015 the license holder still has supply of logs and has not done the forest products management through the SIPUHH application, the license holder shall conduct inventory taking and the results are uploaded through the SIPUHH application.
- (4) Provision of facilities, infrastructure, applications and SIPUHH operator is at least 3 (three) months from the entry of this Regulation came into force.

CHAPTER XI

CLOSING

Article 21

At the time this regulation comes into force, the Ministry of Forestry Regulation No. P.42/Menhut-II/2014 concerning Administration of Forest Products Originating From Plantation Forest In Forest Production is revoked and declared invalid.

Article 22

This Regulation comes into force on January 1, 2016.

For public cognizance, this Ministerial Regulation shall be promulgated in the State Gazette of the Republic of Indonesia.

Enacted in Jakarta

On 12 August 2015

**MINISTRY OF ENVIRONMENT AND
FORESTRY REPUBLIC OF
INDONESIA,**

SITI NURBAYA

Promulgated in Jakarta

On

STATE REPORT OF THE REPUBLIC OF INDONESIA 2015 NUMBER