

**DECREE OF THE MINISTER OF FORESTRY AND PLANTATIONS
NUMBER: 510/Kpts-II/1998; DATED : JUNE 24, 1998**

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**THE PROVISION IN THE IMPLEMENTATION OF
THE EXPORT OF LOGWOOD AND SPLINTERS RAW MATERIAL**

MINISTER OF FORESTRY AND PLANTATIONS,

- Considering :**
- a. that in the framework the national economic reformation and to increase competitiveness as well as efficiency in the use of wood by continuing to observe the preservation of the forest resources as support of the quality of the global environment, it is necessary to regulate concerning the implementation provision of the export of logwood and splinters raw materials;
 - b. that in the Decree of the Minister of Industry and Trade No. 185/MPP/Kep/4/98 article 2 it has been stipulated concerning the logwood volume which can be exported shall be stipulated by the Minister of Forestry and Plantations;
 - c. that regulate the provisions on the implementation of the export of logwood and splinter raw materials, a Decree of the Minister of Forestry and Plantations shall be stipulated.

**Bearing
in mind**

- :**
1. Law No. 5/1967;
 2. Government Regulation No. 21/1970 jo Government Regulation No. 18/1975;
 3. Government Regulation No. 22/1967 jo Government Regulation No. 21/1980;
 4. Government Regulation Number 51 of 1998;
 5. Presidential Decree No. 29/1990 jo Presidential Decree No. 28/1991 jo Presidential Decree No. 40/1993 jo Presidential Decree No. 24/1997 jo Presidential Decree No. 53/1997 jo Presidential Decree No. 32/1998 jo.
 6. Presidential Decree No. 30/1990 jo Presidential Decree No. 29/1991 jo Presidential Decree No. 41/1993 jo Presidential Decree No. 67/1998.
 7. Presidential Decree No. 61/1998;

8. Presidential Decree No. 122/M/1998;
9. Decree of the Minister of Forestry No. 402/Kpts-IV/90 jo. Decree of the Minister of Forestry No. 525/Kpts-II/1991;
10. Decree of the Minister of Forestry Number : 486/Kpts-II/95 jo. Decree of the Minister of Forestry Number 532/Kpts-IV/95;
11. Decree of the Minister of Industry and Trade No. 185/MPP/Kep/4/1998.

HAS DECIDED :

To stipulate : THE DECREE OF THE MINISTER OF FORESTRY AND PLANTATIONS OF THE REPUBLIC OF INDONESIA CONCERNING THE PROVISIONS IN THE IMPLEMENTATION OF THE EXPORT OF LOGWOOD AND SPLINTERS RAW MATERIAL.

Article 1.

In this Decree referred to as :

- (1) Logwood shall be part of a tree cut into logs or stams freed from its branches, with a diameter of at least 30 cm and with and an unlimited length.
- (2) Splinters Raw Material shall be wood with a diameter of 20 cm and less and an unlimited length of the Meranti and Mixed Rimba kind, not including the beautiful and luxurious wood groups, except the Pinus (Pinus spp) and Mangrove sorts (Rhizophora spp and Bruguiera spp).
- (3) HPH/Foresry Exploitation Concession shall be the right to exploit the forest in a forest zone comprising activities of wood cutting, re-juvenation and maintenance of the forest, processing and marketing of forest yields in accordance with the Workplan of the Forest Exploitation according to the provisions in the force as well as the forest preservation and company principles.
- (4) The IPK/Wood Utilization Permit shall be the Permit to carry out wood cutting and utilizing at a forest area already stipulated or at other utilization area for the purpose of timber forest development or non-forestry purposes.
- (5) HPHTI/Timber Estate/Exploitation Right shall be the concession to exploit the timber estates in a forest area comprising the activities of planting, maintenance of the piles, collection of the forest yield, the processing up to the marketing there-of.
- (6) HTR/Smallholders' Timber Estates shall be the timber forest planted by the people on land which is their legal property.
- (7) The wood/timber yielded by a plantation shall be the wood produced/yielded by a Timber Area on plants felled because they do not have any economic value from the commodity yielded by said plants.

Article 2

- (1) Logwood and splinter materials which can be exported shall be those originating from HPHs/Concession Forests, HPHTI/Timber Forest Concessions, Smallholders' Wood Proprietors and Timber Estate Wood Owners on a target volume set forth in the RKT/Annual Workplan, Work Chart and legal permit.
- (2) For wood originating from a HPH and HPHTI a certificate shall be attached on the implementation of the AMDAL/Analysis concerning the Environmental Impact comprising the aspects of protected zones, chemical- biological- physics and cultural socio-economy, from the Head of the local Provincial Territorial Office of the Department of Forestry and Plantations (as the attached format example).

Article 3

- (1) The DR/Reforstation Fund and the PSDH/Forest Resources Provisions for the logwood and or splinter raw materials to be exported shall first be settled.
- (2) The settlement evidence of the DR and PSDH shall be attached at the time of the SAKB/Logwood Transportation Letter for export replacement application.

Article 4

- (1) On any logwood and splinter raw materials to be exported, before the Export SKAB document is issued, a physical examination shall be conducted by the designated Forestry Officer by the Head of the Provincial Forestry Service of the 1st. Grade Region and by the Head of the Territorial Office of the Department of Forestry and Plantations for territories which do not have a Forestry Service.
- (2) The physical examination of logwood as referred to in paragraph (1) is conducted by counting the entire number of logwoods and the volume/kind measured at random for 10% of the total wood party and if based on the result of the measuring the volume exceeds the 5% tolerance then a remeasuring shall be conducted without a tolerance of the kind.

The examination of the splinters raw material shall be conducted by carefully supervising the size of the diameter and if wood is found of a diameter above 30 cm, then it shall be removed from the party of splinter raw material.

- (3) The examination of the wood shall be conducted at the place where the wood is prepared for shipment and Minutes shall be prepared on the Examination (BAP).

Article 5

- (1) The wood originating from various SAKBs/Transportation Permits/Wood Origin Certificate issued by the authorities at the place of origin of the wood, shall be replaced by an SAKB for export.
- (2) The issuance of the replacement SKAB documents for Export shall be conducted by way of self-assessment by an officer of the exporter company concerned.

- (3) The SAKB for Export issuer Officer shall be stipulated by the Head of the local Provincial Territorial Office of the Departement of Forestry and Plantations at the designation of the Board of Directors of the Company concerned.

Article 6

The Director General of Forest Exploitation shall on the 10th. of the following month report the export implementation realization to the Minister of Forestry and Plantations.

Article 7

The Exporter of logwood and or splinter raw material shall every 5th. of the following month report the export implementation realization to the Director of Exports of the Department of Industry and Trade with a carbon copy to the Director of Forest Yield Utilization and Circulation.

Article 8

Provisions contradicting to this decree are declared as Nil and Void.

Article 9

Matters not yet accommodated in this decree shall be further stipulated by the Director General of Forest Exploitation.

Article 10

This decree shall be effective as from the date of stipulation.

Stipulation in Jakarta
on June 24, 1998

THE MINISTER OF FORESTRY AND ESTATES

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Dr. Ir. MUSLIMIN NASUTION